

SONTERRA PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
Held at The Management Company at Stone Oak-Sonterra
August 27, 2009 – 8:30 AM

Directors Present

Rick Faner, Vincent Nazzaro, Mark Neneman, Dayna Rinklin, John Tracy, Bill Wuest,

Directors Absent

Bernie DeNisio

Guests

Tonja Condor, Ray Jansure, Josephine Stevens

Chief Marvin Tillman arrived at 9:39 AM

A quorum was established and the meeting was called to order at 8:31 AM by Mr. Wuest.

The Minutes of July 23, 2009 had been previously provided for review. A motion was made to approve the minutes by Ms. Rinklin, seconded by Mr. Nazzaro, and passed unanimously.

Financial Statements

Mr. Jansure noted that prepaid taxes under current assets on p. 2 of the Financial Statements referred to a Federal Income Tax credit. Mr. Nazzaro asked for an explanation of paragraph 3, page 1 on the Accountants' Report from Jim Oliver & Associates regarding omitted disclosures. Mr. Jansure will ask to have all the omitted disclosures submitted in the next report so the Board may decide whether to include the additional information in future reports. Mr. Jansure explained the actual maintenance expense of \$56,379.82 exceeded the budgeted \$28,525.00 for the month of July, page 9, because wall maintenance expenses totaling \$21,063.00, page 11, were incurred for ongoing repairs. Mr. Neneman asked about including a prior year column on Schedule II but agreed Schedule IV supplied the information. Mr. Nazzaro asked whether gate maintenance expenses are capitalized expenses; Mr. Jansure will supply an analysis of gate maintenance expenses for the next Board meeting. Mr. Jansure will also report on how expenses paid from the Allowance for Doubtful Accounts are entered. The Board asked Mr. Jansure to arrange for Ms. Ana Ball, CPA with Jim Oliver & Associates, to attend the October and November, 2009 Board meetings. Mr. Neneman requested an additional budget column for 2007 be added to Schedule IV. A motion to accept the Financial Statements was made by Mr. Nazzaro, seconded by Mr. Tracy, and passed unanimously.

Sonterra Capital Suit

Mr. Jansure submitted an update from counsel on negotiations and enforcement options. The Board directed Mr. Jansure to ask counsel to pursue garnishment of Sonterra Capital accounts.

Finance Committee

Mr. Nazzaro reviewed the background on special assessments. The Breezes received a loan from the Association to rebuild a wall. The records indicate the loan to The Breezes was made from the Operating Account and repaid through a special assessment deposited back into the Operating Account. The Vistas and The Midlands also received loans from the Association for

repairs to non-POA property; however, their loans came from the Capital Reserve Fund. The special assessments collected have been subsequently deposited into the Operating Account. The Vistas received a loan of \$135,375.00 and special assessments have returned \$55,503.91. The Midlands received a loan of \$80,165.59 and special assessments have returned \$25,157.79. The total amount of special assessments that has been deposited into the Operating Account is \$80,661.70. The Finance Committee recommended that starting in October, 2009 special assessment funds be deposited into the Capital Account and that previous funds deposited to the Operating Account be repaid to the Capital Account over a period of time. Mr. Nazzaro moved that monies incorrectly deposited into the Operating Account be returned to the Capital Account as expeditiously as possible without raising assessments, and beginning in October, 2009, special assessment funds will be deposited into the Capital Account. The motion was seconded by Mr. Wuest and passed unanimously. The Finance Committee will research ways to see that the \$80,661.70 in special assessments incorrectly deposited to the Operating Account are repaid to the Capital Account and will make a recommendation to the Board.

A break was taken at 9:34 AM and the meeting reconvened at 9:39 AM.

Awareness Committee

Ms. Rinklin reported that an estimate for the installation of a rapid recovery gate arm for The Highlands was received from Automatic Gates, Cameras and More Company. A motion to accept the bid for the rapid recovery gate arm at \$6,329.53 and an LPR camera not to exceed \$2,200 with both to be paid for from the capital account was made by Ms. Rinklin, seconded by Mr. Wuest, and passed unanimously. Mr. DeNisio will be asked to start process.

Chief Tillman reported on the Birdsong property issue. The guards have kept a history of activity including towing at the property. The house has become a dormitory for sons and friends of the owner but it is not in violation of restrictions. The Board will ask Mr. DeNisio to review the situation and make recommendations.

The Landscape Committee

The Committee met with Joe Acuna of Expert Lawn and Landscaping, Inc. to discuss landscape proposals. Ms. Rinklin presented design drawings for The Oaks west entry and the Main Guardhouse entry. Mark suggested that Barry Carter and Gary Tupa at the Club at Sonterra review the landscape plan for the guardhouse entry. Mr. Jansure will check on metering cost for additional water meters at The Oak west entry. The Board will consider sending a unanimous consent to address additional water meters and irrigation controllers.

The Management Company

Ms. Rinklin submitted a report on The Management Company office's move to new location and supplied a list of associated expenses.

Street Repairs

Mr. Jansure reviewed the areas in which street repairs have begun. He also submitted a report which itemized the Association's investment in equipment used in operations at all the gates.

Mr. Jansure reported the following:

- A request from a resident for a traffic light coming out of The Greensview,
- Complaints about a stretch Hummer parked in the driveway of a home in The Oaks,
- A request from a La Cierra resident for a hearing before the Board regarding a vehicle decal violation. The Board will have the Awareness Committee conduct the hearing.
- The Steubing Ranch Zoning Case will be reviewed by the San Antonio City Council on September 3, 2009.

Mr. Wuest advised the Board that he has invited San Antonio City Counsel Woman Elisa Chan and her Staff to attend the Sonterra Quarterly Board of Directors meeting on September 24, 2009.

A motion to adjourn was made by Mr. Wuest and the meeting adjourned at 12:48 PM.