



Lakecliff POA Quarterly Board Meeting – July 16, 2022

Location: One Church in Spicewood

When: 10:00 AM CT in Person and Zoom

Opening – Call to Order, Certification of Quorum, Approval of April 16, 2022 Quarterly Board Meeting Minutes, Q2 2022 Financials

- Meeting Called to Order by Dan Wittner as Mike Lange was remote
- Certification of Quorum was announced and noted
- Attendees were:
 - Mike Lange– POA Board President - Zoom
 - Kent Graham – POA Board and Treasurer
 - Scott Walters – POA Board Director
 - Nancy – McCormick – POA Board Director
 - Dan Wittner – POA Board Vice President and Secretary
 - Steve James – ACC Committee Chair
 - Pat Trojanowsky – Cottage and Villa Committee Chair – Zoom
 - Laurie Chapman – Community Engagement Committee Chair
 - Stacy Jackson – Goodwin Property Manager
 - David Longoria
 - Doyle Wilson
 - Bob Randall

- The Agenda was shared with the people in the room and on Zoom and the Board proceeded
- The Agenda was modified to move the Roads discussion ahead of the financial review as it had relevance to that topic
- April 16, 2022 Quarterly Board Meeting Minutes Approval – Dan motioned to approve, Kent seconded – Approved by the Board

Roads

- Scott presented an update on the condition of the roads and the findings of Lone Star Paving



Roads



- POA Board met with Loan Star Paving in Late June 2022 – Jim Ramming
- Examined all roads
- Determined Base is Good
- Board determined that we need to begin an ongoing cycle of repair and sealing of roads every year
- Recommendation is to begin with sections that are in need of repair the most
- At this time, we have ~\$166,000 in reserves for road work
- Anticipated costs are annually will be between \$20,000 and ~\$100,000
- Additional reserves are scheduled to be applied in 2022 and every year after that
- Future plan is to set up a rotating yearly repair plan that in a 5 – 6 year period all roads in the neighborhood will have repairs/seal coat work completed.

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Roads



Main Priorities in the near term

- Repair sunken area at Cliff Crossing and Cliff Overlook Intersection
- Repair severe cracking on Kahala Sunset Ct across from parking lot - this area is mainly due to the ribbon curb being higher than the asphalt not allowing proper water drainage.
- Repair entry gate area as needed from new gate sensor installation
- Apply new Seal Coat from Lakecliff Entrance along Gallery Dr to Golf Club house
- Stableford Ct is an example of where we understand there is significant cracking and repairs needed but will wait until construction is more complete.
- Continue to monitor roads for improper drainage to repair before it causes larger issues.
- Monitor gaps between asphalt and ribbon curb and repair as needed.
- Small chipping repairs would be done when that section of road is going to be resealed.

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- Several pictures of the roads were shared to show current state

Road Priorities



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Road Priorities



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- The Roads discussion concluded and the Board shifted to the Financials



Financial

- Kent opened the Financials section explaining how the POA Board is modifying the Financial reporting
- Kent shared the new format and explained how the POA Board will be utilizing this model to allow for better planning as we move towards a 5 Year Strategic Financial Plan
- The changes included creating and reporting on different business types (i.e. irrigation, development, cottages)
- Kent presented the following slides

Q2 Financials

June 2022

Lakecliff on Lake Travis POA		
Balance Sheet		
As of 6/30/2022		
Assets		
Cash		
Checking - Western Alliance		138,286.26
Money Market Account - Western Alliance		34,680.55
Money Market Account - United Heritage		183,490.61
Money Market Account - Arrowhead Bank		40,000.00
Total Assets		396,457.42
Liabilities & Equity		
Prepayments		
Prepaid Assessments		1,257.42
Total Liabilities		1,257.42
Equity		
Beginning Fund Balance 1/1/2022		249,976.30
Fund Change		145,223.70
Ending Fund Balance		395,200.00
Total Liabilities & Equity		396,457.42
Allocation of Ending Fund Balance		
Operating Fund Reserve		128,984.17
Non-Operating Fund Reserve		266,215.83
Total Fund Balance		395,200.00



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Q2 Financials

June 2022

Lakecliff on Lake Travis POA						
Income Statement - Consolidated						
Period 1/1/2022 To 6/30/2022						
	Year to Date			Annual Budget	Budget Remaining	Projected 2022
	Actual	Budget	\$ Var Over (Under) Budget			
Income						
Assessments - Annual POA	202,245.53	202,980.00	(734.47)	202,980.00	734.47	202,980.00
Cottage Landscape Maintenance Allocation	19,825.29	30,124.00	(10,298.71)	30,124.00	10,298.71	30,124.00
Cottage Landscape Seasonal Allocation	30,630.02	2,000.00	28,630.02	4,000.00	(26,630.02)	30,630.02
Lot Mowing Fee Allocation	8,894.30	8,200.00	694.30	16,400.00	7,505.70	16,400.00
Arch Review Fee	27,500.00	18,750.00	8,750.00	37,500.00	10,000.00	32,500.00
Firewise Expense Allocation	-	5,000.00	-	5,000.00	5,000.00	-
New Construction Mgmt Fee	28,000.00	52,500.00	(24,500.00)	105,000.00	77,000.00	60,000.00
Gate Access Fee	4,000.00	-	4,000.00	-	(4,000.00)	-
Interest Income	50.49	1,200.00	(1,149.51)	2,400.00	2,349.51	200.00
Key/Remote Fee	175.00	3,000.00	(2,825.00)	3,000.00	2,825.00	3,000.00
Late Fee	37.86	390.00	(352.14)	780.00	742.14	780.00
AR Fee Income	525.00	90.00	435.00	175.00	(350.00)	175.00
NSF Fees	25.00	-	25.00	-	(25.00)	-
Irrigation System Revenue	20,851.82	16,526.00	4,325.82	53,031.00	32,179.18	53,031.00
Sprinklers Repair Revenue - Cottages	599.85	1,000.00	(400.15)	1,000.00	400.15	1,000.00
Irrigation System - Set up fees	12,500.00	18,750.00	(6,250.00)	37,500.00	25,000.00	25,000.00
Other Income	2,054.87	-	2,054.87	-	(2,054.87)	2,054.87
Total Income	357,915.03	360,510.00	2,405.03	498,890.00	140,974.97	457,874.89



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Q2 Financials

June 2022

Expense						
Administrative Expenses						
Accounting	475.00	500.00	(25.00)	500.00	25.00	500.00
Bank Charges - Return Pymt	20.00	-	20.00	-	(20.00)	-
Copies	707.90	645.00	62.90	945.00	237.10	945.00
Admin-AR Fees	2,832.00	200.00	2,632.00	400.00	(2,432.00)	400.00
Legal Expense	19,262.87	10,000.00	9,262.87	15,000.00	(4,262.87)	25,000.00
Management Fees	6,856.50	6,856.50	-	13,713.00	6,856.50	13,713.00
Meeting Expense	1,065.00	525.00	540.00	875.00	(190.00)	875.00
Development Services	39,300.00	36,275.00	3,025.00	72,550.00	33,250.00	72,550.00
Postage/Delivery	362.17	215.00	147.17	355.00	(7.17)	355.00
Social Events	2,176.97	-	2,176.97	2,500.00	323.03	2,500.00
Website Maint	600.00	900.00	(300.00)	2,340.00	1,740.00	2,340.00
Website Hosting	159.90	156.00	3.90	312.00	152.10	312.00
Ins-D & O	-	-	-	1,900.00	1,900.00	1,900.00
Ins-F&EC or Package	3,287.00	-	3,287.00	-	(3,287.00)	3,287.00
Ins-Liability	774.25	3,020.00	(2,245.75)	3,020.00	2,245.75	3,020.00
Taxes-Property	-	650.00	(650.00)	650.00	650.00	650.00
Total Administrative Expenses	77,879.56	59,942.50	17,937.06	115,060.00	37,160.44	128,347.00
Irrigation						
Meter Reading	2,903.31	2,418.00	485.31	4,836.00	1,932.69	4,836.00
Raw Water	17,163.60	19,092.00	(1,928.40)	60,227.00	43,063.40	60,227.00
Raw Water - Res. Water Facility	4,800.00	4,800.00	-	9,600.00	4,800.00	9,600.00
Repairs - POA Irrigation	3,986.82	2,500.00	1,486.82	5,000.00	1,013.18	5,000.00
New Meters	2,086.41	1,000.00	1,086.41	1,500.00	(586.41)	2,200.00
Total Irrigation	30,940.14	29,810.00	1,130.14	81,163.00	50,222.86	81,863.00
Landscape						
Landscape-Common Area Seasonal	9,234.19	6,000.00	3,234.19	10,000.00	765.81	10,000.00
Landscape-Lot Mowing	-	7,200.00	(7,200.00)	14,400.00	14,400.00	14,400.00
Landscape-Common Area Recurring	37,177.79	24,714.00	12,463.79	49,428.00	12,250.21	49,428.00
Landscape-Cottage Recurring	22,137.87	15,060.00	7,077.87	30,120.00	7,982.13	30,120.00
Landscape-Cottage Seasonal	2,769.38	2,000.00	769.38	4,000.00	1,230.62	4,000.00
Landscape-Supplies	1,124.20	1,400.00	(275.80)	2,800.00	1,675.80	2,800.00
Landscape-Repair	250.00	-	250.00	-	(250.00)	-
Landscape-Sprinklers	645.00	750.00	(105.00)	1,500.00	855.00	1,500.00
Landscape-Cottage Sprinkler Repairs	738.55	500.00	238.55	1,000.00	261.45	1,000.00
Firewise Expense	-	5,000.00	(5,000.00)	5,000.00	5,000.00	-
Total Landscape	74,076.98	62,624.00	11,452.98	118,248.00	44,171.02	113,248.00



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Q2 Financials

June 2022

Property Expenses						
Access Ctrl-Maint	1,224.90	1,500.00	(275.10)	3,000.00	1,775.10	-
Entry Gate Maintenance	5,552.50	500.00	5,052.50	1,000.00	(4,552.50)	10,500.00
Fence Maint/Repair	14,946.00	-	14,946.00	-	(14,946.00)	14,946.00
Mailbox/Guard House Maint/Repair	1,137.50	1,000.00	137.50	1,000.00	(137.50)	1,137.50
Landscape Lights	-	200.00	(200.00)	200.00	200.00	200.00
Maint/Repair	4,887.35	1,110.00	3,777.35	2,220.00	(2,667.35)	2,220.00
Security/Monitoring	-	19,998.00	(19,998.00)	39,996.00	39,996.00	13,170.00
Security Personnel	-	19,998.00	(19,998.00)	39,996.00	39,996.00	13,601.00
Signage Install/Maint	-	3,500.00	(3,500.00)	3,500.00	3,500.00	3,500.00
Street Light Maint/Repair	-	200.00	(200.00)	200.00	200.00	200.00
Water Feature Maint	325.00	60.00	265.00	180.00	(145.00)	180.00
Total Property Expenses	28,073.25	48,066.00	(19,992.75)	91,292.00	63,218.75	59,654.50
Utility Expenses						
Electric	1,052.91	1,260.00	(207.09)	2,520.00	1,467.09	2,520.00
Tel/Cell/Pager	668.49	660.00	8.49	1,320.00	651.51	1,320.00
Total Utility Expenses	1,721.40	1,920.00	(198.60)	3,840.00	2,118.60	3,840.00
Total Operating Expense	212,691.33	202,362.50	10,328.83	409,603.00	196,911.67	386,952.50
Operating Income (Loss)	145,223.70	158,147.50	(7,923.80)	89,287.00	(55,936.70)	70,922.39
Non-Operating Expenses						111,980.00
Fund Change - Cash Increase (Decrease)	145,223.70	158,147.50	(7,923.80)	89,287.00	(55,936.70)	(41,057.61)
					POA	(83,809.63)
					Irrigation	(3,832.00)
					Development	19,950.00
					Cottages	26,634.02
					Consolidated	(41,057.61)



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- Post discussion on the financials, Kent called for a vote to approve the Q2 POA Financials
- Scott Walters seconded and the POA Board approved

5 Year Planning Objectives and Expectation

- Kent continued to walk through a slide on the POAs efforts to better plan
- He shared what the 5 Year Plan Objectives and Expectations



5 Year Planning Objectives and Expectations

- Develop Strategic 5 Year Vision for Lakecliff – 1st Draft January 2022 completed
- Develop 5 Year Financial and Operating Plan
 - Understand financial requirements to maintain Lakecliff
 - Define ongoing expenses to ensure Lakecliff has Reserves to support them
 - Roads
 - Irrigation
 - Infrastructure
 - Security
 - Landscaping
 - Division Fencing
 - Define Assessment needs to achieve these objectives
- Present 5 Year Plan and 2023 Operating Budget at October 2022 Board Meeting



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- After the discussion, we moved to irrigation

Irrigation

- Dan opened the section on Irrigation with the facts about the drought and the impact on irrigation
- Dan spoke of current stages set by Aqua Texas and the LCRA
- The following slides were shared to provide context



Irrigation

- Drought conditions have caused some significant challenges for irrigation water usage
- LCRA has moved to Stage 1 under the Drought Contingency Plan
- Aqua Texas has moved to Stage 2 in their plan

LCRA Notice

“Due to extremely dry conditions throughout the basin, LCRA is implementing drought response Stage 1 under the Drought Contingency Plan

You and other domestic use, temporary, and landscape irrigation and recreational use water customers should continue following the maximum twice-per-week watering schedule:

Wednesdays and Saturdays for addresses ending in odd numbers.
Thursdays and Sundays for addresses ending in even numbers.
Hours: Midnight to 10 a.m. and 7 p.m. to midnight.”

- The POA Board has sent out a recent notice to the POA Members regarding this
- The POA Board has posted on our website Lakecliff.com the Aqua and Lakecliff Drought Contingency Plans and the Water Conservation Plan
- LCRA has mandated that we move to 2 days a week watering schedules going forward



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Irrigation

POA Requirements to Support our contract with Lakecliff Golf Club and subsequently LCRA (Being Finalized Now)

- Have a clear Water Conservation Plan
 - Educate the community on water conservation
 - Notify the community on Drought Stages
 - Ensure Meters are not losing water
 - Have water rates that encourage water conservation
 - Encourage Xeriscaping through the the ACC and Landscaping Plans
 - Ensure community moves and adheres to new all year-round watering schedule
 - Wednesdays and Saturdays for addresses ending in odd numbers.
Thursdays and Sundays for addresses ending in even numbers.
Hours: Midnight to 10 a.m. and 7 p.m. to midnight



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Irrigation

- Have a Drought Contingency Plan
 - Notify the community on the Drought Stages
 - Notify the community on watering restrictions
 - Enforcement of non-compliance by Management Company
 - Administer Variance requests



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- Dan mentioned the POA Board has worked hard to create and publish all the required documents to ensure that the POA is compliant
- Dan encouraged the POA to go to our POA Website and read the Drought Contingency and Water Conservation Plans at Lakecliff.com
- Also, Dan mention on the Website we have published Aqua Texas' plans for the POA to read



Committee Updates Community Engagement Committee

- Laurie Chapman shared all the efforts of the Community Engagement Committee

Community Engagement Committee

The Mission of the Committee

Engage with the entire community to foster the positive and welcoming vision that is Lakecliff

- New Welcome Packet
- New Closing Packet
- New Ways to communicate with residents (Text, Video Messaging, etc...) – Need most Current information on all POA Members
- Install Message Boards at the Mailboxes to post key information on the community
- Add monthly Lakecliff Update - via e-mail and posted at the Message Boards
- Work with POA Board on amenities outlined in the 5 year plan to enhance resident’s lives
- Build the Lakecliff Brand every day!



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Cottages and Villa Committee

- Pat Trojanowski updated the progress that has been made in the Cottages and Villas

Cottage and Villa Committee

The Mission of the Committee

Create a Voice for the Cottage and Villa Community to enable the POA Board to listen to suggestions and concerns and work towards ensuring the highest quality of life for these owners

- Completion of the landscaping project started in 2021
 - The POA Board agreed to pay each Cottage homeowner \$215 to finish the landscaping to close this matter
- Painting of Cottages – 10 of 14 Cottages needed work
 - 7 Cottage owners have hired a painter and are in stages of completion
 - 3 Cottage owners are in the process of hiring a painter
 - Paint colors have been raised as an issue and need to be resolved



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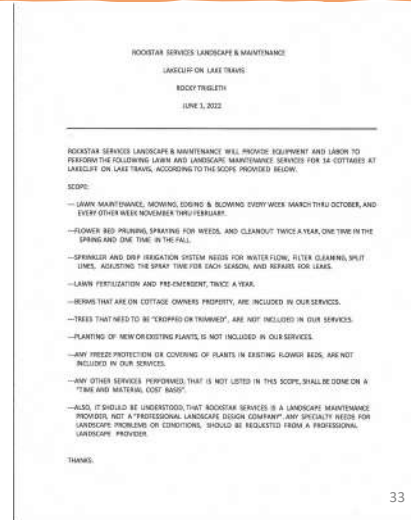


- Pat continued to discuss the deliverables that have been defined as maintenance

Cottage and Villa Committee

Landscaping and Lawn Maintenance

- Reviewed maintenance and expenses provider
- Worked with provider to create a clear “Job Description” to ensure all Cottage homeowners understood the scope of the agreement
- “Job Description” has been provided to all Cottage homeowners



ACC

- Steve James updated the continued progress in Lakecliff

ACC

Construction Activity

- Approved/In Process Today—15 Homes/Villas with 2 to be completed by end of the year
- Additional Homes to Start by Year end —4 Homes
- Building activity slowing due to economic pressures affecting Spec builders
- Spec builders will proceed but in a more measured manner to ensure their product does not sit
- Building activity among personal builds is steady





ACC

Changes to Our Environment

- ACC must focus on site location, setbacks, architectural diversity since homes are closer together with less of an “Open feel”
- Landscaping and irrigation are now presenting a challenge as irrigation mandates have been made
- ACC will need to work with home builders on more Xeriscaping and drought resistant grass and plants
- Community Communication is much more important than ever and the ACC will work closely with the Community Engagement team to keep people informed



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ACC

New ACC Packet in Final Review

- ACC Packet has been modified to incorporate
 - New Fee schedule – Same in aggregate as before
 - Construction Deposit
 - Helpful Checklists for preliminary plans and final plans
 - Additional construction guidance to add clarity



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Homeowner Forum

- No one asked to speak or asked questions

Adjournment

- Dan called to Adjourn and was seconded
- Meeting ended at 11:35 PM CT