

GREENSHORES ON LAKE AUSTIN PROPERTY OWNERS ASSOCIATION
ANNUAL MEETING
MARCH 3, 2022

The Annual Meeting commenced at 7:05 with Pat Scott, President of the POA Board, presiding. Mr. Scott indicated that a quorum was present in person or by proxy.

The Minutes from the 2020 Annual Meeting were reviewed. There were no comments. Upon motion duly made and seconded, the Minutes of the 2020 Annual Meeting were approved. It was noted that because of the pandemic there was no annual meeting during 2021.

Hank Lydick presented the financial report for the POA. He noted that the cash peaked in 2017 with the checking account holding approximately \$70,000 and the savings account holding \$100,000. The current cash on hand combining the two accounts is approximately \$120,000. The POA normally has about \$123,000 in revenue each year arising from assessments and gate charges. The proposed 2022 budget is pretty flat to the 2021 budget. The fee paid to Community Associations Management (“CAM”) is up 3%. There were some unusual items in 2020 and 2021 relating to a lawsuit over an encroachment onto POA property. The 2022 budget will be impacted by the legal fees that will be incurred in relation to the Undine SIC filing to increase water and sewer rates. Mr. Lydick continued by stating that the Board has been trying to increase the cash position of the POA back to the 2017 levels. Monty Henson raised a question about the amount of insurance being purchased and stated that he has raised this issue at previous meetings. Mr. Henson noted that it was his opinion that the amount of insurance being purchased was not required because of Texas law which limited the amounts that could be recovered from homeowner’s associations. Mr. Lydick reviewed the amounts of insurance being acquired and noted the Board’s concerns about possible liability exposure for the POA from the POA park and facilities. Mr. Lydick asked Mr. Henson to bring his concern to a Board meeting for discussion when the new Board next meets. In answer to a question, Mr. Lydick stated that the POA normally spends about \$25,000 on landscaping services each year and the Board was seeking community involvement on the Landscaping Committee.

During the Open Forum portion of the meeting the Undine Special Improvement Charge filing at the Texas Public Utility Commission (“PUC”) was discussed together with how the POA will fund the legal fees incurred by the POA. Richard Edmonson provided a summary of the Undine filing and the steps taken by the Board to hire legal counsel to represent the POA in the review of the Undine request by the PUC. The POA has intervened in the Undine case and had requested from the homeowners an email that they wished the POA to represent them in the intervention by the POA. In answer to a question from the meeting, Jack Baker indicated that the construction deposits were refundable. One property owner noted that the POA assessment is relatively low; Mr. Lydick noted that a special assessment may be necessary to fund the legal expense incurred by the POA. The meeting discussed the history of the water and sewer rates in the past when PK-RE owned the system and the previous settlements. The meeting also discusses the fact that Undine was now refusing to pay for grinder repairs and replacements and the legal action being taken by at least one property owner to contest that refusal. Members of the Board pledged to keep up communications with the property owners about Undine’s case.

Mr. Scott reminded the meeting that a card reader system has been implemented at the POA park. In response to a question from the meeting, Mr. Scott indicated that the repairs to the park gate had been completely paid by the person who caused the damage; the damage cost approximately \$1700.

Mr. Jack Baker discussed the election to be held to replace 4 positions on the 5-member Board. Prior to the meeting three persons had indicated that they wished to be nominated, Pat Scott, Hank Lydick and Steve Hudson. A property owner nominated one person but the person was not in attendance and thus could not agree to serve prior to the election so the nomination was withdrawn. Pat Scott discussed how many times the Board meets in a calendar year and Hank Lydick indicated that a member of the Board typically spends about 1 hour per week on Board matters. Mr. Scott indicated that a change in state law required that the Board provide 7 days' notice of a meeting. Bryan Willoughby nominated himself. There were no further nominations. The meeting approved all 4 nominations unanimously.

Upon motion duly made and seconded the meeting was adjourned.