

**FLYING L RANCH PROPERTY OWNERS' ASSOCIATION
BOARD OF DIRECTORS MEETING
September 12, 2017**

MINUTES

(The following minutes are a summary of the business conducted at the meeting.)

- PRESENT** Bob Bashaw, Penny Bateman, Dan Chapa, Liz Lawlis, and Donna Witt
- ABSENT** Matt Haecker and Jamie Murray
- ALSO PRESENT** Leslie Rector, Jay Call, Larry Scott, Elizabeth Scott, Yvonne Leque, Albert Zimmerman, Ron Zimmerman, Garry Schneider, Maggie Ferragamo, Treasurer and Kathy Antwine, Recording Secretary
- CALL TO ORDER** The meeting was called to order at 7:05 p.m. by Penny Bateman. There being a quorum present, the meeting proceeded.
- INVOCATION** The invocation was given by Penny Bateman.
- APPROVAL OF MINUTES** A motion was made by Bob Bashaw and seconded by Donna Witt to approve the minutes of the August 8, 2017 meeting. The motion carried unanimously.
- TREASURER'S REPORT** Maggie Ferragamo presented the Treasurer's Report. The report included the Balance Sheet as of August 31, 2017 (cash and accrual basis); the Profit & Loss as of August 2017; the Profit & Loss January through August 2017; the Check Detail Report for August 2017; and the Customer Balance Summary as of August 2017. The POA has a total of \$115,878.53 in all bank accounts. A total of \$97,565.58 has been received in association dues, of which \$88,442.17 is for 2017 dues. As of August 31, 2017, the Total Income is \$115,703.44; Total Expenses are \$88,695.89 for a Net Income of \$27,007.55.
- PUBLIC FORUM**
- 1) Larry and Elizabeth Scott addressed the board about the garden shed they would like to build on their property. Mr. Scott apologized for failing to submit the ACC application for approval before starting the project. He plans to build the shed at the back of the property among the trees and will put plants around it when it is constructed. The ACC will need a plat showing the location of the house and shed, and it will have to be connected to the house in some way; i.e. a wall, the roof line, or a walkway.
 - 2) Jay Call said she wants to build a fence around their house. The board told her to get the fence application on the POA web site. She asked if the board knew anything about the ownership of the Ranch. She was informed that Jody and Susan Jenkins are still the owners and they are still running the Ranch. Jay said they want to plant trees on their property to replace the cedars that were removed. There are no restrictions for planting trees.

FLRPOA MINUTES

Page 2

September 12, 2017

COMMITTEE REPORTS

STANDING COMMITTEES:

Architectural Control: Penny Bateman reported that there are three houses being constructed at this time: Flying L Drive, Edgewood Circle and Glen Valley Circle. A circle drive has been installed on Flying L Drive and one “stop work” notice has been sent on an unapproved garden shed on Creekwood Drive.

By-Laws: No report

Covenants: Donna Witt said she is continuing to work on updating the POA Covenants. She will recommend adding the following definitions:

- 1) aligning the number of days for response after written notice to 30 days (one article states 15 days and another 30),
- 2) address golf cart type and what is legal on the POA streets,
- 3) 2015 legislation updates, and
- 4) bring Annual Meeting quorum percent in alignment with by-laws, and address 51% of votes needed to pass majority of items placed before members, which differs from the percentage of votes required by Texas Non-Profit law regarding votes on Fundamental Actions (actions taken when a nonprofit dissolves the corporation, merges with another nonprofit corporation, or changes its mission which is 2/3%.)

The ACC portion of the covenants still needs revisions. The Covenants Committee will consider proposed POA Guidelines for changes that do not have to be approved by the property owners and can be done by the board. It is important to have any items that require votes by members in place on both the By-Laws and Covenants so they can be sent out with the Annual Member Meeting documents.

Mrs. Bateman addressed the board and guests stating that a property owner spoke to the board at the last meeting saying he understood “... the desire to improve the community, but going beyond that creates more problems than you need. The POA has two major responsibilities, which are enforcement of the covenants and maintenance of the roads. The POA should stay focused on the important things.”

Mrs. Bateman wanted to assure everyone that the board is keenly aware of how important these things are and that our covenants are being consistently and fairly enforced, and the road maintenance done this year is of exceptional quality. However, she believes the POA’s responsibilities do extend beyond those two things. One of the first goals the new board discussed was to have better communication with our members and to be a more friendly, approachable board. Additionally, Mrs. Bateman pointed out that the board is becoming more fiscally responsible by forming a finance committee to provide guidance to the board, implementing debt collection procedures, and finding ways to rebuild our

FLRPOA MINUTES

Page 3

September 12, 2017

Covenants, (Cont'd.) reserves. Further, she stated, we are improving the appearance of the subdivision by having property owners clear unsightly lots, and by cleaning up our own POA common areas. In conclusion, Mrs. Bateman contended the board is making huge strides in important areas that are outside covenant enforcement and road maintenance efforts, and there is a great deal more to do.

Covenant Violations:

In August the POA sent out the following notices that were in violation of the covenants:

- 1) twenty-six notices for mowing lots and removing dead trees,
- 2) one notice for an RV,
- 3) three notices for trailers,
- 4) one notice for painting maintenance and fence repair,
- 5) two notices for exposed propane tanks,
- 6) two notices for boats,
- 7) two notices for trash cans,
- 8) one notice for a French drain and fence repair,
- 9) one notice for a yard and carport cleanup,
- 10) the board will address a multi-family violation of Article III, Section 1 later,
- 11) in an attempt to catch the 3-legged dog on Deerwood, he was lured into a property owner's yard, but the dog was able to dig out of the yard before he could be caught.

Roads: The speed bumps need to be painted and the signs ordered. Rusty will install the new signs and make repairs on the other signs.

Mowing: Mowing authorization forms have been mailed to 132 property owners requesting their permission to mow lots as needed and send an invoice for payment. Sixty-two authorization forms have been returned giving the POA permission to mow as needed and bill the owner. Some of the lots need to be cleared before they can be mowed. Letters were also sent to those lot owners to have their lots cleared of dead trees, scrub, and cactus. On Glen Valley, three out of four have paid and only one lot is left to be cleared. One out of five on Knollwood Circle and on Wood View, six out of eight have had their lots cleared. There are three lots on Antler Circle that have not been done yet.

Social Activities: We will have a Community Yard Sale on November 11, 2017. A fall picnic and silent auction is tentatively planned on Saturday, October 14, 2017.

Finance Committee: The Finance Committee was established to provide assistance to the Board of Directors by performing the following activities:

- 1) Review the Association's monthly financial statements.
- 2) Provide input for preparation of the annual budget.
- 3) Review the annual audit of the Association's financial records.

FLRPOA MINUTES

Page 4

September 12, 2017

Finance Committee, (Cont'd.)

- 4) Participate in the establishment of a Reserve and subsequently review the Reserve.
- 5) Develop procedures for dealing with handling of delinquent receivables.
- 6) Provide information regarding Association finances to the members.
- 7) Assist the Board in any other financial matters as needed.

The Finance Committee met Tuesday, September 5, 2017 to review the financial statements as of August 31, 2017. A review of the financial statements indicates the POA is in pretty good condition, since all of the major expenditures have been done. It was recommended that the cash left over at the end of the year be carried over and put into the Reserve Account.

OLD BUSINESS

Survey: This item will be tabled until the committee has recommendations to make to the board.

Assign POA Vehicle Stickers: The vehicle stickers for residents who did not purchase the amenities package will be distributed to property owners at the social planned in October and the Annual Meeting in January. Another option would be to send out stickers to property owners along with the invoices in January.

NEW BUSINESS

Raise Transfer Fee and Resale Certificate Fee: A proposal was made to increase the Transfer Fee and Resale Certificate Fee. Currently the fee is \$50 for each one. Liz Lawlis proposed that the secretary and treasurer itemize the process that is required to prepare these documents to determine cost in time and materials. These items will be tabled until more information is available.

Dues Increase for 2018: The board is proposing a ten percent increase in the dues to \$150 per lot per year. For nine years prior to the last increase, the dues were never raised. As a result, the POA's reserves are low and there is very little money to build and repair roads. In 2016, the board developed a projected budget over the next five years to determine money needed to insure the POA was financially stable. It was determined that the reserve account needed to be built up so the POA can keep up with projected expenses on the roads. A motion was made by Liz Lawlis and seconded by Bob Bashaw to increase the dues to \$150 per lot per year. This motion carried with three ayes and two nays.

Place Delinquent Account Collections in the Reserve Account: The Finance Committee has recommended that any monies collected for delinquent accounts be placed in the Reserve Account. A motion was made by Liz Lawlis and seconded by Bob Bashaw to place delinquent collections into a reserve fund. The motion passed unanimously.

POA Facebook Page: On September 6, 2017, an electronic vote was taken by the board to change the posting permission on the Facebook page to "Admin.Only." The motion passed with six ayes and one nay. A resident has set up another Facebook page called the Flying L Community Forum.

Discuss Records Retention Policy Enforcement: This item will be tabled.

Budget for 2018: This item will be tabled at this time. The board will need to have another Budget Workshop before the budget can be presented for approval.

Terms for Directors: Three positions on the board will be up for election in January 2018. Currently, the POA By-Laws state, “if a director resigns mid-term and the position is filled by appointment, the appointed director will only serve until the next election.” This is in conflict with the State Property Code, which states, “the appointed director will serve the remaining term of the person who resigned.” Since State Law supersedes the POA By-Laws, the board members who are in appointed positions that expire in 2018 will need to determine whether they will choose to run again when their terms expire.

**EXECUTIVE
SESSION**

The board adjourned to Executive Session at 8:25 p.m. to discuss legal matters; liens; enforcement actions; and late fees and collections. The board reconvened in a closed Executive Session at 8:28 p.m.

1) Legal Matters: Board members discussed the ongoing lawsuit filed by a POA resident. The board also discussed the recent notification by a U.S Bankruptcy Court that a debtor has filed bankruptcy. The POA’s attorney has been contacted and more information is being gathered.

2) Liens: The board determined more information was needed to consider filing liens on a number of properties.

3) Enforcement Actions: Board members discussed a possible violation of Article III, Section 1 regarding multi-family structures and what actions to take. More information is needed to proceed.

4) Late Fees and Collection: A list of non-collectable past due fees was provided to the board by the Finance Committee with the recommendation that these fees be waived. Each item was reviewed and discussed, and the Board determined these should be One-Time Waivers and notes would be made to that effect on the Property Owner’s accounts.

The executive Session ended at 8:55 p.m., and the Open Session reconvened immediately. Liz Lawlis made a motion to a One-Time Waiver of the non-collectable fees totaling \$1,525.00 as recommended by the Finance Committee. Donna Witt seconded the motion. The vote was unanimous in favor of the motion

ADJOURNMENT

A motion was made by Bob Bashaw and seconded by Donna Witt to adjourn the meeting at 8:57 p.m. The motion carried unanimously.

Respectfully Submitted,

Kathy Antwine, Recording Secretary

