



The Villages of Westcreek Owners Association, Inc.

BOARD MEETING AGENDA

October 11, 2018

7:00 P.M.

VWOA Community Center

The Board of Directors executive session will precede the open board meeting starting at 6PM in the conference room at the Community Center.

1. Call to Order and Pledge of Allegiance –
2. Approval of previous Board Meeting Minutes
3. TexStar representative to discuss digging for fiber
4. Open Forum for Homeowners
5. Budget presentation-Judi Cannon
6. Unfinished Business-
 - a. Restrooms for Sports Park: OPEN – Changed - Out for re-bid
 - b. Speed Bumps on Sage Run: OPEN – Pending funding from County
 - c. Sports Park lighting: – OPEN
 - d. Playground resurfacing: TABLED
 - e. Handicap picnic table in Sports Park: TABLED until more information is provided.
 - f. Water bottle fountain: TABLED
 - g. Standing up the SARC: TABLED (Needs a Chairperson)
 - h. Proposal for an Eagle Scout Project to install borders around the workout stations in the Sports Park - TABLED (Awaiting more information from Scout via email)
 - i. 1604 Fences: Proposal by the treasurer to amend the standards to allow homes along 1604 to replace the 8 foot fence and pillars with the standard 7 foot fence as required for all other lots. Requires further investigation if the CC&Rs require the fence line to remain as it is. TABLED
7. New Business -
 - a. Retaining wall at WCV and Grosenbacher
 - b. Christmas Bazaar
8. Executive Session
9. Next Meeting TBA
10. Adjournment

The Villages of Westcreek Owners' Association, Inc. Est. 1994

**Regular Meeting of the
Board of Directors
Villages of Westcreek Owners' Association, Inc.**

I. OPEN MEETING: The Regular Meeting of the Board of Directors was called to order by the President at 7:00 pm, on Thursday, 11 October 2018. The purpose of the meeting was to conduct regular business as identified in the pre-announced Agenda.

Board Members Present:

Richard Gentry, President

Heather Malia, Vice President

Judi Cannon, Treasurer

John Steele, Secretary

Board Members Absent:

Brad Cleveland, Asst. Secretary

Staff Present:

Name	Position	Name	Position
Mike Hunsucker	Community Manager	Jason Dunbar	Community Activities

Members Present:

Gene & Barb Hopkins

Bill Fenstermacher

Gary Yancy

Barbara Crabtree

Francis & Ann Lomax

Coral Fathy

Greg Liggett

Lefty & Gerry Besecker

Rick Severs

Kevin Drummonds

Guests Present:

Mr. Pat McDonald, TexStar Representative invited to discuss the digging for AT&T fiber. Multi-stage process that is still ongoing. Next stage is the installation of boxes and the final stage is restoration. Goal is to complete all work by the end of this October. TexStar is on contract to only work the High Point neighborhood and has nothing to do with the other Westcreek villages' AT&T project.

II. REVIEW/APPROVE PREVIOUS MINUTES: The meeting minutes for the 20 September 2018 Regular Monthly Meeting were approved as written unanimously by those present.

III. MEMBER/GUEST FORUM:

President opened the Members' Forum. The following members spoke:

- a. Gary Yancy: Thanked the Board for bringing back the Member Forum. Spoke to Annexation people and those homes that may be annexed would be required to pay city taxes. He also asked if taxes can be deducted for elderly or disabled but they could not answer.
- b. Bill Fenstermacher: Requested Westcreek consider starting a neighborhood watch program with the assistance of the Constables Office to provide training and education.

IV. TREASURER'S REPORT: The treasurer presented the proposed CY2019 Villages of Westcreek budget to the Board and members present. Summary recommendations are: no increase in assessments for 2019; no increase in any private party function fees; and no increase in any sports activity registration fees such as soccer and baseball. See attached 2019

Budget Recommendations package. The Board reviewed each line item one at a time, comparing the past budget, actuals and proposed budget amounts. A recommendation was made and the treasurer agreed to amend the budget by breaking the Common Area Maintenance back to the original five general ledger (GLs) as in past budgets. The Board discussed a request to add the bank loan principal payments line back into the operating budget. The principal portion of loan payments is properly recorded to the balance sheet, not included in the operating statement. To meet the perceived need to recognize that cash outlay, the treasurer agreed to add the principal portion of the regular monthly payments and additional principal payments; "Non-Operating Cash Outflow Loan Principal Payment" and "Additional Cash Outflow Payments on Loan," as notations following the Net Operating Income/(Loss)" budget line. The Board also agreed on an employee bonus based on employee appraisal performance and additional incentive bonuses that are based on additional revenue brought in above and beyond what's budgeted, but also on what is saved versus the budget. The Board would have to scrutinize those savings to make sure that they were actual hard savings before they would be counted towards the incentive bonus. The incentive bonuses will not be included as a budget item since the amount will be deducted from the revenue received or saved. The 2019 Budget as amended was APPROVED unanimously by the Directors present.

V. UNFINISHED BUSINESS:

- a. Restrooms for Sports Park: TABLED
- b. Speed Bumps on Sage Run: OPEN – Pending funding from County
- c. Sports Park lighting: – OPEN
- d. Playground resurfacing: Treasurer motioned and vice president seconded motion to repair the playground surface through patching, APPROVED unanimously by Directors present.
- e. Handicap picnic table in Sports Park: TABLED until more information is provided.
- f. Water bottle fountain: TABLED
- g. SARC Stand-Up: Michael Allsop volunteered to chair this committee and was appointed by the president. CLOSED
- h. Proposed Eagle Scout Project to install borders around the work out stations in Sports Park: OPEN
- i. Proposal to allow residents along Loop 1604 allow 7-foot standard fences: Requires further information if CC&Rs require the fence line to remain as it is -- OPEN

VI. NEW BUSINESS:

- a. Christmas Bazaar: Staff working up a proposal for a 8 December event.
- b. Westcreek View Retaining Wall: Treasurer moved and seconded by secretary to award bid to Mow Joes for \$18,500 to complete the work – APPROVED unanimously by Directors present.

VII. EXECUTIVE SESSIONS RESULTS for 20 September 2018:

- a. The president summarized 28 outstanding deed restrictions violations to legal.

VIII. SCHEDULE THE NEXT MEETING: The next regular meeting will be held on Thursday, 15 November 2018, at 7:00 pm in the Community Center.

IX. ADJOURNMENT: There being no further business before the Board, the meeting was adjourned at 10:19 pm.

Attested by:



John Steele, Secretary

Date: 15 Nov 2018

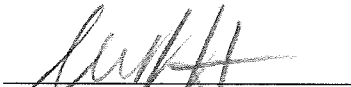
Approved by:



Richard Gentry, President

Date: 15 Nov 2018

Posted in the VWOA Book of Minutes and on VWOA website by:



Mike Hunsucker, Community Manager

Date: 15/NOV/2018



Villages of Westcreek

BOARD MEETING

October 11, 2018

7pm

The slide features a light blue background with stylized autumn leaves in green, orange, and yellow scattered in the corners. At the bottom, there are rolling green hills. The text is centered in a black, serif font.

PLEDGE OF ALLEGIANCE

APPROVAL OF SEPTEMBER MINUTES



TexStar Representative



Homeowner Open Forum



The slide features a light blue background with stylized autumn leaves in green, orange, and yellow scattered around the edges. At the bottom, there are rolling green hills. The main text is centered in a black serif font.

Budget Presentation

Judi Cannon

VWOA Treasurer

VWOA Finance and Reserve Study Committee

2019 Budget Recommendations

Summary of Recommendations for 2019

- Total Operating Income \$1,454,845.76
- Total Operating Expenses \$1,306,400.08 (incl \$107,400 to Reserves)
- Net Income from Operations \$148,445.68
- Contribution to Reserves \$107,400.00
- Anticipated Reserve Expenses \$71,627.00
- Net Increase in Reserves \$35,773.00
- As performance allows throughout the year, additional funds could be moved into the Reserves

Assessments and Fees





- No increase in assessments for 2019
- No increase in any private party function fees
- No increase in any sports activity registration fees such as soccer, baseball

Simplification of Financial Statements|

- Eliminate the “Pool” revenue category
 - No longer charge guest fees
 - Swim team revenue is recorded in Recreation & Community Activities
 - Pool Party revenue is recorded in Other Revenue
- Combine the “Recreation” and “Community Activities” categories for both revenue and expenses into “Recreational Community Activities”
- Move all expense accounts for contracts to the “Contracts” expense category
 - Some have been recorded under “Payroll” or “Admin Costs”
 - Pool management contract costs were recorded under “Pool” expense
- Correct method of recording Community Center loan payments to follow Generally Accepted Accounting Principles (GAAP)
 - Only Interest should be recorded on Operating Statement
 - Principal is recorded as a decrease to Long Term Liabilities
 - Armstrong, Vaughan & Associates agreed that is the proper method to account for loan payments



Reserve Accounts

- Recommend contribution of \$107,000 for 2019 per current Reserve Study
 - Recommend budgeting \$71,627 Reserve Repair/Replacement per current Reserve Study
 - Discussed method of recording Capital Improvement Reserves with Auditor
 - Questioned why Capital Improvements Reserves had been recorded under Operations instead of Reserves
 - After research Armstrong, Vaughan & Associates stated, "...we researched the capital improvements cash account, and we did not find any documentation that would suggest restrictions on the cash. Therefore, we do not see an issue with the cash being in either fund."
- 
- 
- 
- 

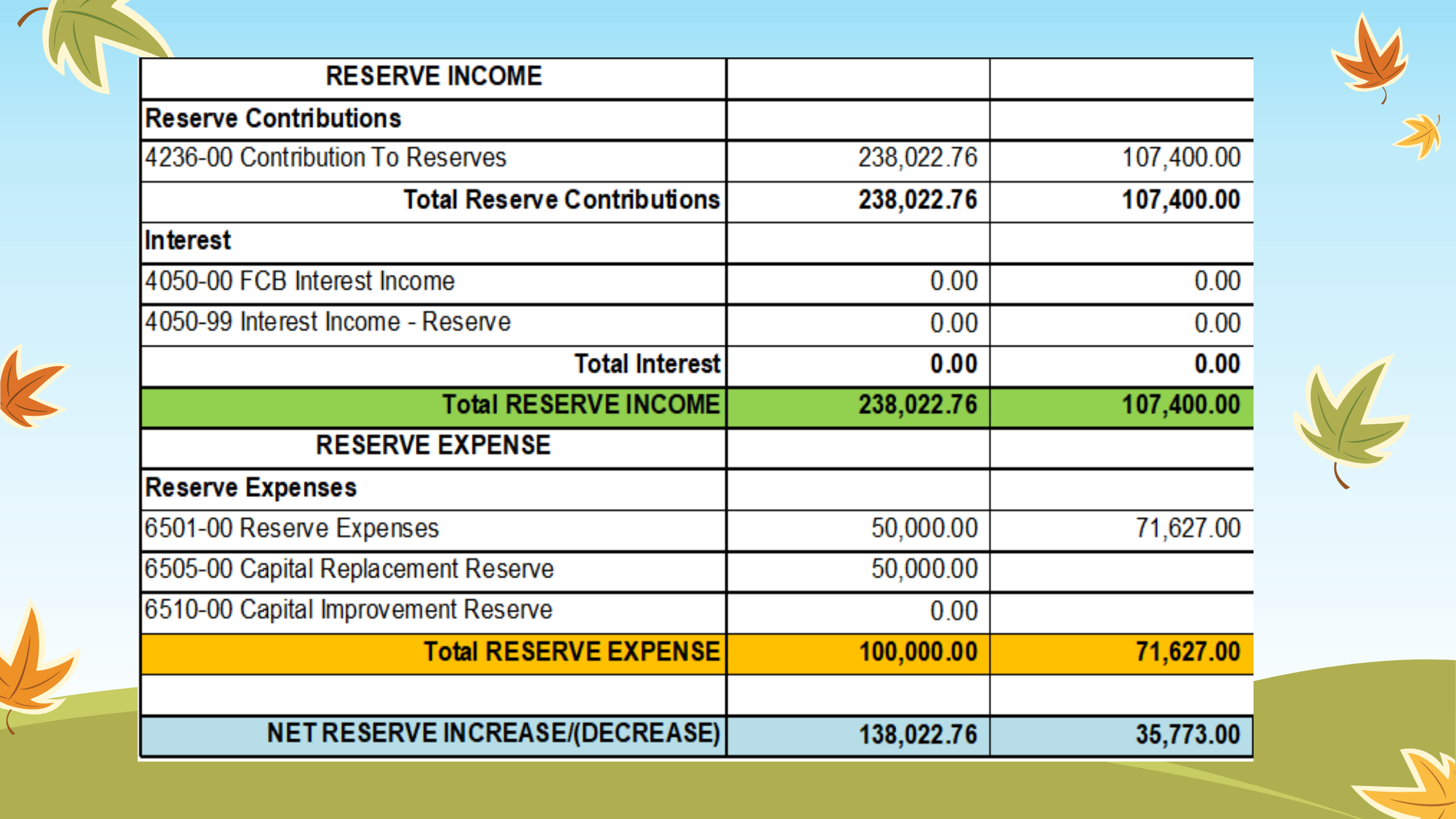
Description	Approved 2018 Budget	Proposed 2019 Budget
OPERATING INCOME		
Assessment Revenue		
4110-00 Homeowner Assessment	1,347,987.76	1,349,145.76
4115-00 Pro-rated Assessment	0.00	0.00
4210-00 Late Fee Income	0.00	0.00
4400-00 Misc. Income	0.00	0.00
Total Assessment Revenue	1,347,987.76	1,349,145.76
Recreation & Community Activities Revenue		
4100-00 Soccer Income	55,000.00	55,000.00
4101-00 Fall Fest Income	3,500.00	500.00
4103-00 Kick Box/Water Aerobic/Zumba	1,500.00	500.00
4104-00 Smash Income	1,500.00	1,000.00
4105-00 Casino Night Income	0.00	1,000.00
4109-00 Swim Team Income	2,500.00	1,500.00
4112-00 Basketball Income	3,000.00	1,000.00
4115-00 Sponsorship	6,000.00	2,000.00
4117-00 T-Ball/Baseball Income	4,200.00	2,100.00
4121-00 Dance 2 Fit	0.00	500.00
4122-00 Yoga	0.00	100.00
4123-00 Painting Class	0.00	500.00
4124-00 Flag Football	0.00	5,000.00
4125-00 Cross Training	0.00	500.00
4609-00 Bingo Night	0.00	0.00
New Programs		500.00
Total Recreation Dept Revenue	77,200.00	71,700.00
Other Revenue		
4050-98 Interest Income - Operating	0.00	0.00
4400-00 Pool Usage Fees	6,500.00	2,000.00
4602-00 Estate/Yard Sale Income	3,500.00	0.00
4402-00 Party Monitoring	0.00	0.00
4603-00 Pavillion Usage Fees	6,000.00	8,000.00
4604-00 Fence Repair/Reimbursement	0.00	0.00
4605-00 Community Center Usage	24,000.00	24,000.00
Total Other Revenue	40,000.00	34,000.00
Total OPERATING INCOME	1,465,187.76	1,454,845.76

OPERATING EXPENSE		
Maintenance Dept.		
5110-00 Maintenance Supplies	7,000.00	20,000.00
5111-00 Electrical/Lighting	1,000.00	1,000.00
5120-00 Common Area Maintenance	17,000.00	17,000.00
5150-00 Irrigation Maint/ Repairs	300.00	1,000.00
5156-00 Major Street Fences	10,000.00	12,500.00
5180-00 Community Center Appliance Maint	1,500.00	1,500.00
5190-00 Invasive Animal Removal	500.00	500.00
5195-00 Community Center Maintenance	2,000.00	2,000.00
5510-00 Pest Control	0.00	300.00
Total Maintenance Dept.	39,300.00	55,800.00
Utilities		
5170-00 Trash Collection	5,000.00	6,000.00
5210-00 Electric	30,000.00	30,000.00
5220-00 Water	40,000.00	40,000.00
5230-00 Streetlight Electric	0.00	8,000.00
6140-00 Telephone	9,300.00	9,300.00
Total Utilities	84,300.00	93,300.00
Administrative Costs		
5310-00 General Administrative	36,000.00	30,000.00
5311-00 Meeting Expense	2,000.00	2,000.00
5330-00 Bank Service Charge	2,000.00	1,000.00
5412-00 Payroll Processing Charge	22,000.00	20,000.00
5420-00 Office Supplies	6,315.00	4,000.00
5425-00 Office Furniture/Equipment	2,000.00	2,000.00
5435-00 ID Card Expense	300.00	5,000.00
5440-00 Bank Charges	0.00	0.00
5455-00 Licenses and Permits	300.00	300.00
5740-00 Recoverable Collections	0.00	0.00
Total Admin. Costs	70,915.00	64,300.00

Insurance and Taxes		
5540-00 Insurance Liability & Property	24,000.00	24,000.00
5541-00 Insurance- Workers Comp	2,000.00	4,000.00
5542-00 Corporate and Property Taxes	2,500.00	1,000.00
5544-00 Insurance- Directors and Officers	10,000.00	10,000.00
5550-00 Audit and Tax Services	1,000.00	1,000.00
Total Insurance and Taxes	39,500.00	40,000.00
Recreation and Community Activities		
5603-00 Special Events & Monthly Activities	2,500.00	7,500.00
5604-00 Recreation Department Signs	1,500.00	1,500.00
5610-00 Miscellaneous Expenses	0.00	0.00
5801-00 Easter Egg Hunt	500.00	500.00
5802-00 Fall Festival	6,500.00	6,500.00
5805-00 Lighting Contest	150.00	150.00
5806-00 Sports Equipment	1,000.00	4,000.00
5807-00 National Night Out	1,000.00	2,000.00
5808-00 Flag Football	0.00	2,500.00
5810-00 Soccer Expense	24,000.00	25,000.00
5811-00 New Programs	3,000.00	1,000.00
5815-00 Basketball	500.00	500.00
5817-00 T-Ball/Baseball Expense	1,000.00	500.00
5820-00 Carnival	3,000.00	8,000.00
5821-00 Casino Night	0.00	3,000.00
Total Community Activities	44,650.00	62,650.00

Payroll		
5835-00 Party Monitoring	4,000.00	0.00
5901-00 CM/AC	45,000.00	0.00
5903-00 Super of Rec	45,000.00	50,000.00
5906-00 Admin Full Time	50,000.00	45,000.00
5907-00 Admin Part Time	20,000.00	30,000.00
5908-00 Rec Assistant	2,500.00	15,000.00
5911-00 Common Area Monitors	2,000.00	36,000.00
5925-00 Payroll Taxes	14,000.00	14,000.00
5935-00 Staff Performance Incentive	3,000.00	3,000.00
Total Payroll	185,500.00	193,000.00
Contracts		
5140-00 Landscape Maintenance Contract	195,000.00	195,000.00
5410-00 Management Fee	54,000.00	54,000.00
5411-00 On Site Community Manager	60,000.00	54,000.00
5413-00 On Site Standards Manager	50,000.00	54,000.00
5430-00 Copier Contract	3,000.00	3,500.00
5920-00 Security Contract	40,000.00	45,000.00
5940-00 Officiating	4,000.00	8,000.00
5945-00 Security Monitor/Patrol	10,000.00	35,000.00
6001-00 Pest Control Contract	400.00	600.00
6003-00 Street Sweeping	1,000.00	1,000.00
6005-00 Janitorial Service	6,000.00	14,000.00
6223-00 Fire Alarm/Sprinkler Contract	4,000.00	4,000.00
6225-00 Pool Management Contract	75,000.00	65,000.00
Total Contracts	502,400.00	533,100.00

Pool		
6125-00 Pool Maint/Repair	23,500.00	12,000.00
6129-00 Pool Furniture	5,000.00	5,000.00
6130-00 Pool Supplies	500.00	1,200.00
Total Pool	29,000.00	18,200.00
Other Operating Expenses		
5365-00 Depreciation Expense	12,500.00	30,000.00
5380-00 Insurance Claims Deductible	10,000.00	10,000.00
5430-00 Legal	10,000.00	10,000.00
5710-00 Recoverable Legal	0.00	0.00
6007-00 Computer Maintenance	6,000.00	2,000.00
6200-00 Bad Debts	50,000.00	50,000.00
6205-00 Note Payable Interest	48,000.00	30,850.08
6206-00 Current Portion Note Payable	88,000.00	0.00
6208 Travel Expense-Mileage/Parking/Meals	700.00	1,500.00
6214-00 Software	300.00	500.00
6217-00 Website Development	1,800.00	1,800.00
Total Other Operating Expenses	227,300.00	136,650.08
Reserve		
6300-00 Transfer to Reserve	138,022.76	107,400.00
6301-00 Capital Improvements	100,000.00	
Total Reserve	238,022.76	107,400.00
Total OPERATING EXPENSES	1,460,887.76	1,304,400.08
NET OPERATING INCOME/(LOSS)	4,300.00	150,445.68







RESERVE INCOME		
Reserve Contributions		
4236-00 Contribution To Reserves	238,022.76	107,400.00
Total Reserve Contributions	238,022.76	107,400.00
Interest		
4050-00 FCB Interest Income	0.00	0.00
4050-99 Interest Income - Reserve	0.00	0.00
Total Interest	0.00	0.00
Total RESERVE INCOME	238,022.76	107,400.00
RESERVE EXPENSE		
Reserve Expenses		
6501-00 Reserve Expenses	50,000.00	71,627.00
6505-00 Capital Replacement Reserve	50,000.00	
6510-00 Capital Improvement Reserve	0.00	
Total RESERVE EXPENSE	100,000.00	71,627.00
NET RESERVE INCREASE/(DECREASE)	138,022.76	35,773.00

Description	Approved 2018 Budget	Proposed 2019 Budget
<u>Revenue</u>		
Assessments	1,347,987.76	1,349,145.76
<u>Expense</u>		
Maintenance	39,300.00	55,800.00
Utilities	84,300.00	93,300.00
Admin	70,915.00	64,300.00
Insurance/Taxes	39,500.00	40,000.00
Payroll	185,500.00	193,000.00
Contracts	502,400.00	535,100.00
Other	<u>227,300.00</u>	<u>136,650.00</u>
	1,149,215.00	1,118,150.00
Net Income Subtotal	198,772.76	230,995.76
<u>Revenue</u>		
Recreation	77,200.00	71,700.00
Other	<u>40,000.00</u>	<u>34,000.00</u>
	117,200.00	105,700.00
<u>Expense</u>		
Recreational & Community Activities	44,650.00	62,650.00
Pool	<u>29,000.00</u>	<u>18,200.00</u>
	73,650.00	80,850.00
Net Income Subtotal	43,550.00	24,850.00
Total Net Operating Income	242,322.76	255,845.76
Adjusted for Budgeted Loan	88,000.00	0.00
Adjusted Total Income	330,322.76	255,845.76
Reserve Contributions	(238,022.76)	(107,400.00)
Reserve Expenses	(100,000.00)	(71,627.00)
Net After Reserves	(7,700.00)	76,818.76
Less Principal Loan Payments	(91,158.60)	(91,158.60)
Plus Non-Cash Depreciation	12,500.00	30,000.00
	(86,358.60)	15,660.16

Description	Approved 2018 Budget	Proposed 2019 Budget
<u>Revenue</u>		
Assessments	1,347,987.76	1,349,145.76
<u>Expense</u>		
Maintenance	39,300.00	55,800.00
Utilities	84,300.00	93,300.00
Admin	70,915.00	64,300.00
Insurance/Taxes	39,500.00	40,000.00
Payroll	185,500.00	193,000.00
Contracts	502,400.00	535,100.00
Other	227,300.00	136,650.00
	1,149,215.00	1,118,150.00
Net Income From Assessments	198,772.76	230,995.76
Adjusted for Budgeted Loan	88,000.00	0.00
Adjusted Total Income	286,772.76	230,995.76
Less Principal Loan Payments	(91,158.60)	(91,158.60)
Plus Non-Cash Depreciation	12,500.00	30,000.00
	208,114.16	169,837.16
Reserve Contributions	(238,022.76)	(107,400.00)
Reserve Expenses	(100,000.00)	(71,627.00)
Net After Reserves	(129,908.60)	(9,189.84)
<u>Revenue</u>		
Recreation	77,200.00	71,700.00
Other	40,000.00	34,000.00
	117,200.00	105,700.00
<u>Expense</u>		
Recreational & Community Activities	44,650.00	62,650.00
Pool	29,000.00	18,200.00
	73,650.00	80,850.00
Net Rec & Community Income	43,550.00	24,850.00



UNFINISHED BUSINESS

- a. Restrooms for Sports Park: OPEN – Changed - Out for re-bid
 - b. Speed Bumps on Sage Run: OPEN – Pending funding from County
 - c. Sports Park lighting: – OPEN
 - d. Playground resurfacing: TABLED
 - e. Handicap picnic table in Sports Park: TABLED until more information is provided.
 - f. Water bottle fountain: TABLED
 - g. Standing up the SARC: TABLED (Needs a Chairperson)
 - h. Proposal for an Eagle Scout Project to install borders around the workout stations in the Sports Park - TABLED (Awaiting more information from Scout via email)
 - i. 1604 Fences: Proposal by the treasurer to amend the standards to allow homes along 1604 to replace the 8 foot fence and pillars with the standard 7 foot fence as required for all other lots. Requires further investigation if the CC&Rs require the fence line to remain as it is. TABLED
- 
- 
- 
- 



NEW BUSINESS

Retaining wall at WCV and Grosenbacher

Christmas Bazaar



ADJOURNMENT

Thank you all for coming...

See you next time!!!

