

Whisperwood Home Owner's Association

Treasurer's Report

For Month Ending March 31, 2025

Checking Balance	\$105,929.47
Money Market Balance	\$109,327.02
CD 6490	\$108,482.83
CD 6802	\$81,362.12
TOTAL	\$405,101.44

Dues collected to date	333 lots	\$99,900.00
Late Fees Collected to date		\$70.00
Resale Certificates		\$300.00
Money Market Interest		\$198.52
Insurance Claim Received	Fixed Assets	\$5,914.68

Totals are not cumulative

PAID MARCH EXPENSES

All expenses paid this month were approved via the budget.

Steve Fleetwood	Grounds Maintenance – Groundskeeper	\$1600.00
City of Lubbock Libraries	General Costs – Meeting Room	\$50.00
LP&L	Utilities – Grounds Water	\$57.99
LP&L	Utilities – Pool Water	\$524.37
Atmos Energy	Utilities – Pool Heating	\$85.78
AT&T	Utilities – Pool Phone	\$91.34
Reliant	Utilities – Pool Electricity	\$853.03
TOTAL EXPENSES		\$3,262.51
TOTAL MARCH EXPENSES		\$3,262.51

OUTSTANDING BILLS – ACTION REQUIRED

Unapproved Member Payment for Meeting Room

The board should formally vote to either accept or reimburse Geri Irving for her \$75 payment covering the meeting room rental in December 2024. While the intention was appreciated, the appearance of an unapproved gift or contribution could raise concerns, and proper procedure should be followed.

Financial Oversight & Documentation of Expenditures

St. Clair Invoices

The Board properly voted to approve this expense, and with no extenuating circumstances, the invoices were paid as directed. However, this does not eliminate the necessity of an exception report which is still outstanding.

Improper Vendor Payment & Potential Fraud

Prime Pools Invoice

I do not oppose payment of this invoice, as I believe the services and products were performed and received as agreed to, however, payment requires:

- A written board resolution authorizing payment despite irregularities, or
- A justification or exception report explaining the board's rationale, or
- A statement relieving me of personal responsibility, especially if board members are choosing to proceed against my advice or without full documentation, AND
- Clearance of outstanding invoices of previously reimbursed expenses.

Texas Property Code § 209.0051(h) (for HOAs)

If a board is attempting to sidestep proper process or is **avoiding documentation**, any officer participating in or enabling that action may be exposed to risk. Requiring a justification report helps ensure compliance.

Texas courts have recognized personal liability when officers fail to exercise due care in their roles.

Ritchie v. Rupe, 443 S.W.3d 856 (Tex. 2014) This case affirms Texas' strong standard of fiduciary duties and good faith obligations among corporate officers and directors. A Treasurer is **not** required to rubber-stamp payments that raise red flags, especially if the board is not willing to document an exception or explanation.

Sneed v. Webre, 465 S.W.3d 169 (Tex. 2015) This Texas Supreme Court case emphasized the right—and duty—of directors to act independently, even if they dissent from the board majority. Meaning, the Treasurer retains individual fiduciary responsibility and can't be forced to pay without documentation relieving them of personal liability.

Submitted for the permanent record.

Respectfully,

A handwritten signature in black ink, reading "Rehj Hoeffner". The signature is fluid and cursive, with the first name "Rehj" and last name "Hoeffner" clearly legible.

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