

ARBORS IMPROVEMENT ASSOCIATION MEETING NOTES

SATURDAY, AUGUST 3, 2002

10:00 A.M.-12:00 P.M.

AT THE FIRST NATIONAL BANK MEETING ROOM

1312E. HIGHWAY 290, ELGIN, TEXAS

(These notes have been reviewed/approved by the newly elected Board)

I Call to Order

II Welcome by Sabine Representatives (Steve Mills & Tracie Bone)

- Sabine expects to aggressively market lots through the end of the year.
- This subdivision with its 100 homes is the most “built-out” community in Bastrop County.
- Roads are some of the best in Bastrop county
- Sabine wants to see the Arbors maintained

III. Review Election Results of Board of Directors' Election

A. 260 Lots total in the Arbors of Dogwood Creek

- 1) **Sabine Owns 65 lots**
- 2) **195 Letters and Ballots Sent to Remaining Property Owners:**
17 Returned-8 Resent to Corrected Address,
1 Was Returned Too Late to Resend,
5 Were Unclaimed
Only 3 Property Owners Were Not Located

B. 107 Ballots Received

- 1) **104 Were Valid**
- 2) **3 Were Invalid Due To Not Being Completed Correctly**

C. Once Ballots Were Received & Counted on 7/19/02, Sabine Cast Its 65 Votes for the Top 3 Winners to Achieve the Simple Majority Required

D. Total Valid Votes: 169 (65% of Property Owners)

IV. Introduction and brief comments from each new board member

- Allan Kresta
- Charlie McGuire
- John Schnell

V. Introduction of Paul Meisler, Pioneer Property Management:

- Tel 512-447-4496
- Email: psmeisler@aol.com

Motion made and carried to accept Pioneer Property Mgmt to assume the administrative duties for Arbors of Dogwood Creek

VI. Listing of Paid and Unpaid Dues Schedule

1. Collections Effort Has Been Made on Delinquent HOA Dues

- \$53K has been collected out of potential \$63K;
- 14% are delinquent (or under payment schedule), representing 28 property owners

2. Continued Collections Effort Will Be Necessary

This will now be the responsibility of Pioneer Management

VII. Review Financial Information

A. Balance Sheet as of June 30, 2002- see attached

1. Insurance Coverage:

- As per Steve Mills, in May '02 there was an issue concerning general liability insurance, which must be carried to cover liability on common areas and to protect board members and officers. Sabine had undertaken the signing of a new insurance contract and paid the premium in full. This ~\$18K premium was very much larger than had been expected.
- Paul Meisler researched the market and found a local association, D&O Ins. offering a much lower total premium: ~\$2100 (vs the \$4500 paid last year from Arbors HOA funds)
- Mills indicated that the Arbors account will be refunded the earlier premium paid by Sabine.

B. Presentation of Funds to New Board

- Mills presented the board a check for \$9K as part of the reconciliation of the Arbors account. Complete reconciliation will be made when some outstanding items have cleared the books.
- The Sabine check, plus the refund for the larger insurance premium will leave the Arbors account in the black with ~ \$30K balance to pay expenses for the rest of this year.

VIII. Maintenance Update

A. Gates:

- Maintenance folks came out yesterday to check the gates: found a sensor not working properly on the main gate. Will fix next week.
- South gate low battery was replaced.
- Tracie will provide the maintenance contact for gate.

B. Tennis Court Light

Light has been reported as being out; Board to check on this.

C. South Gate Lights

Two lights were removed several years ago when one light was vandalized. Tracie has been unable to find those lights, or matching ones.

D. Sprinkler System/Control Boxes

Due to construction on Hwy 95, the sprinkler system had to be redone at the main entrance.

E. Erosion Recap

Sabine engineers have reviewed both sections in the Arbors; 13 areas have been addressed by the contractor and repaired. As per Steve Mills, Sabine is responsible for any engineering problems that cause erosion; however, with the type of environment in the Arbors (i.e. sand), normal erosion is a continuing reality that will have to be addressed as required.

IX. Presentation of-

A. Board Book to Include:

- 1. Articles of Incorporation**
- 2. Bylaws**
- 3. Officer Appointments and Resignations**

B. Architectural Control Correspondence:

List of Known Outstanding Issues: given to the Board.

C. Property Owner List & Disk – As per Sabine, this info may not be made public.

D. Deed for Community Park

E. Recorded Plats for Pioneer & Each Board Member

F. Recorded CCRs for Pioneer & Each Board Member

G. Keys to Storage Room & Bulletin Board

H. Utility Account Information

1. Contractor Information and Contracts – Renfro (Section 1) and Pamper Lawns (Section 2) maintenance contracts are still in place, with a 30 day termination provision.

X. Present the New Board members to the audience.

XI. New Board Review and Approval of D&O Insurance

Motion made and carried to accept D&O as the insurance carrier for the Arbors.

XII. Establish Committees

There will be scheduled a committee workshop at which time all interested members will be given information as to responsibilities and opportunities for various committees. This workshop will be held sometime within the next 2 weeks.

A. Architectural Review

B. Communications/Newsletter

C. Welcome/Community Relations

D. Safety/Transportation (Roads, etc)

XIII. General Open Forum

Officers: The Board will need to decide on officers for the HOA (i.e. Pres, VP, & Treasurer); these can be Board members or any other Arbors property owner as appointed by the Board.

Bank Account:

- No account has been opened yet; the Board will set policies on the use of funds and Pioneer's involvement in paying bills for the Arbors.
- There will be at least 2 signatures required on any outgoing check.

Maintenance issues:

These should all be addressed to Pioneer from now on; contact at 512-447-4496 or email psmeisler@aol.com

Violations of the CC&R's:

- These will be addressed by the Architectural Committee, which must first confirm the violation. The Board will determine the appropriate response, with Pioneer administering the required paper work.
- There is currently a list of confirmed violations turned over by Sabine to Pioneer Mgmt. In response to this list, Pioneer will likely soon be sending out some first-notification letters to the responsible parties, requesting conformance in the Arbors.
- Paul Meisler indicated his experience has been that these notifications will be unpopular and may be met with some anger and resistance; however, the deed restrictions which are attached to each lot in Arbors, were a condition of sale and each property owner should have been made aware of such restrictions at time of closing.

New property owner notification:

- Pioneer Mgmt will get new owner information from Sales.

- With Sabine no longer in control, Title companies will require a “Resale Certificate” which will contain all information for the new owner, including a copy of the CC&R’s (Deed Restrictions).
- Paul will also reiterate with the prime sales person for Sabine that only copies of the official CC&R are to be used and no “sales” version. Also, verbal assertions are to be kept “real” (i.e., no implications there will be a pool in this subdivision).
- Pioneer will also be sending an introductory letter to all property owners along with a copy of the official CC&R’s.

XIV. Establish Meeting Schedule

- A committees workshop will be scheduled within the next 2 weeks
- The Board will likely meet on a monthly basis to start and will establish an open meeting schedule. (The Bylaws require a minimum annual meeting.)

XV. Adjourn

XVI. Attachments: Financial Information

Note: the attached financial information is dated through end June 2002, and does not reflect the Sabine deposits yet to be made.

ATTACHMENT - FINANCIAL INFORMATION:

PACKET PAGE: 2
 PAGE: 0001
 LIC: 89
 REPORT: ISCOH
 FORMAT: 40

RUN DATE: 07/11/2002

**ARBORS AT DOGWOOD
 INCOME STATEMENT
 FOR THE PERIOD 01/01/02 TO 06/30/02**

			CURRENT PERIOD	YEAR TO DATE
REVENUE				
89-4006	ADC PDA	MEMBERSHIP DUES	295.00	54,596.65
			-----	-----
TOTAL INCOME			295.00	54,596.65
EXPENSES				
89-5001	ADC PDA	BANK SERVICE CHARGES	\$ (.20)	\$ 9.80
89-5003	ADC PDA	INSURANCE	\$.00	\$ 18,869.00
89-5005	ADC PDA	MAINT-CLUB LANDSCAPE	\$ 454.65	\$ 2,154.19
89-5006	ADC PDA	MAINT-COM AREA LANDS	\$ 3,207.13	\$ 9,275.71
89-5007	ADC PDA	MAINT-GENERAL	\$ 446.00	\$ 4,463.21
19-5013	ADC PDA	PROPERTY TAXES	\$.00	\$ 4,753.28
89-5015	ADC PDA	SUPPLIES-GENERAL	\$.00	\$ 4,449.06
89-5018	ADC PDA	UTILITIES-ELECTRIC	\$ 355.98	\$ 2,581.08
89-5020	ADC PDA	UTILITIES-WATER	\$ 155.29	\$ 2,220.49
89-5021	ADC PDA	MISCELLANEOUS	\$.00	\$ 930.00
			-----	-----
TOTAL EXPENSES			- \$ 4,618.85	\$ 41,705.82
			-----	-----
CURRENT EARNINGS			\$ (4,323.85)	\$ 12,890.83

PACKET PAGE: 1
 LIC: 89
 LINE: ISCOHOA
 FORMAT: 40

**ARBORS AT DOGWOOD
 BALANCE SHEET
 AS OF JUNE 30, 2002**

ASSETS:			
89-1001	ADC PDA	GENERAL CASH	\$ 22,513.19

TOTAL ASSETS			\$ 22,513.19

	LIABILITIES		
89-2004	ADC PDA	A/P-PROJECTS	\$ (6,957.10)
	EQUITY		
89-2102	ADC PDA	RETAINED EARNINGS	\$ (2,665.26)
89-ISPR	ADC PDA	INCOME STATEMNT PROD	\$ (12,890.83)

	TOTAL	LIAB. & EQUITY	\$ (22,513.19)