

CSRPOA Monthly Board Meeting March 11, 2025

CSRPOA Clubhouse 691 Canyon Springs Drive, Canyon Lake, Texas 78133

Call to Order was given at 7:03 pm, with a quorum present. Pledges of Allegiance were given to the U.S. and Texas flags. Board President Debbie Freisenhahn welcomed those attending to pick up a meeting agenda and budget materials on the table next to the sign-in sheet. She said the order of the meeting would begin with an explanation of pending actions of the Board with a time set aside for questions to be taken from those in the audience. The Secretary read the minutes for the February 11 meeting with the assistance of Anthony Timmermayer. A motion to approve the minutes was made by Diana Rhodes with 2nd by Anthony Timmermayer. The vote to approve the minutes was unanimous. Treasurer Bill Tuzin gave the Treasurer's report. The beginning balance was \$19,635.80 with deposits of \$513 and with expenditures of \$12,695.01 leaving a balance of \$7,456.79. The motion to approve the minutes was made by Anthony Timmermayer and 2nd by Ryan Jenkins. The vote to approve the Treasurer's report was unanimous.

A discussion of the Annual Budget and details determining an amount of a Special Assessment and the Board's decision into entering a pursuit of a Chapter 11 reorganization. Treasurer Tuzin then made a presentation about the filing of a Chapter 11 reorganization effort saying that this was as a result of many, many years of mounting needs. The provision of only collecting \$18 per year for several decades had put such a financial strain on the POA that we could no longer survive without taking action, saying that if every member paid the \$18 assessment, it would only raise \$10,600. He stated that annual insurance costs alone are in excess of \$13,000 with maintenance work often left unfinished over the recent decades and that several projects needed to be done and that could no longer be put off due to risk and safety issues. Taking suggestions from the Board member's lists that were made of items needing attention added up in excess of \$400,000. Decisions were made to reduce the list down to with concerns for risk and safety totaling \$192,000.

The short list of projects included repair and maintenance of the pool area, an ADA walkway from the parking lot to the front door of the Clubhouse with a permanent ramp, repair to the Clubhouse, chimney repairs, repairs to restroom ceilings, trimming of dead limbs, cleaning of easements and legal fees necessary to bring our dedicatory instruments up to proper code and for filling of a Chapter 11 reorganization to update our governing documents. This information was used to determine a Special Assessment of \$250 in addition to the \$18 annual POA assessment. Tuzin went on to explain that if every property owner paid the Special Assessment it would raise \$147,000 based on 100% participation. The new accounting software prefers email addresses but statements will be mailed soon. It appears the only way to remedy this continuing situation was to engage in a reorganization effort by seeking a Chapter 11 restructuring and

reorganization. The result of these efforts will be to upgrade and improve our Deed Restrictions, Bylaws, Articles of Incorporation and our rules and regulations. This will necessarily change our annual assessment which will allow for the maintenance and improvements needed by the Community. Realizing the strain on budgets that could result, the Board approved a payment plan that can extend up to ten payments.

President Freisenhahn thanked Bill for his presentation and said she was aware that this was quite a change but that the POA and its documents were instituted before she was even born! She encouraged those who needed to participate in the payment plan to visit with Mr. Tuzin and return the paperwork that will be coming in the forthcoming statements being prepared and sent. She reminded every one that Chapter 11 only means reorganization, and it does not mean that the POA is shutting down, but instead is restructuring. A member of the audience said it seemed “workable”. Mr. Tuzin mentioned that part of the expense was that our Deed Restrictions has “tied the hands of the Board” as it requires the POA to provide and maintain a pool and tennis court which are costly and require maintenance. Diana Rhodes mentioned that even 30 years ago in the 1990’s all these things needed work to maintain them. Debbie made a few announcements before the question-and-answer part of the meeting began. The Community Garage Sale was rescheduled for Friday and Saturday April 11th and 12th from 8-2. She reminded everyone that this event would take place at member’s homes and offered one side of the Clubhouse parking lot and about the Little Caesar’s pizza kits.

Bill Tuzin mentioned that out of 589 the property owners, approximately 1/3rd were delinquent. One question and comment from the audience was “why do persons who do not use the pool have to pay for those who do use it?” The answer is that it was required to be available as an amenity for all residents to use or not to choose to enjoy. Debbie mentioned that that addition of the key fob system for the pool encouraged many members of the Community who owed back dues to catch up and raised a significant amount of money. Pat Daniel responded that this Board was making an effort to do things that previous Boards had not attempted to do in decades because of the lack of funds to maintain things as required, stating that we can no longer “Kick the can down the road.” He mentioned that the original assessment of \$18 that has never been changed now requires \$174 to have the same purchasing power and that proper repair and maintenance now requires these additional funds. While some in the audience seemed supportive of the idea for a Special Assessment, the amount suggested is still a shock

A motion to adjourn was made by Anthony Timmermayer with a 2nd by Dennis Davis, the vote to close the meeting was unanimous. The meeting was closed at 8:02pm

Meeting notes compiled by Secretary Pat Daniel.