

**FLYING L RANCH PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES MEETING
February 10, 2015**

MINUTES

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

- PRESENT** Woody Baker, Cecilia (Cissy) Elkins, Anthony Ferragamo, Luana Pirtle, Garry Schneider, Terry Peek and Rick Rector
- ALSO PRESENT** June Baker, Donna Witt, Kathleen Romane, Susan Jenkins, Jodie Jenkins, Maggie Ferragamo, Treasurer, and Kathy Antwine, Recording Secretary
- CALL TO ORDER** The meeting was called to order at 6:05 p.m. by Woody Baker, Chairman, There being a quorum present, the meeting proceeded.
- INVOCATION** The invocation was given by Woody Baker.
- APPROVAL OF MINUTES** The board reviewed the minutes of the January 20, 2015 meeting. A motion was made by Anthony Ferragamo and seconded by Garry Schneider to approve the minutes as presented. Rick Rector stated that the minutes did not reflect that he voted no on the Flying L Ranch proposal, even though it was approved. The minutes were unanimously approved.
- TREASURER'S REPORT** Maggie Ferragamo, Treasurer, presented the Treasurer's Report to the board. The report included the Profit & Loss Statement January 1 through February 9, 2015, the Balance Sheet as of February 9, 2015 and the 2015 Budget, and the Check Detail Report. The POA has \$28,689.14 in the CD at Texas Hill Country Bank; \$56,196.98 in the checking account at Wells Fargo Bank; and \$58,100.44 in the Money Market at Texas Hill Country Bank. The association has received \$39,480.00 in 2015 dues and \$2,297.50 in late dues for a total of \$41,777.50. The Net Income as of February 9, 2015 is \$142,986.52. Due to a discrepancy between the newsletter and invoices received by property owners regarding the date that association fees were due, a motion was made by Anthony Ferragamo and seconded by Rick Rector to charge a late fee of \$50 per lot if the POA has not received the invoice payment by 5:00 p.m. on March 15, 2015. The motion carried. A motion was made by Rick Rector and seconded by Terry Peek to acknowledge the Treasurer's Report. The motion carried unanimously.
- PUBLIC FORUM** 1) Susan Jenkins spoke to the board regarding their proposal that was made at the January 20, 2015 meeting. She questioned why the Ranch is required to pay dues on properties that have commercial buildings on them. She said, according to the property code, commercial properties are not to be assessed the POA dues. She also explained that the Ranch maintains the commercial properties, including maintenance of the grass and trees and paying dues.

PUBLIC FORUM
Cont'd.)

- 2) She also addressed the question about providing the amenities pass to property owners, in addition to the homeowners. She said ~~the Ranch will not be able if~~ **it will be difficult** to offer the amenities pass if they cannot get any help with the dues being charged on their commercial property.
- 3) Mrs. Jenkins asked if the Payment Plan Policy would be available to the Ranch to pay their part of the roadwork.

EXECUTIVE
SESSION

The board adjourned the regular meeting at 6:30 p.m. to meet in Executive Session to discuss contract issues. The regular board meeting was reconvened at 6:45 p.m. The board voted 5-2 to approve a variance to the Ranch waiving the association dues on four lots.

COMMITTEE
REPORTS

STANDING COMMITTEES:

Architectural Control: Garry Schneider reported that a new home is being built on Edgewood drive. A dumpster has been placed on the property. He said a lot is being cleared on Oak Valley Drive and the plans will be sent before any construction begins.

Nominating: Garry Schneider said that Donna Witt would replace Penny Bateman as the property owner representative on the Nominating Committee.

By-Laws: No report

Covenants: Terry Peek reported that a letter had been sent to the property owner on Creekwood Drive. He said there was an RV parked beside a home on Wood View Circle and he will talk to them about moving it. Mr. Schneider reported that he had seen a pop-up trailer in the driveway of a home on Bottle Springs Road. Mr. Peek said there is another RV parked on Shady Oak Drive. The owner informed him that it will be removed as soon as the maintenance work is finished. He will check on all of these.

Roads: Anthony Ferragamo said he has contacted Monster Construction and Triple R Construction to get a bid on repairing the potholes and other minor repairs on the roads in the Flying L Ranch. He will contact the Ranch to see if they would like to repair the potholes on Flying L Drive at the same time. A motion was made by Anthony Ferragamo and seconded by Rick Rector to approve up to \$5,000.00 to repair the POA roads and submit a separate contract to the Ranch for pothole repairs on Flying L Drive, including the 5% of total maintenance paid for POA road repairs. The motion carried unanimously.

Social Activities: Luana Pirtle reported that the POA will have four socials this year: one mixer, one movie night, the family picnic, and the golf tournament.

COMMITTEE REPORTS
(Cont'd.)

Mowing/Trees: Terry Peek reported that the trees are being trimmed on Antler Circle. Mowing has been done for the year and the mower will be stored until mowing begins in the spring. Mr. Rector asked when the rest of the signs would be installed. The signs will be installed on Valley Oak Drive, Flying L Drive, Fairway Drive and Oak Hills Drive.

Reclamation of and/or Filing of Liens: No report

OLD BUSINESS

Approve 2015 Budget: A motion was made by Anthony Ferragamo and seconded by Garry Schneider to approve the 2015 Budget. The motion carried unanimously.

NEW BUSINESS

Limited Property Owner One-Time Passes and Lot Abatement: Anthony Ferragamo reported that there have been a few complaints that property owners do not have access to the amenities pass. He suggested approaching the Ranch to see what it would cost to purchase a one-time pass for property owners. Mr. Rector recommended the board consult with the attorney to see if it is legal to exclude property owners from the amenities pass. Mrs. Romane suggested that a controlled survey be submitted to all property owners to see what they would like to have their money spent on.

Flying L Ranch POA 501c4 Status: Donna Witt explained the process required to apply for 501c4 status. She said 501c4 is a social welfare association which POA's apply for and are able to get this designation. She went through the application process that is required and she has completed almost all of the application paperwork. Advantages are: 1) public recognition as tax exempt status, 2) Texas state sales tax exemption, 3) non-profit mailing privileges, 4) exempt from **paying** property taxes on **real estate owned by the POA** office equipment, 5) ~~may solicit and receive tax deductible contributions~~ **may receive contributions which are not tax deductible**, and 6) exempt from **paying** IRS taxes **on activities related to the organization's exempt function**. The board will table this issue and make a decision at the next meeting.

Consider Collections Policy: Anthony Ferragamo said he has researched several collection agencies and proposed the board consider using ADAC. He said it was the most professional company he had researched. The POA would pay \$375 per lot and ADAC would: 1) send a first demand letter, 2) send a second demand letter, 3) file a lien on the property, and 4) foreclosure. There may be a few other fees for publishing the auction. The attorney for the POA said he would charge \$2,065 per account to file a lien on the property. Mr. Ferragamo suggested the POA send out a letter first informing the property owner that the account will be turned over to the collection agency unless the past due fees are paid. The POA will also offer a payment plan for those who are willing to repay their fees. The board will decide which accounts will go to collections based upon past due fees.

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ADJOURNMENT

A motion was made by Garry Schneider and seconded by Terry Peek to adjourn the meeting at 7:45 p.m. The motion carried unanimously.

Respectfully Submitted,

Kathy Antwine, Recording Secretary