

**FLYING L RANCH PROPERTY OWNERS ASSOCIATION, INC.**  
**ANNUAL MEMBERSHIP MEETING**  
**Saturday, November 5, 2016**  
**MINUTES**

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

- PRESENT** Elwood (Woody) Baker, Penny Bateman, Cecilia (Cissy) Elkins, Anthony Ferragamo, Terry Peek
- ALSO PRESENT** See attached list of members in attendance.
- ABSENT** Jay Gainer and Terry Segura
- CALL TO ORDER** Woody Baker, Chairman, called the meeting to order at 10:05 a.m. There being a quorum present, the meeting proceeded.
- INVOCATION** The invocation was given by Terry Peek.
- PLEDGE OF ALLEGIANCE** Woody Baker led the audience in the Pledge of Allegiance.
- INTRODUCTION OF BOARD MEMBERS AND STAFF** The following board members and staff introduced themselves: Terry Peek, Penny Bateman, Anthony Ferragamo, Cissy Elkins, Maggie Ferragamo, Treasurer, and Kathy Antwine, Recording Secretary.
- APPROVAL OF MINUTES** A motion was made by Penny Bateman and seconded by Anthony Ferragamo to accept the minutes of the November 7, 2015 annual meeting. The motion carried unanimously.
- TREASURER'S REPORT** Maggie Ferragamo presented the Treasurer's Report to the board members. The report included the Balance Sheet as of November 4, 2016; the Profit & Loss for January 1 through November 4, 2016; Profit and Loss Budget vs. Actual January through December 2016; and the Check Detail Report October 8 through November 4, 2016. Mrs. Ferragamo reported that the POA has \$28,948.65 in the CD at Texas Hill Country Bank; \$32,631.31 in the checking account at Wells Fargo Bank and \$28,311.99 in the Money Market Account at Texas Hill Country Bank for a total of \$89,891.95 in the bank accounts. The Profit and Loss Statement shows the Total Income received is \$88,563.31 and Total Expenses were \$163,602.03 for a Net Income of \$-75,038.72. Due to the major roads project that was done this year, the POA spent more money than income received.

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**FLYING L**  
**PUBLIC UTILITY**  
**REPORT**

J.D. Upchurch, PUD Chairman, presented a report from the PUD. Due to the winter rain and spring flooding, he said the PUD was able to reduce the “no watering” restriction on January 11, 2016. On August 8, 2016, the PUD entered Stage 1 for a brief period and on October 10, 2016 all water restrictions were removed. There are 183 residential water connections, 110 commercial connections, 80 residential sewer connections and 102 commercial sewer connections. There are three new homes being constructed at this time.

**FLYING L GUEST**  
**RESORT REPORT**

Sharon Varner presented the Flying L Guest Resort Report. She said Susan Jenkins asked her to express appreciation and extend best wishes to everyone. She is glad to have such a good relationship with the community and hope the season passes for property owners will continue. The Resort received the Historical Marker for the Pilot’s Lounge and the Villas. Hangar 47 is undergoing some changes and it will represent the history of the Flying L. There will be a grand opening with a ribbon cutting ceremony and mixer on December 1, 2016. The Christmas Light Contest will be held again this year and she asked homeowners who plan to participate in the contest put a sign in their yard with their name and house number to help them find the contestants and determine winners. Starbucks coffee is served in Hangar 47 and pizzas are available at the bar. The Thanksgiving Dinner will be served on Thanksgiving Day from 3:00 to 6:00 p.m. The price is \$19.95 for adults and \$9.95 for children. You will need to sign up if you plan to attend the Thanksgiving dinner. The takeout menu is also available.

**FLYING L GOLF**  
**COURSE REPORT**

Arnie Segura, Head Golf Professional at the Flying L Golf Course, expressed thanks and appreciation from the owners of the golf course, Jodie and Susan Jenkins, for the tremendous help provided by the members of the golf course. Due to the limited maintenance staff for the golf course, the members volunteered to help on the golf course on three different occasions. They mowed the rough, trimmed trees, and cleaned up debris left from the storms. They were a big help during this past year and it was greatly appreciated by the owners. He also expressed his thanks to Penny and Don Bateman, Kelly Schneider, Terry Peek and Liz Koeninger for the remodeling project that was done in the Pro Shop last year. He also thanked the following members who have provided a variety of golf activities and tournaments throughout the year: Larry & Louise Henson, Ted Brown, and Van Tom Whatley. He said the Annual POA Golf Tournament will be held on Sunday, November 6, 2016. The sign-up sheet is in the Pro Shop if you haven’t already signed up to play. He said the golf memberships will be available in January 2017. The price has not been determined at this time, but it may increase since it has stayed the same for five years. Larry Henson expressed his appreciation for the excellent job that Arnie and his staff at the Pro Shop have provided for the golf course.

**REPORT FROM  
POA BOARD  
CHAIRMAN**

Woody Baker, Chairman, expressed his thanks and expression for all the board members and the community for their support and efforts during his health issues. Many people helped out when he was not able to attend meetings. During his tenure on the board there have been some highs and some lows, but mostly highs. The Memorial weekend storm was a difficult time, but everyone stuck together as a group. He said he is hopeful and confident that the new board will continue to do what is best for the Flying L community. He wished the board good luck and best wishes.

**STANDING  
COMMITTEE  
REPORTS**

**Architectural Control:** Penny Bateman reported that during 2016 the Flying L has added two new homes, three additions to homes, seven decks, patios and pergolas, and about six fences, as well as, a solar system. Most everyone has filled out the application and received approval before beginning construction. Any time you plan exterior construction you must fill out and submit the ACC application that is found on the POA web site. The form can be emailed to the board and the turnaround time is pretty quick.

**Roads:** Anthony Ferragamo said 2016 was an exciting year for road construction. The POA has resurfaced about 75% of the roads in the subdivision in the last three years. We did not anticipate spending as much money on the roads this year, but we could not ignore the fact that oil prices were the lowest they were going to be for a long time. Since oil is used to chip seal roads, the POA was able to save sixty percent on the cost of roads. The POA spent a little over \$120,000 which was a little over the budget. The board decided to chip seal the roads, since it is a little cheaper option when considering life expectancy. Two years ago, asphalt was the cheaper option. In future years, the board will have to determine which will be the better option for roads, asphalt or chip seal. Since 75% of the roads have been done, the plan is to save some funds for the next few years before resurfacing the remainder of the 25% of the roads. Every year we will continue pothole repair and crack sealing. The asphalt roads will have to be sealed next year. We have a good strategy in place to maintain and improve the roads and keep costs low. Approximately 80% of our income goes towards roads, so it is very important that we have a laser sharp focus on having a plan that we can execute to keep costs low.

**Mowing/Trees:** Woody Baker said the POA is responsible for mowing and spraying the grass and weeds on the sides of the road to protect the integrity of the roads. The common areas are also mowed by the POA. When a dead tree is found on a lot, the POA informs the owner that the tree must be removed. Several dead trees have been removed from POA and Flying L Resort property due to the extended drought and the heavy rains during the Memorial Day weekend.

**Covenants/By-Laws:** Penny Bateman reported that the Covenants govern the membership and By-Laws govern the board. The newsletter included a lengthy report for the covenants compliance, because it is important that the members understand the covenants are there to protect our property values. In 2013 the board adopted a Cost of Enforcement Policy which helps enforce the covenants. Our intent is not to punish violators or generate revenue by assessing fines, but rather to discourage violations of the covenants by knowing and understanding them. This year we are sending a Friendly Reminder Letter before the first violation letter is sent, since many people are not aware of the covenants. The biggest violations are boats, trailers and motor homes being left out too long. The POA plans to make a concerted effort to get vacant lots cleaned up, especially those close to homes. We also plan to do a survey to get our members' opinions regarding the covenants and other things as well. We hope everyone will participate and let us know what you think. Anytime you have a suggestion, write it down and drop it in the POA Drop Box at the mail box annex.

#### **NEW BUSINESS**

**Nominations for Nominating Committee:** The Nominating Committee will be named at a later date.

**Annual Assessment for 2017:** Anthony Ferragamo said the board voted to increase the annual dues assessment for 2017 to \$137 per lot. This is the first dues increase since 2008. This represents about a four percent inflation rate.

**Proposed Change to By-Laws:** Penny Bateman said all property owners received a ballot to vote on the By-Laws amendment to change the date of the Annual Meeting from November to January. Although the By-Laws state that an annual meeting must be held within 12 calendar months, by voting "Yes" to this amendment, members were also voting for an exception to that rule for the purpose of moving the annual meeting from November to January, and for extending all Board Members terms until the next election. The amendment passed with 294 yes votes and 10 no votes. Therefore, we will not have an annual meeting in 2017. Board members terms will extend to the next Annual Membership Meeting which will be held January 20, 2018.

**Board Member Resignation:** Jay Gainer has resigned her position effective November 5, 2016. Her term would have expired in 2017. The board will appoint a person to fill the position until the next board election which will be January 20, 2018. Anthony Ferragamo said she was an asset to the board and they are sorry to see her go. She donated the best of her abilities and time. Larry Henson expressed his appreciation for all the board members who donate their time and energy for the Flying L community.

**Amenities Survey:** Penny Bateman said the board members will have a Survey Workshop in a few weeks and they will develop an Amenities Survey. It will be mailed to all property owners for their input on the amenities that are offered.

**OTHER  
BUSINESS**

**Announce Date of 2017 Annual Meeting:** The next annual meeting will be held on Saturday, January 20, 2018.

**Service Awards:** Anthony Ferragamo presented service awards to the outgoing board members. Woody Baker has served for eight years as chairman of the Covenants and By-Laws committees, and has been Chairmen of the Board for the past two years. Cissy Elkins has been on the board eight years and has been the Executive Secretary since 2009. Terry Peek has been on the board for three years and he has served as chairman of the Architectural Control Committee, Covenants, Mowing and Trees.

**BEC-INTERNET**

Bandera Electric Co-op presented information to the members in attendance on Broadband access to the internet. Richard McDonald, IT Manager for BEC, has done some studies over the past few years about offering broadband services to their members. The most recent study done in 2014 indicated that 65% of the membership would be interested in the service and 45% were demanding it. As a result, BEC has decided to launch the broadband initiative. BEC initiated a free Wi-Fi program last year for use by the community, tourists in the area, and the schools. Some of the surrounding areas have expressed an interest in the service so the Crowdfunder site was developed.

Amy Zink, BEC Public Relations Director, said they are attempting to determine if there is enough interest in broadband services from Flying L residents for BEC to consider bringing the fiber optic cable out this far. If 50% of their customers here on The Flying L express an interest, they will consider making this service available to us. To help them guide their construction plan and determine the level of interest in Broadband, BEC developed the Crowdfunder site and has asked that residents who are interested in Broadband Internet Service register here to express that interest: <https://joinbec.banderaelectric.com/>. You are not signing up for service; you are just letting BEC know you would be interested and which data package you might choose. The more people who show interest the better. When you register, your address will be pinpointed on the map and BEC will be able to see the highest concentration of interest in broadband to determine where the service needs to be provided. The prices will be competitive with other internet providers. The construction for broadband could take six months to a year, depending on the purchase of fiber optics.

Bill Hetherington, General Manager, said that HOA and POA communities are finding that prospective buyers are asking if there is access to IT broadband service. By investing in this infrastructure it improves property values and encourages economic development.

The POA Facebook page also has information on the Crowdfunder site and what you need to do to sign up. Your registration is to determine interest in the area, not a commitment to subscribe to the service.

**PUBLIC FORUM** No one addressed the board during Public Forum.

**RESULTS OF**  
**ELECTION OF**  
**BOARD MEMBERS**  
**FOR 2017-2018**

Cissy Elkins reported the results of the board member election:

Penny Bateman	278
Liz Lawlis	297
Kathleen Segura	279
Beverly Zuber	284
Rick Rector	16
Donna Witt	13
Jamie George	2

The board members elected for 2017 – 2018:

Penny Bateman  
Liz Lawlis  
Kathleen Segura  
Beverly Zuber

**ADJOURNMENT** A motion was made by Penny Bateman and seconded by Anthony Ferragamo to adjourn the meeting at 11:05 a.m. The motion carried unanimously.

Respectfully Submitted,

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Kathy Antwine, Recording Secretary