

**Minutes of the Regular Meeting of
The Board of Directors of the
Peninsula at Mystic Shores Property Owners Association
August 1, 2012**

The regular meeting of the Board of Directors of the Peninsula at Mystic Shores Property Owners Association, a Texas nonprofit corporation (the "Association"), was held at the Association offices, 1600 N.E. Loop 410, Suite 202, San Antonio, Texas 78209, pursuant to call by the President of the Association.

Directors Present: Marty Rolleg, Greg Petsch, and Ann Gibson.

Also Present: Steve Brown, Karen Youngblood, and Dee Dee Freudenrich of Association Management Services.

Introduction and Opening Remarks: Mr. Rolleg stated that the primary function of the meeting will be the transition and reconciliation of pending items to new management.

Call to Order: The meeting was called to order at 9:32 a.m., with the President being in the chair and the Recording Secretary present. The President determined that there was a quorum present.

Financial Report: Mr. Petsch discussed that the transition to new management began June 1, 2012. The June financials have not been released by prior management as of yet. It is hoped that this can be accomplished by Friday, August 3, 2012, and then both the June and July financials can be released. Mr. Petsch reported that the latest statement on the investment account has been forwarded to AMS today.

Mr. Rolleg asked how AMS handles accounts that exceed FDIC protected levels. Mrs. Youngblood reported that all bank accounts are monitored weekly and if limits are exceeded the manager will be put on notice and asked to contact the Board for direction.

Mrs. Youngblood stated that there is still roughly \$2,000.00 outstanding with prior management. A new account was opened at Broadway Bank for \$159,000.00 +/- in June, as per Board direction. The Association is still in excess of FDIC insured accounts by \$280,000.00 at Community Association Bank. Mr. Petsch asked Mrs. Youngblood to ensure that the money market accounts currently being used do not have European exposure.

All committee members were asked to prepare their estimated budget needs for 2013. These should be turned into the Board not later than October 1, 2012 for inclusion in the 2013 budget.

Accounts Aging: It was pointed out that the aging report is not looking good at this time. It was felt that immediate action is needed to collect past due accounts. Mr. Brown suggested sending final demand letters to those in arrears to get the process started again. It was moved and seconded to move forward with the collection process by noticing those in arrears, and to get a bid from a local attorney on handling collection accounts; motion unánimously carried.

COMMITTEE REPORTS:

Job Descriptions for Committees and Chairs: Mr. Rolleg explained that it would be a good idea to have working job descriptions for each committee and its chairperson. It was discovered that this had been done by a previous Board, and working documents were available for review. It was decided to table this item pending a review of the information brought forward.

Board of Director Committee Liaisons: It was discussed that a Board liaison should be assigned to each committee for support and direction. Upon further discussion it was moved, seconded and unanimously approved that the Board liaisons for each committee will be as follows:

Marty Rolleg – Communication Committee, Neighborhood Watch Committee, and the Maintenance Committee.

Ann Gibson – Social Committee, Architectural Control Committee (ACC), and the Conservation Committee.

Greg Petsch - Financial Investment Committee

Architectural Control Committee (ACC): Mrs. Youngblood provided that all of the construction deposits posted when AMS previously managed the Association are still pending. One new deposit has been added, and one other was charged to the owners assessment account. It has been discovered that another has not been collected. Further research will be done and a new listing furnished to the ACC upon completion.

Maintenance Committee: Gary Kasch provided the report for the Association.

Gate Codes: It was discussed that the realtor code that is being used appears to have been compromised. Mr. Brown was directed to remove this code from the system. A listing of all codes in the system currently shall be furnished to Mr. Kasch for auditing purposes.

Road Repairs: Mr. Kasch provided a road repair bid for Board consideration. Upon discussion it was moved, seconded and unanimously approved to proceed with the road repair bid as presented; motion carried. Mr. Brown was directed to contact the contractor and schedule the work for completion, and to charge the repairs as a reserve expense. Once the road repairs are completed, a bid shall be obtained for street sweeping of the entire community, as this was noted as being a current need of the community.

Entry Gates: Mr. Kasch provided multiple bids for repair work needed at the entrance to the community. One option would replace what is currently in place with the same system which would require a patchwork of electrical fixes that would render the system obsolete when fiber optics become available at the entry. The second option would be to upgrade the current system with a fiber compatible system for slightly more expense up front, but this would entail switching to a new remote entry device and render all prior remote devices useless. Upon discussion it was moved, seconded, and unanimously approved to proceed with the replacement

**Peninsula at Mystic Shores Property Owners Association
Board of Directors Meeting
August 1, 2012
Page 3**

of the gate system with the new fiber compatible system, provide one remote to each family which currently has a remote(s), and to notice the membership prior to the changes so that everyone is aware of the change that will be forthcoming; motion carried. Mr. Brown was asked to work in conjunction with Mr. Kasch to work out the details and report back to the Board as the project proceeds with details. The expense is to be considered a reserve expense due to its being a replacement of the failing antiquated system currently in place.

Conservation Committee: Marty Rolleg reported for the committee. The deer census will be conducted August through September. In a meeting with a wildlife biologist recently it was suggested that culling the herd may be necessary. The membership should be apprized of the situation to prepare them for what may be coming. The deer census will be conducted at night, about one hour after sun down. The Board will work on preparing an educational letter to help educate the membership, and will provide to the Communication Committee for distribution via an email blast.

Social Committee: Pam Miller reported for the committee. A handout was provided of the committees' responsibilities, the recent families that they had welcomed to the community, and recent and planned activities for the remainder of the year. A copy of the report is attached to these minutes as Exhibit A". The committee asked for continued funding by the Board of Directors for social events planned. Upon discussion, it was moved, seconded and unanimously approved for the Association to continue funding the social events and welcoming bags, and to allow for a Christmas mailing to the membership of the Christmas social event along with the billing statements for 2013; motion carried.

Communication Committee: Famia Magana provided the report for the committee. Mrs. Quattlebaum stated that it is her intent as the new committee chair to work in conjunction with the Board of Directors. There is a need to create a job description for the committee and the Chairperson, so that the Board and the committee will have guidelines within which to work. The committee, based on this meeting should be expecting a notice from the Board regarding the deer census, that shall be sent out via an email blast.

Brush Piles: Mr. Brown queried the Board about whether to address the brush piles in the community, and that some may consider these items a fire hazard. After discussion it was decided to table this item until the Board could inspect these items within the community.

Mowing of the Right of Ways: Mr. Brown shared that the POA and Comal County had recently combined efforts to see that road right of ways were mowed in Mystic Shores. It was asked if the Board would like to complete a right of way mowing for the Peninsula? It was decided that mid August would be the appropriate time to complete this work. Mr. Brown was enlisted to contact the landscaper and schedule the work for completion.

**Peninsula at Mystic Shores Property Owners Association
Board of Directors Meeting
August 1, 2012
Page 4**

Miscellaneous items:

Ann Gibson asked the Board if additional plantings such as Yellow Lantana could be added to the front entry. She stated that now that the work in the entry is completed, additional plantings would add to the beauty of the entry, and are needed. Mr. Petsch will check the budget to ascertain whether this can be accomplished in 2012.

Gary Kasch informed those present that all of the fire hydrants have now been painted, tested, and all are now numbered by the fire department. This will provide the fire department with the information on how each fire hydrant can be used based on the test results.

Adjournment: There being no further business, the meeting adjourned at 12:18 p.m.



Steven H. Brown, Recording Secretary

SOCIAL COMMITTEE RESPONSIBILITIES

THIS COMMITTEE, CURRENTLY CHAIRED BY PAM MILLER, IS RESPONSIBLE FOR KEEPING THE COMMUNITY INVOLVED. COMMITTEE MEMBERS PLAN, ORGANIZE AND IMPLEMENT COMMUNITY WIDE EVENTS SUCH AS THE ANNUAL CHRISTMAS PARTY, ANNUAL POA MEETING AND DINNER, AND TWO OR THREE OTHER EVENTS DURING THE YEAR. THE COMMITTEE IS ALSO RESPONSIBLE FOR WELCOMING NEW NEIGHBORS AS THEY MOVE INTO THE PENINSULA.

WELCOMES:

Dennis and Nannette Pepper Callahan
Glenn and Camille Tackaberry
Mike and Sandy Wells (renting from the Riekers)
**Bruce and Pamela Ray
**Col Wendell Holladay

ACTIVITIES:

July 28th Canyon Lake Cruiser
September 22nd Peninsula Ladies Welcome Coffee Glenn and Camille Tackaberry's home 110 Spiritual Pass 10:00 - 12:00
November 25th Decorating the front gate for Christmas 2:00
December 8th Annual Christmas Party - Jerry and Becky Newman's home 745 Pacific Place 5:30 - 7:30

*****ASSETS*****

OPERATING FUNDS		
101001	CAB - OPERATING	137,787.11
101002	CAB - OPERATING MMKT	149,031.12
101003	CAB - OPERATING (PLATEAU)	<u>1,766.61</u>
	Total Operating Funds	288,584.84
RESERVE FUNDS		
101007	BROADWAY - RESERVE MMKT	159,126.04
101008	AMERIPRISE- INVESTMENTS	<u>144,964.82</u>
	Total Reserve Funds	304,090.86
OTHER ASSETS		
121600	ACCOUNTS RECEIVABLE - MEMBERS	21,797.58
170200	PREPAID FEDERAL INCOME TAX	<u>991.00</u>
	Total Other Assets	22,788.58
	Total Assets	<u><u>615,464.28</u></u>

*****LIABILITIES*****

CURRENT LIABILITIES		
201200	PREPAID ASSESSMENTS	4,988.00
210005	A/P - BUILDER BONDS	<u>13,000.00</u>
	Total Current Liabilities	17,988.00

*****EQUITY*****

395604	UNREALIZED GAIN/(LOSS) SECURITIES	(23,145.00)
396000	RETAINED EARNINGS	523,155.61
	Equity Increase	<u>97,465.67</u>
	Total Equity	<u>597,476.28</u>
	Total Liabilities & Equity	<u><u>615,464.28</u></u>

PENINSULA AT MYSTIC SHORES POA
ACTUAL vs BUDGET COMPARISON
06/30/2012

Jun Actual	Jun Budget	Jun Variance	Account		Y-T-D Actual	Y-T-D Budget	Y-T-D Variance	Total Budget
INCOME								
0.00	0	0.00	410200	ASSESSMENT - HOMEOWNER	141,566.22	140,000	(1,566.22)	140,000
0.00	83	83.00	410800	ASSESSMENT - LATE FEES	0.00	498	498.00	1,000
0.00	83	83.00		Total Income	141,566.22	140,498	(1,068.22)	141,000
OTHER INCOME								
0.00	0	0.00	410880	INCOME - PLAN REVIEW	700.00	0	(700.00)	0
29.49	125	95.51	430200	INCOME - INTEREST	387.63	750	362.37	1,500
29.49	125	95.51		Total Other Income	1,087.63	750	(337.63)	1,500
29.49	208	178.51		Total Income	142,653.85	141,248	(1,405.85)	142,500
EXPENSES								
ADMINISTRATIVE								
13.72	42	(28.28)	660601	ADMIN - OFFICE SUPPLIES	13.72	252	(238.28)	500
115.84	100	15.84	660602	ADMIN - POSTAGE	327.28	600	(272.72)	1,200
25.03	58	(32.97)	660603	ADMIN - PRINTING	355.40	348	7.40	700
1,289.00	700	589.00	660607	ADMIN - MANAGEMENT FEES	4,789.00	4,200	589.00	8,400
0.00	8	(8.00)	660608	ADMIN - BANK FEES	10.00	48	(38.00)	100
0.00	0	0.00	660610	ADMIN - ACCOUNTING FEES	0.00	850	(850.00)	850
0.00	625	(625.00)	660611	ADMIN - LEGAL FEES	1,802.50	3,750	(1,947.50)	7,500
1,107.52	0	1,107.52	660613	ADMIN - PROFESSIONAL FEES	3,329.34	0	3,329.34	0
0.00	42	(42.00)	660618	ADMIN - COLLECTION FEES	0.00	252	(252.00)	500
2,551.11	1,575	976.11		Total Administrative	10,627.24	10,300	327.24	19,750
GATE EXPENSES								
1,033.89	0	1,033.89	660807	GATES - MAINTENANCE	1,033.89	0	1,033.89	0
2,909.96	83	2,826.96	660808	GATES - SUPPLIES/REPAIRS	7,201.74	498	6,703.74	1,000
0.00	67	(67.00)	660809	GATES - TELEPHONE	415.54	402	13.54	800
0.00	83	(83.00)	660827	GUARDHOUSE - REPAIRS	25.00	498	(473.00)	1,000
3,943.85	233	3,710.85		Total Gate Expenses	8,676.17	1,398	7,278.17	2,800
TAXES								
124.68	0	124.68	661202	TAXES - PROPERTY/FRANCHISE	124.68	0	124.68	0
124.68	0	124.68		Total Taxes	124.68	0	124.68	0
UTILITIES								
0.00	125	(125.00)	661402	UTILITIES - ELECTRICITY	591.19	750	(158.81)	1,500
300.00	183	117.00	661403	UTILITIES - WATER	1,371.27	1,098	273.27	2,200
300.00	308	(8.00)		Total Utilities	1,962.46	1,848	114.46	3,700
GROUND MAINTENANCE								
0.00	917	(917.00)	662402	GROUPS - IMPROVEMENTS	3,261.21	5,502	(2,240.79)	11,000
0.00	1,039	(1,039.00)	662403	GROUPS - MAINTENANCE CONTRACT	7,339.35	6,234	1,105.35	12,470
0.00	1,956	(1,956.00)		Total Ground Maintenance	10,600.56	11,736	(1,135.44)	23,470
OTHER MAINTENANCE								
0.00	842	(842.00)	662573	WELL CONSTRUCTION & WALL	11,121.09	5,052	6,069.09	10,100
0.00	842	(842.00)		Total Other Maintenance	11,121.09	5,052	6,069.09	10,100
OTHER EXPENSES								
0.00	125	(125.00)	662735	BAD DEBT EXPENSE	0.00	750	(750.00)	1,500
0.00	125	(125.00)		Total Other Expenses	0.00	750	(750.00)	1,500
COMMITTEES								
584.98	125	459.98	662770	COMMITTEE - SOCIAL	584.98	750	(165.02)	1,500
0.00	67	(67.00)	662784	COMMITTEE - CONSERVATION	0.00	402	(402.00)	800
0.00	42	(42.00)	662793	COMMITTEE - NEIGHBORHOOD WATCH	0.00	252	(252.00)	500

PENINSULA AT MYSTIC SHORES POA
ACTUAL vs BUDGET COMPARISON
06/30/2012

<u>Jun Actual</u>	<u>Jun Budget</u>	<u>Jun Variance</u>	<u>Account</u>	<u>Y-T-D Actual</u>	<u>Y-T-D Budget</u>	<u>Y-T-D Variance</u>	<u>Total Budget</u>
584.98	234	350.98		584.98	1,404	(819.02)	2,800
0.00	0	0.00	662800	0.00	0	0.00	5,800
0.00	0	0.00	662801	1,491.00	1,800	(309.00)	1,800
0.00	0	0.00		1,491.00	1,800	(309.00)	7,600
0.00	4,962	(4,962.00)	663500	0.00	29,772	(29,772.00)	59,538
0.00	937	(937.00)	664900	0.00	5,622	(5,622.00)	11,242
0.00	5,899	(5,899.00)		0.00	35,394	(35,394.00)	70,780
<u>7,504.62</u>	<u>11,172</u>	<u>(3,667.38)</u>		<u>45,188.18</u>	<u>69,682</u>	<u>(24,493.82)</u>	<u>142,500</u>
<u>(7,475.13)</u>	<u>(10,964)</u>	<u>(3,488.87)</u>		<u>97,465.67</u>	<u>71,566</u>	<u>(25,899.67)</u>	<u>0</u>