

Whisperwood Home Owner's Association

Treasurer's Report

For Month Ending February 28, 2025

Checking Balance	\$81,591.98
Money Market Balance	\$108,948.81
CD 6490	\$108,482.83
CD 6802	\$81,362.12
TOTAL	\$380,385.74

Dues collected to date	242 lots	\$72,600.00
Late Fees Collected to date		\$70.00
Resale Certificates		\$900.00
Money Market Interest		\$179.69
Insurance Claim Received	Fixed Assets	\$5,914.68

Totals are not cumulative

PAID FEBRUARY EXPENSES

Steve Fleetwood	Grounds Maintenance – Groundskeeper	\$1600.00
City of Lubbock Libraries	General Costs – Meeting Room	\$50.00
LP&L	Utilities – Grounds Water	\$182.04
LP&L	Utilities – Pool Water	\$596.43
USPS – Post Office Box	General Costs – Office Supplies	\$188.00
Randal Hamilton – Reimbursement for signage	General Costs - Office Supplies	\$67.26
Atmos Energy	Utilities – Pool Heating	\$189.03
Mike Carper	General Costs - Legal & Professional Services	\$375.00
AT&T	Utilities – Pool Phone	\$142.41
Reliant	Utilities – Pool Electricity	\$767.77
2024 Legal Expenses to Robert St.Clair (Justification Report Requested)	General Costs – Legal & Professional Services	\$605.00
2024 CVS Expenses for Color Signs (Justification Report Attached)	General Costs – Office Supplies	\$33.30
TOTAL EXPENSES		\$4,816.24
Less 2024 Expenses		- \$638.30
TOTAL FEBRUARY EXPENSES		\$4157.94

OUTSTANDING BILLS – ACTION REQUIRED

Unbudgeted – 2024 Meeting Room for Working Session - ??

I still have not received a bill for the working session held on December 29, 2024. It was inappropriately paid by someone and they should be reimbursed.

To ensure transparency and avoid any potential appearance of impropriety, the HOA should determine who covered the cost of the room. If it was privately funded by an individual member, the association should promptly reimburse them. This action would uphold our commitment to impartiality and ensure that all HOA-related expenses are handled appropriately through association funds. The expenditure was incurred in year ending 2024 and should have been expensed during 2024. In that the expense wasn't paid in 2024, an exception will need to be made to pay the expense in 2025. A report justifying the expense will be required once the investigation and reimbursement is complete for auditing purposes.

Unbudgeted - Pool Closure – PrimePools – 967.76

PrimePools currently has over \$3,000 in outstanding pre-paid invoices with no documentation. This issue has been addressed previously with the president, this board and with Bryan Foley, without resolution.

Before any further payments can be made to this vendor, including this outstanding, unbudgeted invoice the Board must provide:

- A justification report explaining why PrimePools was selected given the outstanding invoice issues
- The other 2 bids received for this service
- An explanation for why these previous 3 payments were made without proper documentation (in that these payments occurred prior to my appointment to the board, this issue will need to be investigated and discussed with the previous president who individually signed the checks. If no justification can be obtained, the report should note this fact.)
- Confirmation that all outstanding invoices are accounted for and resolved or explain why they can't be.
- An explanation as to why the current invoice is for more than the estimate
- A board vote at a properly noticed meeting to approve payment of an **unbudgeted** invoice, should it be confirmed that the February 6, 2025 meeting was in fact improperly noticed.

I have been advised by my CPA, that until this report is received and the unbudgeted expense is approved at a properly noticed board meeting, OR the board members each individually will take full responsibility for the payment, I legally should not and will not process this payment. If the Board wishes to move forward with this expense, it must be re-approved at a legally noticed meeting with proper justification and documentation presented to the Treasurer.

******2024 taxes cannot be filed until these expenses are justified, approved, and paid.******

2024 APPROVED EXPENSES FOR FEBRUARY

Unbudgeted – Legal Expenses - Robert St.Clair - \$605.00

This payment was approved at the properly noticed meeting on January 8, 2025, but a justification report is required to document why the expense was necessary since it was not pre-approved, discussed, or voted on by the board prior to it being incurred. Paying this bill without requesting a written justification leaves the HOA and myself open to financial mismanagement charges. Please allow this notice to serve as my official request for the required documentation.

In that there was no budget for 2024 and these expenses were not known to the board, discussed, or approved by the board prior to incurring them, they are unbudgeted. To comply with my duties as outlined in the bylaws, it is necessary to include a detailed explanation/ justification in the association's permanent records regarding this and any unbudgeted expense for auditing purposes.

For the current unbudgeted legal expenditures owed to Mr. St.Clair, I request the following be included in the report for documentation purposes:

1. The purpose of the investigation and its relevance to HOA operations
2. Itemization and clear documentation who incurred the expenses
3. Justification for incurring these expenses and the board approval process
4. Supporting documentation or correspondence related to the decision and expenditures. This includes all emails, related correspondence, and text messages
5. Outcome of this investigation

Unbudgeted - Full Color Poster Signs for Meeting Notification – CVS - \$33.03

In November of 2024 the Secretary wrote a check to CVS for the printing of 4 full color posters for meeting notifications. The check is just now clearing in the bank in February 2025. An adjustment will be made to allocate the expense to 2024. In that there was no 2024 budget, this is an unbudgeted expense and as such a justification report is attached.

Submitted for the permanent record.

Respectfully,



Rehj Hoeffner
Secretary-Treasurer,
Whisperwood Home Owner's Association

Addendums Attached : \$ 33.30 ADDENDUM: CVS

Addendum Requested: \$ 605.00 Robert St.Clair Expenses

Addendum Requested: \$ 967.76 PrimePools Invoice

Investigation Requested: Payment for Meeting Room for December 29, 2024 Work Session

ADDENDUM: MEETING NOTICE SIGNS

Report: Justification of Printing Meeting Signage

The board agreed to continue to pay regular business expenses and honor existing contracted services at the October 16, 2024 reconstitution meeting. This was a regular business expense and while there was no 2024 budget and the expense was unbudgeted, it was necessary as part of doing business in notifying the membership of meetings as required by Texas Law 209.0051

Reason for Payment in a Different Year

The check was written to CVS in November 2024, but for some reason it was held for several months before CVS presented the check for payment. It should have been included in 2024 accounting reports as an outstanding check, however a CPA had been hired to keep the books and there was no way he had of knowing about any outstanding checks. This is a prime example of why an outside bookkeeper is not an ideal solution and the bylaws stipulate that the Treasurer keep the books.

Best Practices

A journal entry will be created in Quickbooks in order to expense the item in 2024.

Submitted for the permanent record

Respectfully ,

A handwritten signature in black ink that reads "Rehj Hoeffner". The signature is written in a cursive style with a large, sweeping initial "R".

Rehj Hoeffner

Secretary-Treasurer

Whisperwood Home Owner's Association