

Wolf Creek Ranch Owner's Association
Board of Directors Meeting Minutes

13 Sept. 2014

Attendees:

Warren Dold, President
Dennis Hill, Treasurer
Lee Kinard, Secretary
Fred Ball, Board Member
Mike Moore, Board Member
Bob Ring, Board Member
Carol & Peter Dold, ER-7A
Ellis & Frances McKanna, ER-3A
Bill Bishop, RR-3
Jim Fletcher, WB-9B
Becky Carlberg, ER-7B
Warren Struss, ER-1A
Mark & Terry Stracke, MCW-6A
Tommy Skinner, 4401 WCR Rd.
Kim & Cindy Taniguchi, MCW-7B

Attachments

Agenda
Sign-in Sheet
DRB Report
Firewise Recording Form
Gate Management Proposals
Wade Hibler's Recommendations
Perimeter Fence Schedule
Treasurer's Report
Annual Rainfall Totals

Having confirmed a quorum of directors present to conduct the business of the Association, President Dold called the meeting to order at 9:00 AM in the Dold home, welcoming the board, committee members, owners and guests. President Dold summarized the agenda for the meeting. See attachment.

Meeting minutes of the previous Board meeting of 10 May 2014, were circulated via email prior to today's meeting. They were accepted by the Board. The Board secretary, Lee Kinard, will file the minutes with attachments in the WCR office.

Design Review Board

Bill Bishop handed out the attached Grant of Variance form and the Taniguchi's variance request for approval by the Board. Relative to the Taniguchi's request, the affected neighbor, Karol Shepherd, was previously contacted by the DRB. According to the DRB, Karol had no issue with the proposed site plan. Motion was made by Mike Moore to accept the form and to allow the specific variance and Lee Kinard seconded. All Board members approved the action.

Firewise Committee

Mike Moore handed out the attached form for reporting individual owner's efforts in maintaining our Firewise Certification. He reported that the clearing and mulching that was done twice per year will now be done once per year. He continues to monitor the levels of the 3 water tanks on WCR. Tommy Skinner communicates with the local VFD in order to maintain full levels.

WCR Security

Bob Ring and Jim Fletcher have been talking to three companies about state-of-the-art gate monitoring systems and have received preliminary bids on each type of system. See attachment. Jim and Bob indicate that more discussion with these companies is required to define a system applicable to WCR requirements. At this point, it seems the Board is leaning toward updating the call-box arrangement for all owners and including recording cameras. Three types of cameras are available: 1) general view of incoming/exiting traffic, 2) license plate specific view and 3) call-box camera specific to face view. There are 3 methods of data transmission and recording available. The Board feels that there is urgency in updating the gate equipment this year because it was recently determined that spare parts are no longer available for our current system and the clickers are no longer available. Jim mentioned that in one or more of the systems under evaluation, clickers are not required and utilize a "transponder" mounted in the vehicle to open the gate similar to the way the TX-Tag functions on the tollways.

Recommendations From Wade Hibler For WCR

President Dold and Dennis Hill have been in communication with Wade Hibler about having cattle on WCR and how best to handle "resting" the land and the

number of cattle the ranch can support and still maintain the native grasses. Wade's eye-opening report is attached and makes the following points:

1. WCR is grossly overgrazed.
2. "Rest" the ranch for at least two years.
3. ~50% of the ranch land is not grazable because of cactus, brush, rocky soil and slopes.
4. Currently, the ranch can support no more than 20 head.
5. A grazing lease is worth \$4-\$5 per grazable acre.

President Dold urged the Board to commence clearing the commons of cactus and brush as soon as possible, because this will be a first step in recovering land for grazing. President Dold will be working with the County Appraisal District to see if they potentially allow additional resting time specifically because of our drought conditions. We know some counties will. Now that WCR is at the point of change in cattle management operations, makes this effort urgent.

Parade of Homes

As said in previous minutes, the Petru's builder may sponsor an open house for the Petru's home sometime in October as part of the local Parade of Homes. The Board wants the Petru's builder (Ryan Haberer) to reimburse WCR for the \$2400 for the damage done to the road in addition to agreement on the written documentation of the plan regarding security, etc. for the event, prior to the Board's approval and authorization for the event.

Recycling

There was discussion about possible recycling of trash items and there were varied and different contradictory reports which will need investigation.

Managed Lands Program

Bob Snyder was not in attendance so President Dold gave the report. There is a new state biologist and her name is Aaron Wayland. Relative to the deer census, a 3 night spotlight search was required and has been accomplished.

Treasurer's Report

Dennis provided the "Treasurer's Report" detailing the 2014 project status. Major points in the current budget:

1. WCR is under budget a little.
2. The Board decided to eliminate the Dock Fund until the lake returns and put the existing \$5000 into the budget elsewhere.
3. After much discussion, the Board tentatively agreed to increase the annual owner's dues by an even 10% making the dues \$2640.00 per year. However, the final decision will be made at the November 2014 board meeting when the new budget is approved.

Overall, the Board instructed Dennis to incorporate the following into the 2015 budget to be voted on in the next Board meeting:

1. Consider an Increase in dues to \$2640.00
2. Remove the cattle by the end of 2014 and let the ranch "rest" for two years minimum depending on the county's evaluation of our drought situation. This means refunding a portion of Bud Green's grazing lease money and eliminating the grazing lease income from the budget.
3. Generate a budget item for cactus and brush removal and fund it for \$10,000.00.
4. Increase the gate budget to \$40,000.00 to allow equipment updating for all three gates.
5. Increase the operating budget by 1%.
6. Allow a budget for continued fence repairs required on the east side of the ranch.

Next meeting is set for 15 November 2014, 9 AM at the Dolds.

Warren Dold adjourned the meeting at approximately 12:16 PM.

Submitted and Certified by:


Lee Kinard, Secretary

15 Nov. 2014
Date

From: Warren warrendold@gmail.com

Subject: AGENDA for WCROA Meeting on September 13, 2014

Date: September 5, 2014 at 12:54 PM

To: Ball, Fred fball@bankoftexas.com, Denny Hill dhtx4fr@gmail.com, Lee & Nancy Kinard leekinard@281.com, Mike Moore mtmoore@txwinet.com, Bob Snyder bsnyder@txwinet.com, Bob Ring bobring@eldoradoinsurance.com, WARREN DOLD warrendold@gmail.com

Cc: Bill Bishop bbishop@peregrirepetroleum.com, Ellis McKanna ejfirmckanna@dishmail.net, Becky Carlberg recarlberg@gmail.com, James Fletcher (US - Austin) j.fletcher@outlook.com, Denny Holman dholman@sabrerealty.com, Nelda Duff wolfcktx@tstar.net

Our summer WCROA meeting is scheduled for Saturday, September 13th at 9:00 am at the Dolds. Nelda has posted the meeting notice at the mailbox kiosk and outside her office and will email a copy of this agenda to all owners inviting as many who are able to attend. Refreshments will be ready about 8:30 so come early and enjoy visiting with fellow property owners. I'll drop the gavel promptly at 9 o'clock to start the meeting.

The focus subject during this meeting is Denny Hill's initial draft budget for 2015 and guidance from owners and the board to assist him in preparing a proposed final Operating Budget and 5-Year Capital Spending Plan for next year. The board will need to make some difficult decisions for prioritizing competing capital improvement needs. Towards that end, I will steer the order of committee and board member reports to ensure all reports effecting budget planning are heard before asking Dennis to lead discussion about next year's budget.

IN MEMORIUM: Bud Green, the 4th generation owner of what had been known as the Green Ranch prior to its purchase in 2000 and development into Wolf Creek Ranch, passed away on May 15, 2014. Bud was an icon of Burnet County history as the featured historian at the annual Burnet County Historical Society's Fort Grogan Day events, a frequent speaker in Burnet school classrooms, lifelong cattle rancher, senior elder at First Methodist Church for over 40 years, devoted to his family, and most of all, a trusted friend to Wolf Creek Ranch and all its owners. Bud epitomized the image of a genuine Texas cattleman who loved his way of life and dedicated to helping our community preserve the agricultural ranching heritage he and his forefathers created. He battled nagging health issues attributable to aging for the last four years of his life but fulfilled his dream of living out life raising cattle on his beloved family ranch. Many may not be aware that Bud was also an artist, drawing cowboy caricatures on Christmas cards and personal notes, all of which are cherished memories to those who received one from Bud. He will be sorely missed!

The order of business for the meeting follows:

Lee Kinard Approval of minutes from the May 10, 2014 meeting. Also your rainfall summary since the last meeting in May will provide further fodder for complaint and supplement drought mournings. None of the streams on Wolf Creek are flowing and only a few of the natural springs have any flow ... and lake levels continue to be a sad tale of woe. Bring us current on Bob Rose's rainfall outlook for this fall also.

Bishop/McKanna/Carlberg Please brief the group on the significant activity of the Design Review Board since we last met in May and your progress on developing a form of variance for use with the Taniguchi's and later when appropriate. If that variance form is ready to your satisfaction in time for our Association meeting, bring copies so the board can review and endorse its use.

Mike Moore Any Firewise news you may have is always welcome. Consider also reminding owners about the annual report you provide to the ratifying agency for Firewise Communities about hours and owner expenses incurred managing individual properties for cedar clearing, defensible zone maintenance and other qualifying costs. Please also reference work the Association has undertaken this year on clearing new growth brush/cedar in selected Common Area, which will, along with owner-contributed time/dollars on qualifying measures, be reported for recertification credits.

Bob Ring/Jim Fletcher ... Please report the findings of the Security Committee's evaluation of the adequacy of existing security measures in Wolf Creek, the integrity of operating systems in place and your committee members recommendation(s) to improve security at our gates (communication / call boxes, formalizing a neighborhood watch program with a procedures guide for owners use, perhaps camera recordings of vehicles entering/leaving, et al). The board will be interested in your estimate of costs for each measure recommended to assist Denny in developing next year's budget should the board elect to implement some or all of the recommendations. Security and roads were identified in 2009 as the two highest priority functions our Association has. There is considerable community interest in your committee's recommendations.

Warren Dold

1.) Bud's estate has been probated and his daughter Gina has been appointed Executrix. His grazing lease is paid up through the end of the year and Bud's son-in-law has committed to having all the cattle removed prior to the existing lease's expiration. I will discuss the ranch tour and meeting Denny and I had with Wade Hibler, Agrilife Agent for Burnet County, last month with the objective of gaining a better understanding the number of cattle Wolf Creek can

support during drought, an update on market rates being charged for grazing leases in the county, and best practices to restore native grasses in Wolf Creek so adversely effected by overgrazing and drought. Hibler made a lot of observations/examples about the degradation of native grasses and over abundance of cactus and brush throughout the ranch, all of which effects the desirability and timing for introducing a new herd on the ranch and the number (and quality) of cattle the ranch can support. Wade's recommendation is to allow the ranch to "rest , i.e. lay fallow, for two years during which time Wade recommended the Association and tract owners spray /remove as much cactus, brush and cedar as reasonably possible to allow native grasses to again propagate, especially on "grazeable" Common Area. I'll distribute a copy of the notes I took during the site tour.

2.) David Humphries has reluctantly elected to withdraw his name from consideration as a new grazing tenant, the reasons for which I will discuss at the meeting. Three names have been added to the list as potential rancher tenants when Wolf Creek is ready to consider a successor to Bud.

3.) Perimeter Fence Replacement Project For each of the past 4-5 years, we have invested \$10 - 12k to an ongoing commitment to replace the ranch's perimeter fence, no portion of which Bud Green observed was "less than 60 years old". Our cost to replace the decayed wooden posts and wire with metal T-posts and (minimum) 5-strand barbed wire fence has been \$2.50/ft. plus granting salvage privilege to the fence builder for the old wire , which is a very competitive price. We prioritized replacing those fences posing the highest potential liability exposure to the Association in the event of cattle getting onto RR 2341. To date, we have replaced all fencing west of the Sid Evan's Ranch property above White Bluff and south to RR 2341, easterly from Silver Creek along RR 2341 to the Main Gate, easterly along RR 2341 to East Gate and northeasterly to the most southerly corner of MCE-1. That portion of RR 2341 frontage between the Main Gate and just east of the Middle Gate was replaced using funds from the sale of a portion of our Common Area subject to widening of RR 2341 in 2006-07. The next segment scheduled for replacement is the generally northerly run of fencing along the eastern side of Wolf Creek bordering parts of the Baker Ranch. This section is in very poor condition and is the run of fence Bud had the most trouble with Barney Baker cattle getting into Wolf Creek and Bud's cows getting into Baker's pasture. Portions of this fence line are barely standing. Barney has agreed verbally to share some of this run of fence but needs to see the cost proposal and confirm that he keeps his cattle on the adjacent portion of fence line we plan to replace annually. Keeping with our past expenditure history, it will take 4 - 5 years to replace all of this line of fence to the adjacent Legacy Ranch. I will distribute at the meeting a suggested schedule of annual segments (with a map) for board consideration in the 5-year capital expenditures plan. Having a perimeter fence capable of turning cattle is vital to preserving our ranching heritage, adding a replacement rancher and perpetuating the agricultural tax treatment we all enjoy.

4.) Parade of Homes ... The Hill Country Builders Association 2014 Parade of Homes tour is scheduled for the 3rd and 4th weekend in October. The Petru's new home on White Bluff is scheduled to be one of the featured homes on that tour. I'll have current information by the time we meet confirming details on how HCBA will direct visitor traffic to the Petru's show home and preclude unaccompanied Parade of Homes attendees from driving around the ranch indiscriminately. I hope to also have an update in time for our Association meeting from the Petru's builder on our request to be reimbursed \$2,400 for the cost to repair damage to WCR Road caused by overweight concrete trucks traveling to the Petru's home. We have been assured WCR business cards will be available at the Petru's show home should Parade of Homes visitors want information about available WCR properties.

5.) Recycling ... Pete Mefford and others asked during the May meeting about the availability of a separate collection bin to deposit household recyclables and/or whether the contents of WCR dumpsters are recycled. I'll have a brief summary of findings.

Denny Hill ... The floor is yours to discuss next years budget and receive the guidance you need to formalize a budget in time for our fall meeting in late November/early December.

We have a full and substantive agenda. See you a week from Saturday.

Warren

~~10 May 2014~~
Sept. 13, 2014

<u>WCROA Board Meeting Sign In Sheet</u>		
	<u>Name</u>	<u>Property</u>
1	Lee Kinard	AC-2
2	Warren, Carol & Peter Dold	ER-TA
3	MARK + TERRY STRUCKE	MCW-6A
4	TOMMY SKINNER	4401 WOOD RD
5	Frances + Ellis McKanna	ER-3A
6	Bill Bishop	RR-3
7	Becky	ER-7B
8	DENNY HILL	WB 5A
9	Kim & Cindy Taniguchi	MCW-7B
10	FRED BALL	WB-6B
11	MIKE MOORE	MCW 7
12	JIM FLETCHER	WB 9A
13	WARREN STRUSS	ERI
14	RING	
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Design Review Board Activity Report

May 10, 2014 – September 13, 2014

The following requests and actions of Design Review Board took place since the WCROA Board meeting of May 10, 2014:

July 19, 2014. Request of Kim and Cindy Taniguchi for approval to build a single family dwelling and workshop on MCW-7B. The Taniguchi's approval request includes a request for a variance to the 100' setback between their tract and Karol Shepherd's tract (MCW-7C). Karol Shepherd has indicated to the DRB that she has no issue with the Taniguchi's variance request. Upon consultation with Warren Dold, the DRB contacted Tom Staley, attorney for the WCROA, and requested he draft a form of variance that could be used for the Taniguchi's, as well as for further use as deemed appropriate by the DRB. A copy of the proposed variance is included with this activity report.

Further action required to obtain DRB approval for this request:

1. WCROA Board review of the draft form of variance. Discuss and agree on any further changes to the form and change as appropriate.
2. Obtain final Board endorsement of the variance form.
3. Submit the final form of variance to Karol Shepherd and obtain her written concurrence to the variance.
4. Submit a conditional approval letter and executed recordable variance to the Taniguchi's.

STATE OF TEXAS §
 §
COUNTY OF BURNET §

GRANT OF VARIANCE

WOLF CREEK RANCH OWNERS ASSOCIATION

1. The Design Review Board of the Wolf Creek Ranch Owners Association, a Texas non-profit corporation (the "Association") established by the terms of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Wolf Creek Ranch dated the 18th day of February, 2009, filed as Document Number 200901499, Official Public Record, Burnet County, Texas, (the "Declaration") has reviewed the request of _____ ("Owner"), the owner of _____ (the "Tract"), for a variance from certain setback requirements as set forth in the Declaration affecting property described therein commonly known as the Wolf Creek Ranch.

2. Pursuant to Section 7.4 of the Declaration, the Design Review Board, in its discretion, may grant a variance to the front and side setback lines established by the Declaration.

3. The Design Review Board has reviewed the Owner's request and determined that: (i) the variance will not authorize the operation of a use other than private, single-family residential use; (ii) enforcement of the existing setback line above will result in unnecessary hardship; (iii) the variance will not substantially or permanently injure the use of other property in Wolfe Creek Ranch; (iv) the variance will not alter the essential character of the Wolf Creek Ranch; (v) the variance will not weaken the general purposes of the covenants set forth in the Declaration; and (vi) the circumstances leading the Owner to seek a variance are unique to the Tract or building site and are not applicable generally to other lots or tracts in Wolf Creek Ranch or their owners.

4. The Design Review has approved the Owner's request for a variance to allow the construction of a residence on the Tract in the side setback area as shown on the attached Site Plan.

5. Except for the construction of the residence in the location shown on the Site Plan, no other structures may be constructed in any setback area of the Tract. This variance shall terminate and be of no further effect if construction of a residence as shown on the Site Plan has not commenced within 12-month form the date of recording of this Grant of Variance in the Official Public Records of Burnet County, Texas. For purposes of Grant of Variance, a commencement of construction shall be deemed to mean the date on which foundations forms are set.

6. By granting this variance, the Design Review Board, the members thereof, the Association, the Board of Directors of the Association, the Association and their respective agents, employees and consultants do not assume any liability or responsibility relating to construction of the improvements as shown on the Site Plan.

7. Nothing contained here shall constitute a waiver of the approval of the Design Review Board and in connection with any construction on the Tract including compliance with the applicable provisions of the Declaration, which include, among other things, the following: (i) time limitations for the completion, within specified periods after approval, of the improvements for which approval is required under such documents; (ii) minimum square foot areas of living space that may be developed on any Tract; and (iii) instructions and/or Rules and Regulations of the Association.

Executed effective the ___ day of ___, 2014 by the undersigned being all the members of the Design Review Board of the Association.

DESIGN REVIEW BOARD
OF WOLF CREEK RANCH OWNERS ASSOCIATION,
a Texas non-profit corporation

MEMBER

MEMBER

MEMBER

Attachment: Site Plan

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2014, by _____, _____ a Member of the Design Review Board of Wolf Creek Ranch Owners Association, a Texas non-profit corporation.

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

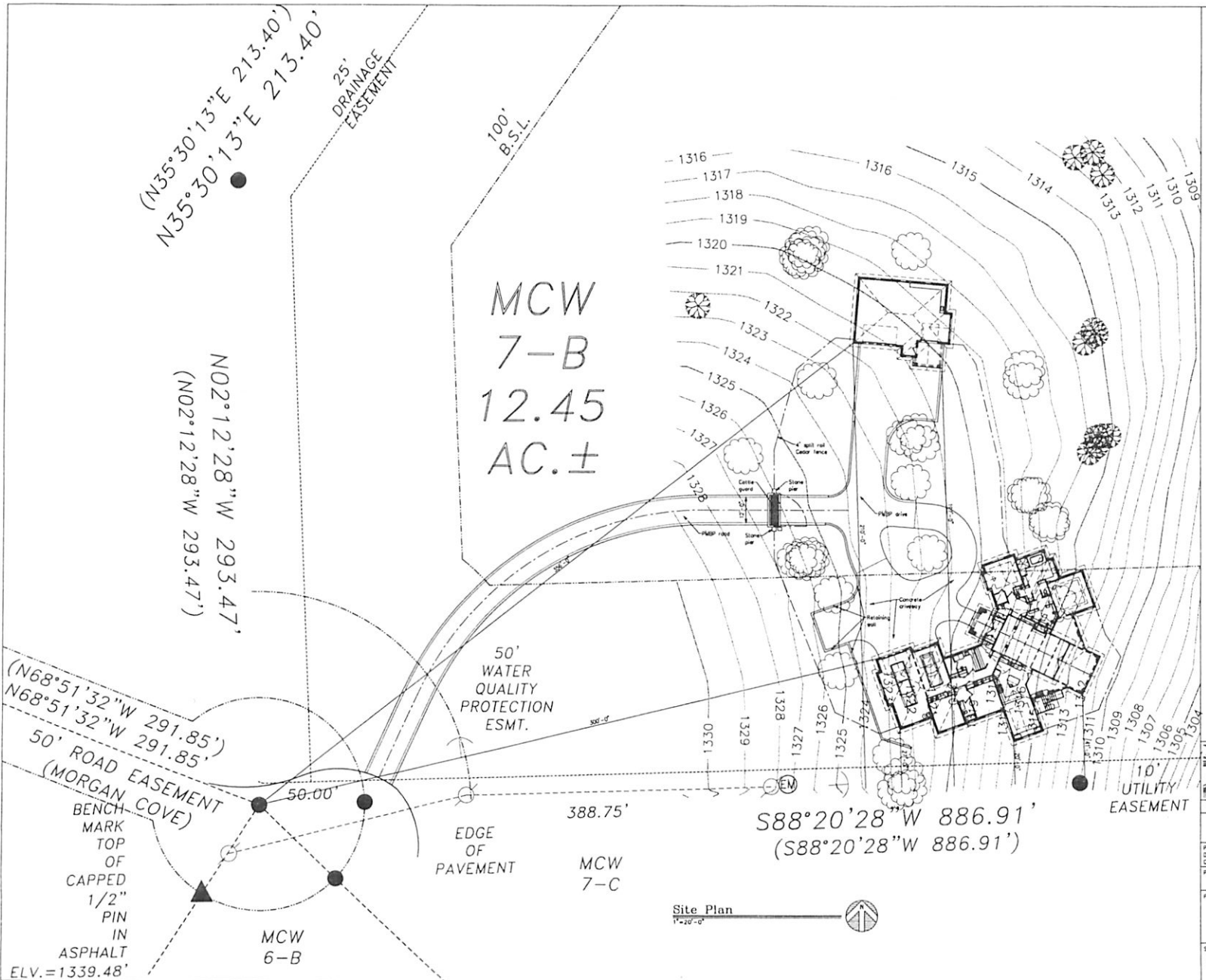
This instrument was acknowledged before me on the ____ day of _____, 2014, by _____, _____ a Member of the Design Review Board of Wolf Creek Ranch Owners Association, a Texas non-profit corporation.

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2014, by _____, _____ a Member of the Design Review Board of Wolf Creek Ranch Owners Association, a Texas non-profit corporation.

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS



David C. Rowland Jr. R.A.
 Registered Architect, TX Reg # 15324
 618 Pecos De Vista
 Wylie, Texas 75084
 (502) 693-6116

Preliminary Drawing
 not for regulatory approval,
 permitting or construction
 07-14-14
 FILE NAME:
 23AC1.DWG

Proj. Date	08-18-13	Date	08-18-13
Drawn by	DKR	Checked by	DKR
Project No.	50413	Design Review	Design
		Permit Application	Design
		Contract Documents	Design

Project Name
Taniguchi Residence
 Lot MCW 7-B Wolf Creek Ranch
 Burnet County, Texas

Sheet Title
Site Plan

Sheet No.
C1



RECORDING SHEET

Can be used to record activities for matching funds and other Firewise Communities/USA purposes



What qualifies for matching funds for Firewise grants? Any time or money you spend on your home and/or surrounding property for the purpose of reducing the probability of wildfire loss. Examples of activities that will qualify related to homes and outbuildings are:

- Removing trees, brush, grass from around your structures
- Cleaning gutters of pine needles and other debris. Cleaning the roof and clearing anything flammable from within three feet of the base of the structure
- Removing tree limbs less than six-ten feet from the ground around structures
- Replacing a shake-shingle roof with a non-flammable alternative

The following volunteer activities will also qualify for Firewise matching funds. Volunteer time is recorded at the rate posted at www.independentsector.org. (Note, this rate changes each year.)

- Firewise Board meetings
- Firewise community events
- Family preparation for wildfire

To record your time, fill in the following:

Activity	Date Performed	Amount of Time

To record your costs, fill in the following:

Activity	Date Performed	Attach Invoices

I affirm that the information I have provided on this form is accurate.

Print Name _____

Date _____

Signature _____

Phone/E-mail _____

Return this form to your Firewise Board contact:

Name _____ E-Mail _____

Address _____ Telephone Number _____

WCR New Gate Management System Proposals

Contractor & System Options

Est Cost

Gate Specialties (Leander & Burnet)

Option # 1

\$28,067.00

1. New Gate Access System - 3 gates
2. CellGate management system - 2 gates
(HD entry & exit camera system with Internet via CellGate web site (OC or smart phone)
3. Long range license plate camera reader - 2 gates

Option # 2

\$22,439.00

1. New Gate Access System - 3 gates
2. CellGate management system - 2 gates
(HD entry & exit camera system with Internet via CellGate web site (OC or smart phone)

Note: \$74.95/month 300-1000 pics/month (1&2)

Dyezz Surveillance and Security (Austin) - *mat*

\$113,241.91

1. Independent Video Surveillance Systems at each gate with LP camera, Overview Camera, and Keypad Camera
2. Design and Installation of Wireless Network for connection to video surveillance and entry systems
3. Solar Power Point-to-Point Network - Supplies and Poles

Note: Probably requires new WCR office PC

Other Considerations: WCR current gate clickers no longer available and system has limited support

Dyezz Surveillance and Security INC
 2113 Wellsbranch Parkway
 Suite 6700
 Austin, TX 78728
 www.dyezz.com

Corporate:
 Toll Free Number : 800-370-2677
 Office Number: 512-331-2788
 Fax: 512-331-4248
 Lic. No. B11530
 ACR. No. 2713

Estimate

Date	Estimate #
9/9/2014	3676

Name / Address
Wolf Creek Ranch Owners Assoc. Nelda Duff PO Box 761 Burnet, TX 78611

Rep	Project
MV	

Description	Qty
Installation of 3 Independent Video Surveillance Systems at each gate with LP camera, Overview Camera, and Keypad Camera	
Installation of IP addressable Telephone Entry Directories at each gate. Programmable through network.	
Design and Installation of Wireless Network for connection to video surveillance systems and telephone entry systems from sales office.	
Programming and training of installed systems	
Wireless Network Receivers and Transmitters	
WIRELESS ETHERNET SYSTEM KIT POINT TO POINT 5GHZ 1 MILE	6
Parts / Cables / Connectors / Misc. Supplies	1
Standard Professional Installation and Configuration of Long Range Wireless Equipment	1
Subtotal	
Telephone Entry	
Kantech Tele Entry, IP Addressable, 250 Tenant	3
KTES Flush mount box	3
KTES Camera Kit with Bracket	3
Parts / Cables / Connectors / Misc. Supplies	1
Standard Professional Installation and Configuration of Telephone Entry System and Software	1
Subtotal	
Solar Power Supplies and Poles	

1. 90 DAY PARTS AND LABOR WARRANTY 2. ADDITIONAL PARTS AND LABOR MAY APPLY 3. WARRANTY DOES NOT INCLUDE ACTS OF GOD IE. LIGHTENING, FIRE, TORNADO, FLOOD, ETC. 4. WARRANTY DOES NOT INCUDE DAMAGE TO EQUIPMENT OTHER THAN NORMAL WEAR AND TEAR IE VANDALISM, PAINTING, ETC 5. 60% DOWN AND 40% UPON COMPLETION

Subtotal
Sales Tax (8.25%)
Total

Signature _____

Dyzz Surveillance and Security INC
 2113 Wellsbranch Parkway
 Suite 6700
 Austin, TX 78728
 www.dyzz.com

Corporate:
 Toll Free Number : 800-370-2677
 Office Number: 512-331-2788
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Estimate

Date	Estimate #
9/9/2014	3676

Name / Address
Wolf Creek Ranch Owners Assoc. Nelda Duff PO Box 761 Burnet, TX 78611

Rep	Project
MV	

Description	Qty
Sun Surveillance SolsticeCam Consisting of the Following: (3) 15W DC/DC Converter 24VDC to 24VDC. (3) 2.5mm x 5.5mm DC Jack pigtail. (3) Customer Supplied KBC Wireless IP Radio, 24VDC KBC Passive POE. 5-Port Slim Industrial Ethernet Switch. Solar power system sized for 78611 - includes 1 Year Performance Limited Warranty: Solar and Battery System guaranteed operation 24/7/365. Solar Panel Mount. (2) Charge Controller. Sealed Lead Acid Absorbent Glass Mat Batteries to provide a minimum of 5 days of battery backup. (2) Outdoor rated lockable battery and electronics enclosure (Pole Mount Brackets included). (2) Enclosure battery compartment extension. System comes prewired and mounted to aluminum 20ft x 6 in O.D. hinged pole for turnkey installation. Pole Top Cap. Solar array pole.	1

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Subtotal
Sales Tax (8.25%)
Total

Signature _____

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Estimate

Date	Estimate #
9/9/2014	3676

Name / Address
Wolf Creek Ranch Owners Assoc. Nelda Duff PO Box 761 Burnet, TX 78611

Rep	Project
MV	

Description	Qty
Sun Surveillance SolsticeCam Consisting of the Following: (2) 15W DC/DC Converter 24VDC to 24VDC. (2) 2.5mm x 5.5mm DC Jack pigtail. (2) Customer Supplied KBC Wireless IP Radio, 24VDC KBC Passive POE. 5-Port Slim Industrial Ethernet Switch. Solar power system sized for 78611 - includes 1 Year Performance Limited Warranty: Solar and Battery System guaranteed operation 24/7/365. Solar Panel Mount. Charge Controller. Sealed Lead Acid Absorbent Glass Mat Batteries to provide a minimum of 6 days of battery backup. Outdoor rated lockable battery and electronics enclosure (Pole Mount Brackets included). (2) Enclosure battery compartment extension. System comes prewired and mounted to aluminum 20ft x 6 in O.D. hinged pole for turnkey installation. Pole Top Cap.	2

1. 90 DAY PARTS AND LABOR WARRANTY 2. ADDITIONAL PARTS AND LABOR MAY APPLY 3. WARRANTY DOES NOT INCLUDE ACTS OF GOD IE. LIGHTENING, FIRE, TORNADO, FLOOD, ETC. 4. WARRANTY DOES NOT INCUDE DAMAGE TO EQUIPMENT OTHER THAN NORMAL WEAR AND TEAR IE VANDALISM, PAINTING, ETC 5. 60% DOWN AND 40% UPON COMPLETION

Subtotal
Sales Tax (8.25%)
Total

Signature _____

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Estimate

Date	Estimate #
9/9/2014	3676

Name / Address
Wolf Creek Ranch Owners Assoc. Nelda Duff PO Box 761 Burnet, TX 78611

Rep	Project
MV	

Description	Qty
Sun Surveillance SolsticeCam Consisting of the Following: 2.5mm x 5.5mm DC Jack pigtail. Customer Supplied KBC Wireless IP Radio, 24VDC KBC Passive POE. 15W DC/DC Converter 12VDC to 24VDC. Solar power system sized for 78611 - includes 1 Year Performance Limited Warranty: Solar and Battery System guaranteed operation 24/7/365. Solar Panel Mount. MPPT Charge Controller. Sealed Lead Acid Absorbent Glass Mat Batteries to provide a minimum of 6 days of battery backup. Outdoor rated lockable battery and electronics enclosure (Pole Mount Brackets included). Enclosure battery compartment extension. System comes prewired and mounted to aluminum 20ft x 6 in O.D. hinged pole for turnkey installation. Pole Top Cap. Concrete, Forms, Rebar, Foundation Supplies, Tool Rental, and Labor	3
Subtotal	1
Video Systems	
T91A67 POLE BRACKET	3
AXIS P33-VE SERIES PENDANT KIT	3
AXIS WALL MOUNT	3
Axis 1 MegaPixel Outdoor Camera, IP66, 100ft IR, Remote Zoom and Focus, Vandal Resistant	3
LPR Camera,Bullet Style, 5-50mm Lens, 16- 91 Ft range @ 70mph, IP66	3

1. 90 DAY PARTS AND LABOR WARRANTY 2. ADDITIONAL PARTS AND LABOR MAY APPLY 3. WARRANTY DOES NOT INCLUDE ACTS OF GOD IE. LIGHTENING, FIRE, TORNADO, FLOOD, ETC. 4. WARRANTY DOES NOT INCUDE DAMAGE TO EQUIPMENT OTHER THAN NORMAL WEAR AND TEAR IE VANDALISM, PAINTING, ETC 5. 60% DOWN AND 40% UPON COMPLETION

Subtotal
Sales Tax (8.25%)
Total

Signature _____

Dyezz Surveillance and Security INC

2113 Wellsbranch Parkway
 Suite 6700
 Austin, TX 78728
 www.dyezz.com

Corporate:

Toll Free Number : 800-370-2677
 Office Number: 512-331-2788
 Fax: 512-331-4248
 Lic. No. B11530
 ACR. No. 2713

Estimate

Date	Estimate #
9/9/2014	3676

Name / Address
Wolf Creek Ranch Owners Assoc. Nelda Duff PO Box 761 Burnet, TX 78611

Rep	Project
MV	

Description	Qty
Rugged Network Video Recorder Appliance w/ 4 x PoE Intel 847E, 1TB, up to 16 MP Cams COO: Assembled in Canada HS Tariff: 8471.41.01 * Power supply included	3
Single input SD H.264 video encoder with PoE (BNC) COO: Made in Canada HS: 8525.50.3040 * Power supply not included 2 \$392.20 Taxable \$784.40 Total \$2,956.30	6
Sub	
5 Port PoE Industrial Switch	3
PELCO WCS14 UNIVERSAL POWER	3
Thermostat for Meir Climate Controlled Enclosures	3
Fan Cooled Outdoor Nema Enclosure, 24x24x8	3
Security Grade Surge Protector	3
Electrical Labor and Materials (DVR, Switch and Lockbox Power)	1
Parts / Cables / Connectors / Misc. Supplies	9
Standard Professional Camera Installation - Includes cable installation, termination, mounting, point / aim / focus, etc.	1
Subtotal	

1. 90 DAY PARTS AND LABOR WARRANTY 2. ADDITIONAL PARTS AND LABOR MAY APPLY 3. WARRANTY DOES NOT INCLUDE ACTS OF GOD IE. LIGHTENING, FIRE, TORNADO, FLOOD, ETC. 4. WARRANTY DOES NOT INCLUDE DAMAGE TO EQUIPMENT OTHER THAN NORMAL WEAR AND TEAR IE VANDALISM, PAINTING, ETC 5. 60% DOWN AND 40% UPON COMPLETION

Subtotal	\$104,611.46
Sales Tax (8.25%)	\$8,630.45
Total	\$113,241.91

Signature _____

Gate Specialties, Inc.

PO BOX 28297

AUSTIN, TX 78755

Estimate

Date	Estimate #
9/11/2014	1484

Name / Address
Wolf Creek Ranch Burnet TX Option #1 Pricing is per single gate location

			Project
Description	Qty	Cost	Total
Linear AE-1000 telephone entry with modem, programming software and MegaCode radio receiver. Unit has 20,000 entry code capacity & 20,000 event transaction log. Programmable thru dial up modem or browser if connection is available.	1	3,571.00	3,571.00
AWID/RFID long range vehicle tag reader. 8-15' read range, mounted on post. Includes power supply and all cabling.	1	2,814.00	2,814.00
CellGate HD CellCam Camera system. Entry overall and exit cctv camera system. Images and transaction logs are available thru CellGate website by smartphone or PC.	1	5,863.00	5,863.00
<p>Note: Tags are \$13.25 ea. min. order is 50 tags Linear Mega-Code single button transmitters are \$28.32ea. min. order is 10 units CellGate monthly service fee based on 300-1000 pics per month is \$74.95</p> <p>Gate Specialties Inc. is a AFA/IDEA Certified Automated Gate Operator Installer. Member American Fence Association. Supplies General Liability & Workers Comp. Insurance. OSHA 10hr. Certified.</p>			
THANK YOU FOR THE OPPORTUNITY TO QUOTE YOUR PROJECT		Total	\$12,248.00

Phone #	Fax #	E-mail
512 426-4451	512-231-9420	paul@gatcspecialtics.com

Gate Specialties, Inc.

PO BOX 28297

AUSTIN, TX 78755

Estimate

Date	Estimate #
9/11/2014	1485

Name / Address
Wolf Creek Ranch Burnet TX Option #2 less auto tag system Pricing is per single gate location

			Project
Description	Qty	Cost	Total
Linear AE-1000 telephone entry with modem, programming software and MegaCode radio receiver. Unit has 20,000 entry code capacity & 20,000 event transaction log. Programmable thru dial up modem or browser if connection is available.	1	3,571.00	3,571.00
CellGate HD CellCam Camera system. Entry overall and exit cctv camera system. Images and transaction logs are available thru CellGate website by smartphone or PC.	1	5,863.00	5,863.00
Note: Linear Mega-Code single button transmitters are \$28.32ea. min. order is 10 units CellGate service fee based on 300-1000 pics per month is \$74.95			
Gate Specialties Inc. is a AFA/IDEA Certified Automated Gate Operator Installer. Member American Fence Association. Supplies General Liability & Workers Comp. Insurance. OSHA 10hr. Certified.			
THANK YOU FOR THE OPPORTUNITY TO QUOTE YOUR PROJECT			Total \$9,434.00

Phone #	Fax #	E-mail
512 426-4451	512-231-9420	paul@gatcspecialties.com

Gate Specialties, Inc.

PO BOX 28297

AUSTIN, TX 78755

Estimate

Date	Estimate #
9/11/2014	1486

Name / Address
Wolf Creek Ranch Burnet TX Option #3 new phone entry only Pricing is per single gate location

			Project
Description	Qty	Cost	Total
Linear AE-1000 telephone entry with modem, programming software and MegaCode radio receiver. Unit has 20,000 entry code capacity & 20,000 event transaction log. Programmable thru dial up modem or browser if connection is available. Note: Linear Mega-Code single button transmitters are \$28.32ea. min. order is 10 units Gate Specialties Inc. is a AFA/IDEA Certified Automated Gate Operator Installer. Member American Fence Association. Supplies General Liability & Workers Comp. Insurance. OSHA 10hr. Certified.	1	3,571.00	3,571.00
THANK YOU FOR THE OPPORTUNITY TO QUOTE YOUR PROJECT		Total	\$3,571.00

Phone #	Fax #	E-mail
512 426-4451	512-231-9420	paul@gatcspecialtics.com

Wade Hibler's Tour of Wolf Creek Ranch on August 7, 2014

Denny Hill and Warren Dold drove Wolf Creek Ranch and the adjacent Legacy Ranch with Wade Hibler, Burnet County Agrilife Extension Agent, to benefit from and gain Wade's insight and understanding of (a) what is the standard used in Burnet County for the number of acres required to support a cow and calf, (2) what is the going rate area property owners charge tenant lessees for a Grazing Lease; (c) what effects, if any, has the long duration drought and 120+ years of cattle being onsite had on forage/native grasses on the two properties and (d) what can the Association and owners of Legacy Ranch do to improve native grasses seemingly absent over much of the ranches, and if Wade finds native forage in duress, is the cause over-grazing and/or drought. The following is transcribed from notes taken by Dold during the site visit.

OBSERVATIONS AND COMMENTS:

- The ranch has been overgrazed for many years and needs to "rest" to permit native grasses to recover, re-seed and populate the open pastures.
- Prickly Pear Cactus, Persimmon and other woody brush plants are overly abundant which impedes recovery of native grass specie.
- Over grazing during the prolonged drought has damaged the desirability of Wolf Creek and the Legacy Ranch for early replacement of cattle.... native grasses have all but been stripped away, cactus and woody brush have become excessive, all caused by years of over grazing and drought.
- WCROA in Common Areas and individual owners would be well advised to remove as much cactus and excessive brush density as possible in pasture areas to improve/increase the number "grazable acres" while preserving wildlife habitat and cover. Steeply sloped canyon lands with dense stands of cedar are not frequented by cattle and can remain unchanged as an erosion prevention measure.
- Wade recommends use of the following herbicides applications to make room for native grass specie germination and recovery: SENDERO to control of mesquite trees; PASTURE GUARD to reduce over abundance of cactus; and PASTURE GUARD + REMEDY on hard-to-control persimmon. Each of these three herbicides can be purchased and applied by owners/landscape contractors without having to have an Applicators License.
- To speed recovery of native grass specie, Wade suggests broadcasting grass seed blends produced by Texas growers/producers vs. grass seed suppliers who produce grass specie oftentimes not native to Central Texas. He has long recommended Native American Seed (www.seedsources.com), a producer of native grass seed in Junction, Texas. Wade's specific recommendation for application in our rocky soil is Native American's "Caliche Mix", a blend of 14 seeds all native to our area in central Texas.

- Wade is scheduled to retire effective 10.1.2014 after 35+ years as County Agent in Travis and Burnet Counties. He has formed an agricultural consulting company enabling Wade to continue serving property owners in central Texas. His new company is Topaz Land Management, 830-613-5225.

HOW MANY CATTLE CAN WOLF CREEK RANCH/LEGACY RANCH CARRY WITHOUT OVERGRAZING NATIVE GRASSES?

- The standard for Burnet County has not changed even during the drought. Wolf Creek and Legacy can calculate the number of cattle each ranch can support by first calculating GRAZABLE acres, then dividing by 30 acres (the number of acres one cow requires for forage). The resultant number is the number of mother cows and bulls the ranch(s) can support. The operative word is GRAZABLE acres, not gross acres contained in the ranch (1,325 ac). GRAZABLE acres is estimated by subtracting the number of acres which are not suitable for use by foraging cattle such as steep slopes, portions of the ranch(s) covered with dense stands of cedar in which native grasses are not now found on account of the cedar trees absorbing groundwater and the canopy of cedar trees prevent 70% of rainfall from reaching the ground. To estimate grazable acreage within the ranch(s), go to www.soilwebsurvey.com, click on the SWS symbol on the web page's front page, then click on Texas/Burnet County and close the scale on the satellite aerial photograph to Wolf Creek and owners' individual properties. You can then measure generally open, minimally forested land areas and densely wooded cedar coverage areas. After driving through the ranch, Wade estimated that 50% +/- of WCR is non-grazeable. Using Wade's formula, WCR could therefore support 20 - 24 animals (1325 gross acres X 50% = 662 Grazable acres. Dividing 662 by 30 acres/cow = 22 animals which is about half the number of cattle Bud was permitted to carry under his old Grazing Lease (40 mother cows and two bulls).

WHAT IS THE "GOING RATE" IN BURNET COUNTY USED TO CALCULATE ANNUAL PASTURE LEASE AGREEMENTS?

- According to Wade, Grazing Leases have been stable for many years in the range of \$4 - 5/grazable acre. For WCR, that translates to \$2,600 - 3,300/year. If native pasture grasses are abundant, grazing leases towards the upper end of the range could be expected, even higher if there are pastures improved with bermuda. Pastures like WCR may be fortunate to get \$4/grazable acre in its current overgrazed condition. Accordingly, for WCR, we could reasonably expect to lease the ranch for grazing for about \$2,600/year., more two years hence if we let the range rest and native grasses replenish.

WADE'S RECOMMENDATIONS TO THE BOARD

- Let the ranch "rest" for at least 2 years without cattle to allow native grass species to re-seed for two consecutive years, more if possible. The Burnet County Appraisal District is routinely grants these two year "pasture rest" periods without endangering

area ranches' agricultural use designation. Wade said he is routinely consulted by BCAD personnel when owners request the two year fallow pasture waiver. He would do the same for us should we elect to seek the waiver.

- For the Association's Common Areas, remove as much cedar, cactus and excessive brush as possible and invite/encourage individual owners to do the same on all but the most steep slopes.

Perimeter Fence Replacement Segmentation Schedule

<u>Year</u>	<u>Distance (1)</u>	<u>Est. Cost (2)</u>	<u>Comments</u>
2014	3,490'	\$8,720 + <u>2,000</u> ... watergap \$10,720	Potential cost share w/Baker
2015	3,680"	\$9,200 <u>1,000</u> ... watergap \$10,200	Unlikely but possible cost share w/Baker
2016	4,390"	\$10,950 <u>1,500</u> ... watergap \$12,450	Unlikely cost share
2017	3,780'	\$9,450	Potential cost share w/Baker
2018	<u>1,360</u>	<u>\$3,400</u>	Likely 50/50 cost share w/Baker
Total	<u>16,700'</u>	<u>\$46,220</u>	

(1) Source: WCR Plat

(2) Assumes \$2.50/ft w/T-Posts & 7-strand wire

WOLF CREEK RANCH OWNERS' ASSOCIATION

Treasurer's Report

September 13, 2014

Overall Financial Condition

Through 8/31/14, we are under budget and have accomplished most of the projects added to the budget by the Board at the May meeting.

CPA's Statement of Assets, Liabilities and Equity – 8/31/2014 (Attached)

- Road Reserve (\$175,000), Dock Reserve (\$5,000), Rainy Day (\$50,000) for a total of \$230,000 for future use.

Statement of Income and Expense – 8/31/2014 (Attached)

- Over on Acct 5086–Repairs & Maint.–Facilities & Grounds. Wind downed flagpole repair = \$1,261.

2014 Large / Special Project Status

- *Middle Gate Improvements:* (completed 2/14) \$17,418 in 2014. Total project 105% of 2013-2014 project budget of \$34,965.
- *Road shoulder fortification:* with boulders (completed 2/14) \$6,000
- *Brush Removal:* previously cut along West 2341 fence (completed 2/14) \$1,000
- *Oak tree pruning:* around barn and mail structure (completed 3/14) \$1,000
- *Brush / Prickly Pear abatement:* East of middle gate (completed 4/14) \$5,000
- *Firewise Improvements:* Chip brush piles near pavilion to mulch (completed 5/14) \$3,960
- *Road Improvements:* Chip-seal trash dumpster area, repair pavilion parking lot, repair dirt road on incline near pavilion & repair October 2013 storm damage to road shoulders (completed 7/14) \$15,000
- *Fence section replacement:*(budgeted \$12,000)

2014 Dues Collection Status

- One owner with small remaining balance (<\$50) from 2013 rolled into their 2014 balance.
- 54 owners paid in full by 2/15/2014
- 3 owners paid in full with interest by 3/15/2014
- 5 owners paid in full with interest & penalties after 3/15/2014
- 6 owners have remaining balances

2015 Five-Year Plan (Attached)

Estimates of 2014-2018 and actuals for 2010-2013 are provided for discussion and decision making by the Board.

Respectfully submitted by Denny Hill, Treasurer.

Wolf Creek Ranch Owners' Association
Statement of Assets, Liabilities, and Equity
As of August 31, 2014

Assets

Current Assets

Cash-Wells Fargo #3191	\$	13,747.69
Cash-Savings Wells Fargo		65,520.82
American Bank of TX-CD 11151		13,173.97
American Bank of TX-CD 10954		13,651.59
American Bank of TX-CD 10999		13,140.72
American Bank of TX-CD 11051		13,149.78
American Bank of TX-CD 11245		102,992.37
American Bank of TX-CD 70279		22,482.92
American Bank of TX-CD 70278		20,210.84
Annual Dues Receivable		4,058.00
Total Current Assets		282,128.70

Equipment & Fixtures

Equipment & Fixtures	\$	2,850.00
		2,850.00
Accumulated Depreciation		(2,850.00)
Total Property, Equipment and Fixtures (See Note 2 & 3)		0.00

Total Assets

\$ 282,128.70

Liabilities and Equity

Current Liabilities

Employment Taxes Payable	\$	497.76
FUTA Payable		42.00
Total Current Liabilities		539.76

Equity

Capital Maintenance-Road Resurfacing Reserve Fund	\$	175,000.00
Operations-Sustainability Fund		50,000.00
Capital Maintenance-Dock Replacement Reserve Fund		5,000.00
Retained Earnings-Operating Fund		51,588.94
Total Equity		281,588.94
Total Liabilities & Equity		\$ 282,128.70

See Accountants' Compilation Report

Wolf Creek Ranch Owners' Association
Statement of Income & Expense
as of
August 31, 2014

Account	← Year-to-Date →					Total Annual Budget	Annual Budget Remaining
	Actual \$	% of Total	Budget \$	Favorable/(Unfavorable) Amount	Percentage		
INCOME							
4000 Annual Dues Assessments	163,200	74.9%	163,200	0	0.0%	163,200	0
4000 Prior Year Carryover (2013)	52,207	24.0%	52,207	0	0.0%	52,207	0
4002 Dues Interest & Late Fees	1,792	0.8%	1,640	152	9.3%	2,024	232
4005 Grass Lease	0	0.0%	0	0	--	0	0
4015 Dividend Income	0	0.0%	0	0	--	0	0
4020 Interest Income	770	0.4%	885	(115)	-13.0%	1,390	620
4025 Other Income	0	0.0%	0	0	--	0	0
TOTAL INCOME	217,969	100.0%	217,932	37	0.0%	218,821	852
OPERATING EXPENDITURES							
Personnel							
5001 Wages	16,496	10.4%	16,800	304	1.8%	24,960	8,464
5010 Payroll Tax Expense	1,262	0.8%	1,344	82	6.1%	1,997	735
5011 FUTA Expense	42	0.0%	101	59	58.3%	150	108
5012 SUTA Expense	586	0.4%	101	(485)	-481.3%	150	(436)
5015 Mileage Reimbursement	1,521	1.0%	1,750	229	13.1%	2,600	1,079
5020 Contract Labor	5,562	3.5%	5,040	(522)	-10.4%	7,488	1,926
Total Personnel	25,469	16.0%	25,136	(333)	-1.3%	37,344	11,875
Working Ranch Expenses							
5083 Repairs & Maint. - Fences	1,000	0.6%	1,500	500	33.3%	1,900	900
5220 Wildlife Management	609	0.4%	832	223	26.8%	1,248	639
Total Working Ranch Expenses	1,609	1.0%	2,332	723	31.0%	3,148	1,539
Security							
5081 Repairs & Maint. - Gates	977	0.6%	1,600	623	39.0%	2,400	1,423
5091 Telephone - Gates	1,156	0.7%	1,080	(76)	-7.0%	1,620	464
5096 Utilities-Main Gate	477	0.3%	504	27	5.4%	756	279
5097 Utilities-Middle Gate	340	0.2%	376	36	9.6%	564	224
5099 Utilities-East Gate	425	0.3%	352	(73)	-20.7%	528	103
5500 Security Service	5,600	3.5%	5,600	0	0.0%	8,400	2,800
Total Security	8,974	5.6%	9,512	538	5.7%	14,268	5,294
Roads							
5084 Repairs & Maint. - Roads	2,493	1.6%	4,500	2,007	44.6%	3,300	807
5102 Utilities-Hill Lights	432	0.3%	448	16	3.5%	672	240
5103 Utilities-Hill Lights2	454	0.3%	408	(46)	-11.2%	612	158
Total Roads	3,379	2.1%	5,356	1,977	36.9%	4,584	1,205
Dock							
5082 Repairs & Maint. - Dock	528	0.3%	704	176	25.0%	1,056	528
5104 Utilities-Dock	402	0.3%	408	6	1.4%	612	210
5600 Lease-Boat Dock	679	0.4%	900	221	24.5%	900	221
Total Dock	1,610	1.0%	2,012	403	20.0%	2,568	959
General Maintenance							
5076 Equipment Rental	0	0.0%	0	0	--	0	0
5080 Repairs & Maint. - General	0	0.0%	0	0	--	0	0
5085 Tools, Equipment & Supplies	273	0.2%	400	127	31.8%	600	327
5086 Repairs&Maint.- Facilities/Grounds	8,762	5.5%	7,520	(1,242)	-16.5%	8,280	(482)
5210 Groundskeeping	18,315	11.5%	24,750	6,435	26.0%	36,900	18,585
Total General Maintenance	27,350	17.2%	32,670	5,320	16.3%	45,780	18,430

Wolf Creek Ranch Owners' Association
Statement of Income & Expense
as of
August 31, 2014

Account	← Year-to-Date →				Favorable/(Unfavorable) Amount Percentage	Total Annual Budget	Annual Budget Remaining
	Actual \$	% of Total	Budget \$				
Administrative							
5025 Computer & Internet Expense	483	0.3%	506	23	4.6%	738	255
5030 Insurance Expense	7,751	4.9%	7,751	0	0.0%	7,151	(600)
5055 Office Expense	361	0.2%	536	175	32.6%	804	443
5056 Bank Charges	0	0.0%	0	0	—	0	0
5065 Postage & Delivery	182	0.1%	220	38	17.3%	320	138
5068 Memberships, Subscriptions & Misc.	400	0.3%	300	(100)	-33.3%	600	200
5069 Legal Fees	0	0.0%	0	0	—	0	0
5070 Accounting Fees	2,750	1.7%	2,750	0	0.0%	3,950	1,200
5072 Events / Annual Board Mtg	336	0.2%	800	464	58.1%	850	514
5090 Telephone - Office	1,077	0.7%	968	(109)	-11.2%	1,452	375
5095 Utilities-Barn	650	0.4%	584	(66)	-11.2%	876	226
Total Administrative	13,989	8.8%	14,415	426	3.0%	16,741	2,752
Owner Services							
5101 Utilities-Pavillion	313	0.2%	320	7	2.1%	480	167
5120 Trash Pickup	2,299	1.4%	2,200	(99)	-4.5%	3,300	1,002
5040 Firewise Expense	180	0.1%	1,336	1,156	86.5%	2,004	1,824
Total Owner Services	2,792	1.8%	3,856	1,064	27.6%	5,784	2,992
Taxes, Fees & Miscellaneous							
5300 Property Taxes	1,075	0.7%	1,100	25	2.3%	1,100	25
5400 Licenses & Permits - Dock	50	0.0%	50	0	0.0%	100	50
7000 Federal Income Taxes	348	0.2%	350	2	0.6%	350	2
Total Taxes & Fees	1,473	0.9%	1,500	27	1.8%	1,550	77
5999 Contingency Allowance	0	0.0%	0	0	—	4,558	4,558
TOTAL OPERATING EXPENDITURES	86,644	54.5%	96,789	10,145	10.5%	136,325	49,681
Capital Expenses							
8010 Road Resurfacing Reserve Fd	25,000	15.7%	25,000	0	0.0%	25,000	0
8015 Road Improvements	21,000	13.2%	21,000	0	0.0%	21,000	0
8025 Dock Replacement Reserve Fd	5,000	3.1%	5,000	0	0.0%	5,000	0
8030 Fence Section Replacement	0	0.0%	12,000	12,000	100.0%	12,000	12,000
8035 Firewise Improvements	3,960	2.5%	3,960	0	0.0%	3,960	0
8045 Middle Gate Improvements	17,418	11.0%	15,536	(1,882)	-12.1%	15,536	(1,882)
TOTAL CAPITAL EXPENDITURES	72,378	45.5%	82,496	10,118	12.3%	82,496	10,118
TOTAL EXPENDITURES	159,022	100.0%	179,285	20,262	11.3%	218,821	59,799
NET INCOME	58,947		38,648	20,299		0	

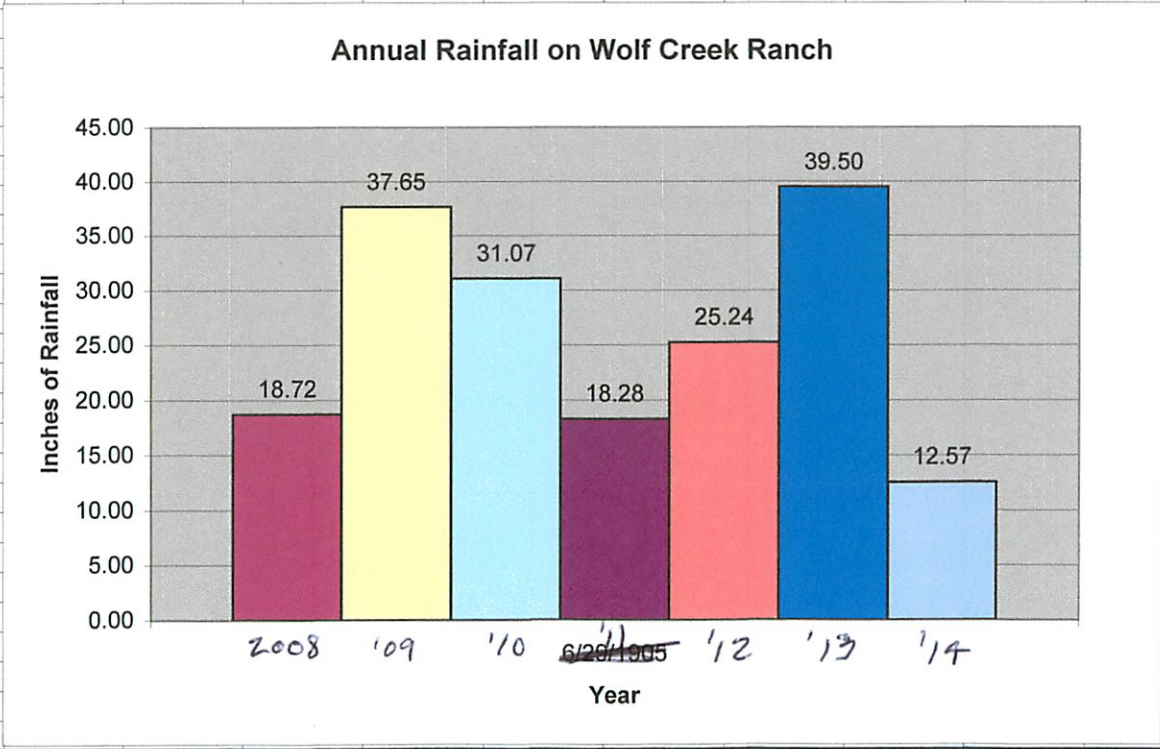
**WCROA
2015 5-YrPlan**

	←----- Actual ----->				←----- Estimated ----->				
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Income									
Number of lots	70	70	68	68	68	68	68	68	68
Annual Dues Per Lot	2,450	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Annual Owner Dues Revenue	171,500	168,000	163,200	163,200	163,200	163,200	163,200	163,200	163,200
Dues Interest & Late Fees	(964)	1,225	2,101	2,591	2,024	2,024	2,024	2,024	2,024
Grass Lease Revenue	4,600	4,600	4,600	4,600	0	0	0	2,300	2,300
Interest Earnings	735	1,389	1,664	1,583	1,390	300	450	600	750
Prior Year Carryover			25,731	21,589	47,207	4,325	4,629	3,851	4,278
Other Income	8			25,000					
Total Income	175,879	175,214	197,296	218,562	213,821	169,849	170,303	171,975	172,552
Expenses									
Operating Expenses	139,200	127,436	153,485	99,748	122,000	123,220	124,452	125,697	126,954
Road Resurfacing Reserve Fund	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Dock Replacement Reserve Fund		15,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Perimeter Fence Capital Improvement				12,317	12,000	12,000	12,000	12,000	12,000
Other Capital Improvement Projects				29,290	45,496				
Total Expenses	164,200	167,436	183,485	171,355	209,496	165,220	166,452	167,697	168,954
Net Income / (Loss)	11,679	7,778	13,811	47,207	4,325	4,629	3,851	4,278	3,598
Net Income / (Loss) per lot	167	111	203	694	64	68	57	63	53
Reserve Funds Balances									
Operations Sustainability Fund	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Road Replacement Reserve Fund	75,000	100,000	125,000	150,000	175,000	0	25,000	50,000	75,000
Dock Replacement Reserve Fund		15,000	20,000	0	5,000	10,000	15,000	20,000	25,000
Total Reserve Fund Balances	125,000	165,000	195,000	200,000	230,000	60,000	90,000	120,000	150,000

Ann. Incr. = 1.00%

Precipitation Summary on Wolf Creek Ranch Lot AC-2

Month	2007	2008	2009	2010	2011	2012	2013	2014
January	NR	0.27	0.74	4.80	2.24	1.78	3.12	0.17
February	NR	0.11	1.01	2.67	0.56	4.16	1.24	0.16
March	NR	1.98	5.26	3.16	0.28	5.35	3.44	0.79
April	NR	1.20	4.61	2.09	0.81	0.17	1.68	0.47
May	NR	4.76	2.02	1.05	3.10	4.08	3.67	4.83
June	NR	2.69	2.44	2.35	2.18	1.19	2.22	2.45
July	NR	0.66	0.51	3.26	0.04	2.30	8.32	2.06
August	NR	4.27	0.69	2.69	1.00	0.79	1.11	0.54
September	1.16	0.64	6.69	6.74	1.18	3.63	4.76	1.10
October	0.84	1.26	10.57	0.06	2.50	1.55	6.73	0.00
November	1.15	0.59	1.61	1.04	0.85	0.00	1.67	0.00
December	0.48	0.29	1.50	1.16	3.54	0.24	1.54	0.00
Annual	3.625	18.72	37.65	31.07	18.28	25.24	39.50	12.57



**Following are Emails
Subsequent to the
Sept. 2014 Board
Meeting**

From: Warren <warrendold@gmail.com>
Subject: Burnet County Appraisal District Request
Date: Tue, 04 Nov 2014 21:39:01 -0600
Cc: "Denny Holman" <dholman@sabrerealty.com>
To: "Ball, Fred" <fball@bankoftexas.com>, "Denny Hill" <dhtx4fr@gmail.com>, "Lee Kinard" <leekinard@281.com>, "Mike Moore" <mtmoore@txwinet.com>, "Bob Ring" <bring@eldoradoinsurance.com>, "Bob Snyder" <bsnyder@txwinet.com>, "WARREN DOLD" <warrendold@gmail.com>

Attached as an FYI is a copy of the letter I delivered today with attachment formally requesting the Burnet County Appraisal District renew WCR ownerships agricultural use for 2015 and 2016 without having to reintroduce cattle on account of over grazing and the drought. Aimee Spradling, BCAD's ag use appraiser, noted that we needed to formalize our request each of the for the next two years in order to retain our agricultural use exemption. Based on a meeting I had with Ms. Stradling about 10 days ago, she has informed me that she has recorded all WCR ownerships as qualifying for the ag use exemption for 2015 but needed a formal request for their record. She tells me we'll need to make a similar formal request for tax year 2016 and again in 2017, if required.

NOTE to Fred and Denny take time to read my letter to Ms. Spradling which described your intent to also rest your Legacy pasture. She stated to me she will need a formal request from you, similar in content, to my attached letter for tax years 2015 and 2016. She reserved any commitment for tax year 2017 on both properties until state rules are promulgated for continuing to grant ag use designation in the absence of cattle being on the ground for that year.

I'll have the Agenda for our Association meeting a week from Saturday on Saturday the 15th out the door by the end of the week.

Warren

Burnet County Appraisal District
c/o Aimee Spradling
P.O.Box 908
223 S. Pierce Street
Burnet, Texas 78611-0908

November 3, 2014

Dear Ms. Spradling:

This letter is a followup to our meeting in your office concerning the agricultural use of properties in Wolf Creek Ranch. During that meeting, you described the process for allowing agricultural use ownerships to rest/fallow their pastures without forfeiting or endangering their current use designations.

The purpose of this letter is to: (1) place into the BCAD record that our former grazing lessee, Bud Green, passed away this past May leaving his estate, including the 40 mother cows and two bulls grazing Wolf Creek, to his daughter and her husband until removed no later than the end of Bud's lease term on December 31, 2014; (2) provide to the District a copy of recommendations (copy attached) made to directors of the Wolf Creek Ranch Owners Association by Wade Hibler which included his recommendation to allow Wolf Creek Ranch pastures to rest/lay fallow for a minimum of two years, beginning January 1, 2015, for reasons of years of extreme over grazing and prolonged drought; (3) formally request that Wolf Creek properties' current agricultural use designation(s) remain unchanged at least for tax years 2015 and 2016, and possibly a third year if the native grasses do not re-seed as expected, all depending on the severity of the current drought cycle; and (4) assure BCAD that WCROA will identify a new grazing tenant (four potential new grazing lessees have already requested to be considered when the decision is made to re-lease the ranch) for Wolf Creek Ranch whenever the native grasses and pastures have substantially or fully recovered or before the expiration of BCAD's agricultural use designation for WCR expires, whichever first occurs.

Wade Hibler, although retired from his County Agent position, has offered to meet with you or the appropriate District representative, to confirm the content of the attached meeting summary with Association directors and

amplify the degree of damage done to the ranch by years of over grazing and duration and severity of the current drought cycle.

It is also the intention of the WCROA's board of directors to invite Wade and/or his Agri-Life Extension Agent successor to reinspect Wolf Creek in summer 2016 to document the degree of habitat and forage recovery in Wolf Creek. When that future site evaluation for grazing suitability is made, we will provide the District with a copy and then either (a) request a third year (2017) for the property to rest or (b) lease the property to a successor grazing lessee and provide the District with a copy of that lease, if needed.

Additionally, you asked me to inform you in July/August 2015, when you re-evaluate properties in the county for continued agricultural use, on WCR's native grasses and forage recovery plan. I have noted that on my calendar and will be careful that I or the appropriate WCROA director call or meet with you then to assist your evaluation and confirmation of WCR's request to extend the rest period into tax year 2016.

NOTE: The adjacent property to the north of the most northeasterly portion of Wolf Creek is a 1,000 acre ranch property known as the Legacy Ranch. The Legacy Ranch was part of the original parent ownership dating back several generations. Like Wolf Creek, Bud Green also leased the Legacy property for grazing since about 2000. Wade Hibler also inspected the Legacy Ranch on August 7, 2014 and made the same recommendation(s) for Legacy that he made for the 1,325 acre WCR portion of the parent property. Owners of the Legacy Ranch property asked that I inform you that a request similar to the above will be forthcoming for their property as well.

Thank you for your consideration and help. The invitation to tour Wolf Creek Ranch is a standing offer whenever it is convenient for you.

Sincerely yours,

Warren Dold
President, Wolf Creek Ranch Owners Association
512-756-8587

cc: Denny Holman and Fred Ball (Legacy Ranch) and Directors, WCROA

Attachment: Wade Hibler's Tour of Wolf Creek Ranch on August 7, 2014

Wade Hibler's Tour of Wolf Creek Ranch on August 7, 2014

Denny Hill and Warren Dold drove Wolf Creek Ranch and the adjacent Legacy Ranch with Wade Hibler, Burnet County Agrilife Extension Agent, to benefit from and gain Wade's insight and understanding of (a) what is the standard used in Burnet County for the number of acres required to support a cow and calf, (2) what is the going rate area property owners charge tenant lessees for a Grazing Lease; (c) what effects, if any, has the long duration drought and 120+ years of cattle being onsite had on forage/native grasses on the two properties and (d) what can the Association and owners of Legacy Ranch do to improve native grasses seemingly absent over much of the ranches, and if Wade finds native forage in duress, is the cause over-grazing and/or drought. The following is transcribed from notes taken by Dold during the site visit.

OBSERVATIONS AND COMMENTS:

- The ranch has been overgrazed for many years and needs to "rest" to permit native grasses to recover, re-seed and populate the open pastures.
- Prickly Pear Cactus, Persimmon and other woody brush plants are overly abundant which impedes recovery of native grass specie.
- Over grazing during the prolonged drought has damaged the desirability of Wolf Creek and the Legacy Ranch for early replacement of cattle.... native grasses have all but been stripped away, cactus and woody brush have become excessive, all caused by years of over grazing and drought.
- WCROA in Common Areas and individual owners would be well advised to remove as much cactus and excessive brush density as possible in pasture areas to improve/increase the number "grazable acres" while preserving wildlife habitat and cover. Steeply sloped canyon lands with dense stands of cedar are not frequented by cattle and can remain unchanged as an erosion prevention measure.
- Wade recommends use of the following herbicides applications to make room for native grass specie germination and recovery: SENDERO to control of mesquite trees; PASTURE GUARD to reduce over abundance of cactus; and PASTURE GUARD + REMEDY on hard-to-control persimmon. Each of these three herbicides can be purchased and applied by owners/landscape contractors without having to have an Applicators License.
- To speed recovery of native grass specie, Wade suggests broadcasting grass seed blends produced by Texas growers/producers vs. grass seed suppliers who produce grass specie oftentimes not native to Central Texas. He has long recommended Native American Seed (www.seedsource.com), a producer of native grass seed in Junction, Texas. Wade's specific recommendation for application in our rocky soil is Native American's "Caliche Mix", a blend of 14 seeds all native to our area in central Texas.

- Wade is scheduled to retire effective 10.1.2014 after 35+ years as County Agent in Travis and Burnet Counties. He has formed an agricultural consulting company enabling Wade to continue serving property owners in central Texas. His new company is Topaz Land Management, 830-613-5225.

HOW MANY CATTLE CAN WOLF CREEK RANCH/LEGACY RANCH CARRY WITHOUT OVERGRAZING NATIVE GRASSES?

- The standard for Burnet County has not changed even during the drought. Wolf Creek and Legacy can calculate the number of cattle each ranch can support by first calculating GRAZABLE acres, then dividing by 30 acres (the number of acres one cow requires for forage). The resultant number is the number of mother cows and bulls the ranch(s) can support. The operative word is GRAZABLE acres, not gross acres contained in the ranch (1,325 ac). GRAZABLE acres is estimated by subtracting the number of acres which are not suitable for use by foraging cattle such as steep slopes, portions of the ranch(s) covered with dense stands of cedar in which native grasses are not now found on account of the cedar trees absorbing groundwater and the canopy of cedar trees prevent 70% of rainfall from reaching the ground. To estimate grazable acreage within the ranch(s), go to www.soilwebsurvey.com, click on the SWS symbol on the web page's front page, then click on Texas/Burnet County and close the scale on the satellite aerial photograph to Wolf Creek and owners' individual properties. You can then measure generally open, minimally forested land areas and densely wooded cedar coverage areas. After driving through the ranch, Wade estimated that 50% +/- of WCR is non-grazeable. Using Wade's formula, WCR could therefor support 20 - 24 animals (1325 gross acres X 50% = 662 Grazable acres. Dividing 662 by 30 acres/cow = 22 animals which is about half the number of cattle Bud was permitted to carry under his old Grazing Lease (40 mother cows and two bulls).

WHAT IS THE "GOING RATE" IN BURNET COUNTY USED TO CALCULATE ANNUAL PASTURE LEASE AGREEMENTS?

- According to Wade, Grazing Leases have been stable for many years in the range of \$4 - 5/grazable acre. For WCR, that translates to \$2,600 - 3,300/year. If native pasture grasses are abundant, grazing leases towards the upper end of the range could be expected, even higher if there are pastures improved with bermuda. Pastures like WCR may be fortunate to get \$4/grazable acre in its current overgrazed condition. Accordingly, for WCR, we could reasonably expect to lease the ranch for grazing for about \$2,600/year, more two years hence if we let the range rest and native grasses replenish.

WADE'S RECOMMENDATIONS TO THE BOARD

- Let the ranch "rest" for at least 2 years without cattle to allow native grass specie to re-seed for two consecutive years, more if possible. The Burnet County Appraisal District is routinely grants these two year "pasture rest" periods without endangering

area ranches' agricultural use designation. Wade said he is routinely consulted by BCAD personnel when owners request the two year fallow pasture waiver. He would do the same for us should we elect to seek the waiver.

- For the Association's Common Areas, remove as much cedar, cactus and excessive brush as possible and invite/encourage individual owners to do the same on all but the most steep slopes.

Lee Kinard

From: Warren <warrendold@gmail.com>
Sent: Monday, September 22, 2014 1:23 PM
To: Bob Snyder
Cc: Denny Hill; Lee Kinard; Ball, Fred; Mike Moore; Bob Ring
Subject: Re: 2015 5-Yr Plans

I strongly concur that we adopt the 2015 budget described by Denny which does not result in an increase in dues/assessments. I too have heard from owners who were not present at the last board meeting (5 in number) who have gotten wind of the competing capital improvements options we discussed and the dues implications that brings if all were adopted. Without exception, all voiced their will to not increase the dues. Each of the 5 owners who called me and most of the owners and board members who attended the Sept 11th meeting expressed their support for (1) replacing call boxes at each gate, (2) progressing next year's sequential perimeter fence replacement as discussed, (3) performing land management/pasture improvements Wade Hibler recommended, and letting the pastures "rest" for the next year or two, (4) deferring scheduled ranch road rehabilitation work until 2016 (if necessary then) but maintaining the routine road maintenance operating account and resurfacing Morgan Cove Road, if needed, following Taniguchi's home construction. Adding cameras at each gate and the digital storage fee inherent to that level of supplemental security was not only unsupported, it was generally dismissed as unwelcome and without need. I did not discuss Denny's planning thoughts for sequential road resurfacing plan but support the plan which I believe will also find broad support from our community of owners. Count on my support for the budget with unchanged dues.

Warren

On Sep 21, 2014, at 3:57 PM, Bob <bsnyder@txwinet.com> wrote:

Great idea Denny!

Bob

Sent from RD's iPhone

On Sep 21, 2014, at 1:50 PM, Dennis Hill <dhtx4fr@gmail.com> wrote:

Lee,

The minutes look good to me.

We may want to consider documenting what I heard the Board say during the meeting when discussing the Parade of Homes: that the Board wants Ryan Haberer (the Petru's builder) to reimburse us for the \$2,400 in road repairs in addition to agreement on the written documentation of the plan regarding security, etc. for the event, prior to our final authorization for the event. The event itself is our leverage to collect the reimbursement.

I'm throwing the above out there for comment by the rest of the board.

Regards,

Denny

On Sat, Sep 20, 2014 at 4:44 PM, Lee Kinard <lee@burnetcountyrealestate.com> wrote:

Dennis,

Thank you for your insight and excellent presentation. I, too, would rather avoid a dues increase.

Lee

From: Dennis Hill [mailto:dhtx4fr@gmail.com]

Sent: Friday, September 19, 2014 7:40 PM

To: Dold, Warren; warrendold@gmail.com; Snyder, Bob; Ball, Fred; Kinard, Lee; Mike and Joni Moore; Bob & Jennifer Ring

Subject: 2015 5-Yr Plans

2015 5-year Plans

The plan changes (including the 10% dues increase) discussed at the September 13, 2014 board meeting are included in the attachment titled "2015 5-Yr Plan (1)". Since the discussion of such a weighty item as a dues increase was fairly rushed, a second exhibit, "2015 5-Yr Plan (2)" is included that models proposals described below and does not increase annual dues.

Both of these exhibits include a 0.5% annual increase in Operating Expenses. While it is likely that inflation will cause some operating expenses to increase we have also found that other expenses wind up being less than anticipated due to good management or more likely good luck. Also both exhibits include the perimeter fencing estimates provided by Warren Dold and a \$10,000 one-time expenditure for cactus abatement and land management recommended by Wade Hibler.

Gate Functionality and Security

The Board agreed that current gate code security system is very old technology and some of the items needed to use the system are no longer available, such as hand-held single-button transmitters. Additionally, support of the system requires out-of-date computer equipment and navigation of the software is far from intuitive. We do not have backup knowledge on the administration of our system (Nelda is our only administrator). All of these issues mean that replacement with newer technology has become urgent.

Conversations about security enhancements and potential replacement of our current on-site security service provided by Danny Reid are ongoing but have not been conclusive. Discussions to date have focused around gate cameras and "cloud" storage of images for subsequent review in the event of criminal activity. There are many questions regarding the efficacy of this solution and the committee researching this has not made a recommendation to the board.

Based on Gate Specialties, Inc. Proposal #1484 that the committee received, it appears that replacement of the current gate security functionality will cost \$3,571 per gate for a total of \$10,713 for our three gates. Each new single-button transmitter would cost \$28.32 and this cost would be born by the purchasing owner. This updated technology would provide us with a system that is easier to maintain from a programming perspective and would provide 20,000 entry code capacity and a 20,000 event transaction log. These are enhanced features compared to our current system.

RFID tag functionality (such as used by TX Tag for toll roads that reads authorization codes from a tag affixed to the owner's windshield) is available for \$2,814 per gate for a total of \$8,442. This converts to approximately \$125 per lot in additional cost. In addition each user would pay \$13.25 for each tag desired.

I propose that, due to its urgency, we budget for replacement of the gate code system in January 2015 with the potential addition of the RFID functionality in 2016. Other security options desired can be addressed in budgeting beyond 2015.

Road Resurfacing / Maintenance

To me, being completely unqualified as a road repair contractor, the overall road condition appears to be good with some specific areas that need attention, such as shoulder surface decay, minor pot holes, etc. It has been said that Morgan Cove will need significant work after the two new homes planned for the coming months are completed. These areas could be directly addressed without the huge expense of resurfacing the entire WCR roadway.

When we have obtained some expert advice on what road repairs would be most cost effective we should be able to make a better plan on when and how to spend our road repair dollars.

As an example of how we can apply a sizable sum to maintaining our roads without increasing annual dues, consider the possibility that we budget \$200,000 (\$50,000 per year for the next four years) to address road maintenance. The money would come from what would ordinarily be the annual \$25,000 deposit that we have consistently made to the Road Replacement Reserve Fund plus a \$25,000 annual withdrawal from the Road Replacement Reserve Fund. At the end of the four years we would have invested \$200,000 in road maintenance, would continued to invest \$25,000 of our annual income in roads, and would still have \$75,000 in the Road Replacement Reserve Fund for needs beyond 2018.

Over Budget Conditions

In either of the attached models, if an over budget condition is shown (Net Loss), the amount would be made up from the Operations Sustainability Fund (Rainy Day Fund). In most cases,

actual expenses will be less than budgeted expenses and this draw from the Rainy Day Fund would not be necessary.

In closing, it is my firm belief that the board should make all efforts to avoid an increase in the annual dues. When state and federal politicians talk of tax increases it makes my skin crawl. The thought of a dues increase brings the same feeling. Since the meeting I have heard this concern expressed by other owners as well.

Regards,

Denny Hill

No virus found in this message.

Checked by AVG - www.avg.com

Version: 2014.0.4765 / Virus Database: 4025/8257 - Release Date: 09/22/14

From: Dennis Hill <dhtx4fr@gmail.com>
Sent: Friday, September 19, 2014 7:40 PM
To: Dold, Warren; warrendold@gmail.com; Snyder, Bob; Ball, Fred; Kinard, Lee; Mike and Joni Moore; Bob & Jennifer Ring
Subject: 2015 5-Yr Plans
Attachments: 2015 5-Yr Plan (1).pdf; 2015 5-Yr Plan (2).pdf; _Certification_.htm

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Regards,

Denny Hill

WCROA
2015 5-YrPlan (1)

	←----- Actual -----→				←----- Estimated -----→					
	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Income										
Number of lots	70	70	68	68	68	68	68	68	68	
Annual Dues Per Lot	2,450	2,400	2,400	2,400	2,400	2,640	2,640	2,640	2,640	2015 Incr. = 10.00%
Annual Owner Dues Revenue	171,500	168,000	163,200	163,200	163,200	179,520	179,520	179,520	179,520	
Dues Interest & Late Fees	(964)	1,225	2,101	2,591	2,024	2,024	2,024	2,024	2,024	
Grass Lease Revenue	4,600	4,600	4,600	4,600	0	0	0	2,300	2,300	
Interest Earnings	735	1,389	1,664	1,583	1,350	1,500	1,650	1,800	1,950	
Prior Year Carryover			25,731	21,589	47,207	10,565	(14,201)	8,320	35,675	
Other Income	8			25,000						
Total Income	175,879	175,214	197,296	218,562	213,781	193,609	168,993	193,964	221,469	
Expenses										
Operating Expenses	139,200	127,436	153,485	99,748	122,000	122,610	123,223	123,839	124,458	Ann. Incr. = 0.50%
Road Resurfacing Reserve Fund	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
Dock Replacement Reserve Fund		15,000	5,000	5,000	0	0	0	0	0	
Perimeter Fence Capital Improvement				12,317	10,720	10,200	12,450	9,450	3,400	
Other Capital Improvement Projects				29,290	45,496					
Security / Gate enhancements						40,000				
Cactus abatement / land mgmt						10,000				
Road Resurfacing Projects										
Total Expenses	164,200	167,436	183,485	171,355	203,216	207,810	160,673	158,289	152,858	
Net Income / (Loss)	11,679	7,778	13,811	47,207	10,565	(14,201)	8,320	35,675	68,610	
Net Income / (Loss) per lot	167	111	203	694	155	(209)	122	525	1,009	
Reserve Funds Balances										
Operations Sustainability Fund	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Road Replacement Reserve Fund	75,000	100,000	125,000	150,000	175,000	200,000	225,000	250,000	275,000	
Dock Replacement Reserve Fund		15,000	20,000	0	0	0	0	0	0	
Total Reserve Fund Balances	125,000	165,000	195,000	200,000	225,000	250,000	275,000	300,000	325,000	

WCROA
2015 5-YrPlan (2)

	←----- Actual -----→				←----- Estimated -----→						
	2010	2011	2012	2013	2014	2015	2016	2017	2018		
Income											
Number of lots	70	70	68	68	68	68	68	68	68		
Annual Dues Per Lot	2,450	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2015 Incr. =	0.00%
Annual Owner Dues Revenue	171,500	168,000	163,200	163,200	163,200	163,200	163,200	163,200	163,200		
Dues Interest & Late Fees	(964)	1,225	2,101	2,591	2,024	2,024	2,024	2,024	2,024		
Grass Lease Revenue	4,600	4,600	4,600	4,600	0	0	0	2,300	2,300		
Interest Earnings	735	1,389	1,664	1,583	1,350	1,200	1,050	900	750		
Prior Year Carryover			25,731	21,589	47,207	10,565	(2,821)	(5,720)	4,415		
Other Income	8			25,000							
Total Income	175,879	175,214	197,296	218,562	213,781	176,989	163,453	162,704	172,689		
Expenses											
Operating Expenses	139,200	127,436	153,485	99,748	122,000	122,610	123,223	123,839	124,458	Ann. Incr. =	0.50%
Road Resurfacing Reserve Fund	25,000	25,000	25,000	25,000	25,000	(25,000)	(25,000)	(25,000)	(25,000)		
Dock Replacement Reserve Fund		15,000	5,000	5,000	0	0	0	0	0		
Perimeter Fence Capital Improvement				12,317	10,720	10,200	12,450	9,450	3,400		
Other Capital Improvement Projects				29,290	45,496						
Security / Gate enhancements						12,000	8,500				
Cactus abatement / land mgmt						10,000					
Road Resurfacing Projects						50,000	50,000	50,000	50,000		
Total Expenses	164,200	167,436	183,485	171,355	203,216	179,810	169,173	158,289	152,858		
Net Income / (Loss)	11,679	7,778	13,811	47,207	10,565	(2,821)	(5,720)	4,415	19,830		
Net Income / (Loss) per lot	167	111	203	694	155	(41)	(84)	65	292		
Reserve Funds Balances											
Operations Sustainability Fund	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		
Road Replacement Reserve Fund	75,000	100,000	125,000	150,000	175,000	150,000	125,000	100,000	75,000		
Dock Replacement Reserve Fund		15,000	20,000	0	0	0	0	0	0		
Total Reserve Fund Balances	125,000	165,000	195,000	200,000	225,000	200,000	175,000	150,000	125,000		

Lee Kinard

From: Warren <warrendold@gmail.com>
Sent: Monday, October 06, 2014 11:26 AM
To: ryan@showcasebuilders.com
Cc: Gene and Dorine Petru; Ball, Fred; Denny & Susan Hill; Lee & Nancy Kinard; Mike Moore; Bob Ring; Bob Snyder; WARREN DOLD; Nelda Duff
Subject: Fwd: Luke's Bid ... re: Damage to Wolf Creek Ranch Road attributable to overweight concrete trucks
Attachments: 2014_03_31_09_02_19.pdf; Untitled attachment 00032.htm

Attached is the email I sent to you on May 23rd which notes the five points of agreement you, on behalf of Showcase Builders and the Hill Country Builders Association, Bill Bishop and I made, on behalf of the Wolf Creek Ranch Owners Association (WCROA) and the Design Review Board of the WCROA, for inclusion of the Petru's home in this year's Parade of Homes. You noted during our meeting at the Ranch Office that a Participation Agreement would be drafted in advance of the Showcase event identifying the five points of understanding listed in my May 23rd email to you into the Agreement. You committed to including each of these five points of understanding listed as items (a) through (e) below in the Participation Agreement including delivering a copy of the event insurance liability rider identifying/including WCROA as a named insured in the event of injury to a guest or showcase attendee. Particulars for inclusion in the Showcase Participation Agreement follow: Wolf Creek Ranch Owners Association, c/o Nelda Duff, Ranch Manager, P.O. Box 761, 10233 Ranch Road 2341, Burnet, Texas 78611. Warren N. Dold, president of the WCROA, will execute the Agreement on behalf of the WCROA and the Design Review Board. Delivery of the executed 2014 Parade of Homes Participation Agreement, together with a copy of the insurance liability rider, will be appreciated at least 5 calendar days before the first day of this year's Parade of Homes event. I will confirm each of the points of agreement listed below are incorporated into the document, execute it and have my signature notarized, if necessary, and returned to you fully executed to you before the first day of the event.

Please also deliver with the Participation Agreement, Showcase Builder's check payable to WCROA in the amount of \$2,400 being reimbursement to the Owners Association for damage to Wolf Creek Ranch Road caused by overweight concrete trucks enroute to the Petru's home and more fully discussed in our meeting and my May 23rd email attached below.

You and your contractors have earned high praise for the progress you have made during the last 4 - 6 weeks towards completion of the Petru's home in time for the Showcase. The home site has been a bee hive of activity during these past few weeks. I look forward to participating in the showcase as a guest here in Wolf Creek and other showcase homes in the Burnet/Fredericksburg area. Call me or email if there are any unresolved issues needing to be worked.

Warren Dold
512-756-8587

Begin forwarded message:

From: Warren <warrendold@wildblue.net>
Subject: Fwd: Luke's Bid ... re: Damage to Wolf Creek Ranch Road attributable to overweight concrete trucks
Date: May 23, 2014 at 1:01:23 PM CDT

To: ryan@showcasebuilders.com

Cc: "Ball, Fred" <fball@bankoftexas.com>, Denny Hill <dhtx4fr@gmail.com>, Lee Kinard <leekinard@281.com>, Mike Moore <mtmoore@txwinet.com>, Bob Ring <bobring@eldoradoinsurance.com>, Bob Snyder <bsnyder@txwinet.com>, WARREN DOLD <warrendold@gmail.com>, Gene and Dorine Petru <epetru@eprod.com>, Bill Bishop <bbishop@peregrinepetroleum.com>

Ryan ... I am delighted to confirm that directors of the Wolf Creek Ranch Owners Association (WCROA) have voted unanimously to approve/endorse your and Hill Country Builders Association's request to include the Petru's new home on the 2014 Parade of Homes tour in October. Consistent with concerns Bill Bishop and I described about community security during the home tour, this endorsement is conditioned on the your providing supplemental security measures and directional signage during the six days the Petru's home is open to visitors; namely: (a) a security person stationed at the Main Gate entrance of Wolf Creek to confirm guests/visitors have purchased home tour tickets and record visitors' time of arrival/exit and license plate identification; (b) directional signage at the other two WCR entry gates directing tour visitors to the Main Gate; (c) directional signage along the route between the Main Gate and the Petru's show home on White Bluff; (d) a barricade with directional sign placed at the intersection of White Bluff Road and Wolf Creek Ranch Road to preclude Parade of Homes visitors from straying off the tour route; and (e) including the WCROA as a named insured in the event a guest/visitor is hurt or injured while inside Wolf Creek.

Wolf Creek Ranch is not the only gated community hosting one or more Parade of Homes sites in past years. Bill and I left our meeting several weeks ago feeling more comfortable and assured that the Builders Association is experienced providing the above supplemental security measures during Showcase events in gated communities and by these measures reducing potential exposure other property owners' in Wolf Creek may have from "unaccompanied" visitors who stray off course. Thank you for offering these security measures during each of the six days of the Parade of Homes.

Attached as requested is the proposal from Luke Asphalt Paving to repair damage to Wolf Creek Ranch Road caused by overweight concrete trucks delivering foundation material to the Petru's new home on White Bluff. The portion on the bid form titled "Separate Bid" (for \$2,400) is the cost to repair damage to the roadway caused by those trucks. Since the tar and chip surface was cracked and broken exposing the roadway base, we asked Jesse Luke to complete the repairs caused by the concrete trucks first since continued exposure of the road base material to rain/weather had the largest potential for progressive damage to the sub base and resultant higher cost to repair. For that reason(s), that work was completed first; the tar and chip cover will follow when the Owners Association repairs are made elsewhere in Wolf Creek. The remaining larger portion of the proposal (for \$15,000) is for road improvements undertaken and in progress by the Wolf Creek Ranch Owners Association.

When we spoke earlier this morning, you noted that you had planned to repair the road using Showcase Builders personnel. I left the meeting believing the WCROA's task was to secure the lowest bid for repairs, make those repairs timely and before additional damage resulted at the three failure sites, and then invoice or otherwise request Showcase Builders reimburse the WCROA for the cost of those repairs when the repairs were performed. This was a misunderstanding by me or on both of our parts. I regret that I did not more clearly close that implementation gap before adjourning our meeting and for that I apologize. With that said, I proceeded in good faith to get the damaged sites sealed as quickly as possible and before additional damage was incurred by continued use of the roadway by materials delivery vehicles and before rain/moisture penetrated into the road base material.

Luke Asphalt Paving was the roadway surfacing contractor in the development years of Wolf Creek in 2001 - 2002 and has been the low cost provider of road repair/rehabilitation services when needed since installing the

initial road surfacing. Please review Luke's Asphalt Paving Proposal and Contract below and consider this as WCROA's request for reimbursement in the amount of \$2,400, for the reasons discussed above, and in accordance with the "Rules and Regulations for Contractors" provided to the Petru's through the Design Review and construction approval process.

Warren Dold
Pres., WCROA
512-756-8587

Begin forwarded message:

From: Brenda Luke <Brenda.Luke@abtexas.com>
Subject: Luke's Bid
Date: March 31, 2014 at 9:06:28 AM CDT
To: "'warrendold@gmail.com'" <warrendold@gmail.com>

Jesse asked that I email this to you. If you have questions please let me know or you can call Jesse on his cell 512-715-4421

Thanks

Brenda Luke

Vice President / Branch Manager
American Bank of Texas
6905 FM 2147 / P.O. Box 8805
Horseshoe Bay, TX 78657
830-798-5255
830-598-6487
Brenda.Luke@abtexas.com

PROPOSAL AND CONTRACT

Luke Asphalt Paving

4920 N. Hwy. 281 • Burnet, Texas 78611

(512) 756-6257

Warrendold@gmail.com

PROPOSAL SUBMITTED TO WOLF CREEK RANCH	PHONE	DATE
STREET	JOB NAME	
CITY, STATE AND ZIP CODE BURNET TX	JOB LOCATION	
PHONE 512-756-8587	WARRANTY NO.	

We hereby submit specifications and estimates for:

HAUL IN 1 LOAD BASE MATERIAL ON DUMPTER ROAD. BLADE AND ROLL. SHOOT WITH HFRS 2 ROAD ASPHALT, COVER WITH CRUSHED ROCK AND ROLL ON APPROX 5,000 SQ FT

PATCH EDGES OF ROADS APPROX. 300 FT. LONG WITH READY MIX ASPHALT. SHOOT WITH LIQUID ASPHALT, COVER WITH CRUSHED ROCK AND ROLL.

HAUL IN 2 LOADS BASE MATERIAL ON PAVILLION RD. 10' W X 200' LG. SHOOT WITH LIQUID ASPHALT, COVER WITH CRUSHED ROCK & ROLL. PATCH PAVILLION PARKING LOT.

TOTAL PRICE FOR ALL ABOVE \$15,000.00

SEPERATE BID:

REMOVE BROKEN-UP ASPHALT THAT CEMENT TRUCKS TORE UP REPLACE WITH READY MIX ASPHALT, SHOOT WITH LIQUID ASPHALT, COVER WITH CRUSHED ROCK & ROLL. \$2,400.00

We will furnish all material and labor to complete in accordance with above specifications, for the sum of:

SEVENTEEN THOUSAND FOUR HUNDRED + NO/100 dollars (\$ 17,400.00)

Payment to be made as follows:

IN FULL ON COMPLETION

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. This contractor shall not be liable for any damage caused by storms, earthquakes, vegetation, floods or any other act of God.

Authorized Signature

Jesse Luke

Acceptance of Contract

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Signature _____

Date of Acceptance _____