

HORSESHOE BAY PROPERTY OWNERS' ASSOCIATION, INC.
BOARD OF DIRECTORS' MEETING
May 21, 2008

Board President Fred Owen called the meeting to order at 9:00 AM with a quorum present: Attending were Vice President Jay Suter; Treasurer Bob Glanville; and Directors Warren Newman, David Pope and Tom Schmersahl. Director Paige Schweizer was absent. Advisory Board members Jimmie Lapham, Phillip Lee and Steve Spence were present. Also attending were City of Horseshoe Bay Mayor Bob Lambert and new City Manager Stan Farmer; Billy Lapham; Joan Yarrow; Jodi Babcock; and County Commissioner Johnnie Heck. POA General Manager Tom Engler was present as well as Administrative Secretary Judi Lane who recorded the minutes.

INVOCATION – Bob Glanville

APPROVE MINUTES – Following review of the April Minutes, Jay moved to approve the Minutes as submitted; second by David; **motion** passed unanimously.

TREASURER'S REPORT – Bob Glanville reported Revenues for April were about \$4,000 below budget, due primarily to a shortfall in budgeted receipts from HSB Maintenance Fund. Maintenance Fund collections are about \$7,000 greater than this time last year. Year-to-date numbers are about \$5,000 short of target, with actual revenues being \$949,983.94 versus budget of \$954,951.91. Expenses for April were about \$20,000 over budget, due primarily to the extra road work performed this year (main entrance; Rawhide). Total expenses for April were \$117,934.02; budgeted number was \$96,338.75. YTD is about \$22,000 over budget, again mainly due to extra road work. Actual number is \$424,922.47 versus budget number of \$402,470.60. The April Balance Sheet for Assets shows checking and savings accounts total \$563,812.11 which is \$117,876.73 less than this time last year, the principal reason being that POA spent over \$100,000 more on roads YTD 2008 than this time last year. Current Assets total \$588,431.44 and Fixed Assets are \$461,848.20, bringing Total Assets to \$1,050,279.64, which is \$74,262.64 less than April 2007. Total Liabilities are \$43,440.84, which includes Current Liabilities of \$18,440.84. Total Equity is \$1,006,838.80, which is \$76,913.47 or 7.1% lower than the April 2007 number. Jay moved to accept the Treasurer's Report; second by Warren; **motion** passed unanimously. (Copy of Bob's typed report and the April 2008 financials filed with these Minutes.)

COMMITTEE REPORTS

- **Mailboxes** – Tom is in the process of reviewing easement documents between the Developer and LCRA in an effort to select a site for a satellite mailbox for Lighthouse Drive. The next four possible locations are Port, The Cape, Oasis, and Lucy Lane. That would complete this area of Horseshoe Bay except Lighthouse Drive and, in two or three months, construction should begin in Horseshoe Bay West. Tom reported that repairs have been made to the satellite mailbox at The Oaks which was recently damaged by an unknown vehicle.
- **Roads & Grounds** – Jay asked Billy Lapham to report on the Quail Point landscaping project. Billy distributed a handout showing status of the QP Demonstration Garden. He stated the group plans next to update the beds around the building, starting in about two weeks, at an approximate cost of \$1,400. His group has spent about \$2,500 to date. They will also look at the various satellite mailboxes and make landscaping recommendations. (Copy of handout filed with these Minutes.) Jay reported the crews have finished spraying Roundup on the roadsides, and mowing of roadsides will start next week. We have received two bids on seal coating. The plan is to seal coat four miles of roads this year, at the approximate asphalt cost of \$25,000 per mile. Potholes will be repaired as they are reported to the POA. Phillip stated there are two areas of road breaking apart on Hi Circle North.

UNFINISHED BUSINESS

- **Ratify Actions Taken at 5-7-08 Special Meeting** – Fred noted ratification is needed regarding action taken on the D&O insurance coverage by Watkins Insurance, as well as action taken in correspondence to Eric Winter at City Hall regarding Park #13. Another item to be ratified is stating the reason for the delay in

prosecuting the junk car situation is that it was deferred at the City's request. Warren moved to ratify those actions; second by Tom S.; **motion** passed unanimously.

- **Shoppes at Hi Circle South** – Mayor Lambert stated this is a different project than what was originally presented and several items still need to be worked out. There will be no outdoor entertainment, only inside. Fred noted the POA has not received a formal request, so no action is needed at this time.
- **Bylaw Amendment Status Report** – Tom S. reported that he, Fred, and Bill Gaylord met recently to review the current Bylaws and determine what revisions are needed. He has prepared a working draft document and will give each Board member a copy with a request for input, then he will create a document to be voted on. He has also prepared a draft Conflict of Interest Statement and will present it at a future meeting for vote. Tom explained that every year the Board officers sign a document stating they have no conflicts of interest, and Fred commented that all directors should sign such a statement yearly.
- **Prosecuting Junk Cars** – Mayor Lambert stated that an ordinance related to junk cars will be discussed at the next City Council meeting.

MANAGER'S REPORT

- Tom reported that the Resort has a new sign which has been approved by the Architectural Committee and will be submitted to the City for a permit. The sign will replace the existing sign located on the rock on the South side of 2147 across from the main entrance.
- Referring to a question last month about verification of the Maintenance Fund accounts, Tom reported that he receives a monthly detailed report from the HSB Maintenance Fund.
- Tom stated that ten buoys have been ordered for The Cape area and will be paid for by The Cape.
- Tom delivered notices to approximately 40 houses during the past month advising the residents their yard was in need of maintenance. He has had a good response with most yards being mowed at this time.
- Tom has contacted TxDOT and the local post office with a request that they remove the mailbox stands along Hwy 2147. The HSB postmaster will call TxDOT to also request removal.
- Over the past month, Tom arranged to have a roll-off dumpster placed in Horseshoe Bay South. The dumpster was filled twice and has now been removed. It was noted the first load was approximately \$900, and the second was approximately \$700.
- Tom reported the new carillon speakers have been installed at the lighthouse.
- Tom reported all the new insurance policies are on file now in the POA Office.
- ERF Wireless (formerly TStar Internet) recently contacted Tom saying that AT&T requested that it be allowed to place larger equipment on the cellular tower in HSB, but the tower isn't designed to handle such equipment so ERF plans to have AT&T remove its equipment entirely from this tower. ERF anticipates still paying the POA the revenue it would have received from AT&T's usage of the tower.

GENERAL DISCUSSION

- Fred noted that Ilene & Chuck Perkett, as 4th of July coordinators this year, have requested that the POA Board members attend and serve as part of the POA welcoming committee to bring additional focus on the fact that this event would not occur without the sponsorship of the POA Board.
- Tom S. asked Tom if there are any plans for a street sign on Bay West Blvd. Tom said the Architectural Committee has not addressed that but he will approach them about signage.

- Tom S. expressed compliments to the Mayor and also Councilman Jeff Robinson for the City passing an ordinance on broadband internet service for the community. The City has received a letter from the Texas Public Utility Commission in response to the Resolution being sent to the Public Utility Commission. The letter states that the Commission is planning some meetings with providers at that level to review the services available in Horseshoe Bay. Additionally, Tom S. said he recently visited with some friends from Verizon who told him that Verizon has been made aware of the internet problems in Horseshoe Bay.
- Mayor Lambert commented that he and the City Council are looking forward to working with the POA on the Street Plan.
- Mayor Lambert introduced Stan Farmer, the new City Manager. He noted that Stan has a Master's Degree in Public Administration and has served several years as a city manager in other communities.
- Phillip asked the status of Skywater's interest in the POA campground. Mayor Lambert advised he has spoken with Sam Martin and they are no longer in need of a portion of the campground.
- Jodi asked for clarification of the tower situation with ERF Wireless. Tom elaborated that AT&T's larger equipment would have required removal of the existing tower and placement of a larger tower, leaving customers without service for a month or more.

The Board adjourned to Executive Session at 10:45 AM.

After reconvening, Tom S. moved that the upcoming Special Assessment be for no more than one year; second by Jay; **motion** passed unanimously.

Warren moved that the assessment figure be set at \$275; second by Bob; **motion** passed unanimously. Fred noted that Paige is absent from the meeting, therefore has not voted on this.

There being no further business to come before the Board at this time, Bob moved to adjourn; second by Jay; **motion** passed unanimously.

Respectfully submitted,
Paige Schweizer, Secretary