

**ANNUAL MINUTES OF A MEETING FOR
Canyon Creek Homeowners' Association
Tuesday, March 27, 2018**

The Board of Directors of Canyon Creek Homeowners' Association met in an annual meeting, open to the public, on March 27, 2018, at The Church at Canyon Creek, 9001 N. FM 620, Austin, TX 78726, pursuant to notice duly given in accordance with law.

Agenda Item I. – Roll Call at 7:02 p.m.

a. Determination of Quorum.

The following were present:

Vice President – Russell Jakala

Secretary – Cheng Wooster

Treasurer – Brett Funderburg

Director – Mark Weaver

Director – Jeti Nasrallah

Lydia Gueli – Spectrum Association Management

33 Homeowners were present in person.

19 Homeowners were present via proxy

351 Homeowners voted online.

Lydia Gueli announced that quorum has been met.

Agenda Item II. – Proof of Notice – Lydia Gueli presented the proof of notice to the membership. The notice was shipped on March 7, 2019 and is available as a Record of the Association upon request.

Agenda Item III. – Reading of Minutes of Preceding Annual Meeting (2017) – The 2017 annual meeting minutes were provided to the membership during check-in. Vice President Jakala motioned and was seconded Secretary Wooster to approve the 2017 annual meeting minutes. The motion carried unanimously making the 2017 annual meeting minutes an official record of the Association.

Agenda Item IV. – Reports of Officers and Board of Directors

Management Change: Vice President Jakala explained the change from Goodwin to Spectrum.

Landscaping: Vice President Jakala briefly discussed the importance of homeowners taking care of their landscaping. He explained the role the Site Manager will take in holding the homeowners responsible during his two site visits a month. He also talked about a lot of the improvements the community can expect to see throughout common areas.

Financial Report: Treasurer Funderburg presented the 2017 financial overview as of December 31, 2017, as well as the 2018 annual budget. Detailed explanations were provided regarding the expense categories and the amount of money being spent on each. Highlights of this included landscaping (rebidded resulting in savings), water (cost went down due to better equipment and usage management, insurance (rebidded, umbrella coverage increased from 5M to 10M), pool operations (scheduled to be investigated in the near future) and management fees (rebidded during the management company switch process). Breakdown of 3 year actual history of expenses (Direct operating, G&A, Nonreoccurring). Net operating income from 2013-2017 explained. Specific explanations of projects that were completed during 2017 and what future projects the Board is considering for 2018. Comparison of our HOA assesement fees vs. that of neighborhoods nearby was shown. Stressed the need to address more bare landscaping areas, fences that need to be repaired in the community. Homeowners have asked if there is a direct correlation between the lack of maintenance in the community and property values.

Agenda Item V. – Report of Management Agent – Community Manager Gueli introduced herself as the main point of contact with Spectrum Association Management. She also introduced the Site Manager, Kevin Dover, and the ARC Coordinator, Veronica Villafranca.

Agenda Item VI. – Report of Committees

Community Center/Bathroom: Director Weaver discussed the plans for the Community Center. He explained the new center would include space for meetings, community reservations, and a bathroom. He began the discussion of the plans changing from last year to its current status. He explained the remodel progress history with cost estimate changed from \$520K to \$875K. The initial estimate did not include detailed drawing, electrical and plumbing requirements, and aesthetic features. It was a cost-plus bid. Assumption of \$520k as cost estimate was flawed. Now switched to a fixed-price contract for this project. The discussion of statewide labor shortages affecting cost and building resources available in Austin. Building supply has gone up as much as 50% in the last year. Math to proceed is presented. \$400 Special Assessment needed to proceed with re-building the bathroom/community center. Four options were shown to the membership in how to community can move forward.

Option 1: \$400/ SA (Proceed)

Option 2: \$365/SA (Value Engineering only)

Option 3: Start over (Scrap existing work, bids)

Option 4: Repair, no user improved value (Dry in the space)

These options were discussed in considerable length. The Board has asked the membership to provide their feedback on this discussion via email to board@canyoncreek.net. Also asked homeowners to come to the March 31 Townhall meeting times 11-Noon and 2-3pm at Canyon Creek Pool.

Agenda Item VII. – Election of Members to the Board of Directors – 3 Positions/2-year terms

a. Introduction of Candidates.

Lydia Gueli introduced three candidates for the three (3) open board positions, Brett Funderburg, Jeti Nasrallah, and Cheng Wooster, who previously submitted their candidate profile forms. There was one candidate from the floor, Deepesh Arora. All the candidates provided the membership with their candidate overviews. A motion was made to close nominations by member Dave Seaman and seconded by member Brett Funderburg. Motion carried.

b. Election.

Lydia Gueli announced the election and retrieved executed ballots. Two homeowners counted the ballots and executed the ballot count sheet.

c. Announcement of Election Results.

Lydia Gueli announced the results of the election and Brett Funderburg, Jeti Nasrallah, and Cheng Wooster were elected to two-year terms (2018-2020) on the Board of Directors.

Agenda Item VIII. – Unfinished Business – There was a discussion of the future assessments. Treasurer Funderburg discussed the HOA dues remaining the same for roughly 20 years and the possibility of these increasing moving forward. It was explained that a formal decision on the dues will be made during the approval of the 2019 Budget which will take place during Quarter 3 of this year.

Agenda Item IX. – New Business

A homeowner asked about adding a sign to the back entrance to the community. The homeowner felt that many people are unaware that the community exists. The board explained that land does not belong to the HOA but the City of Austin.

Mark Weaver announces the Resignations of Chris Burke and Tim Miller from the HOA Board. The Board thanks both for years of dedication and volunteer work for the community.

Agenda Item X. – Consideration of Adequacy of Reserves – Considering the community center project, the reserves are in line with the expectations the Reserve Study has in place.

Agenda Item XI. – Adjournment – Director Weaver motioned and Vice President Jakala seconded to adjourn the meeting at 9:28 p.m. The motion carried unanimously.

Board of Director

Date