

**FLYING L RANCH PROPERTY OWNERS ASSOCIATION
BOARD OF TRUSTEES MEETING
April 14, 2015**

MINUTES

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

- PRESENT** Woody Baker, Cecilia (Cissy) Elkins, Anthony Ferragamo, Terry Peek, Luana Pirtle, Rick Rector, and Garry Schneider
- ALSO PRESENT** Donna Witt, Kathleen Romane, Dick Shafer, Jan Shafer, DeWayne Pirtle, Don Johnson, Janet Williams, Larry Henson, Terry Segura, Maggie Ferragamo, Treasurer, and Kathy Antwine, Recording Secretary.
- CALL TO ORDER** The meeting was called to order at 6:00 p.m. There being a quorum present, the meeting proceeded.
- INVOCATION** Woody Baker gave the invocation.
- APPROVAL OF MINUTES** The board reviewed the minutes of the March 10, 2015 meeting. Mr. Shafer requested the following changes to the minutes based upon his comments during the Road Committee Report at the March meeting. **“Richard Shafer said the ditch across the road from his home needs to be dug out again and the dirt from the ditch could be used for fill dirt to repair the sides of the roads.”** A motion was made by Anthony Ferragamo and seconded by Garry Schneider to approve the minutes as amended. The motion carried unanimously.
- TREASURER’S REPORT** Maggie Ferragamo, Treasurer, distributed copies of the Treasurer’s Report to the board members. The report included the Balance Sheet as of April 14, 2015, the Profit and Loss January 1 through April 14, 2015, the Profit and Loss March 10 through April 14, 2015, the Profit and Loss Budget vs. Actual January 1 through April 14, 2015, the Check Detail Report March 10 through April 14, 2015, and the Customer Contact List as of April 14, 2015. She said the POA has a total of \$171,944.44 in the bank accounts. The total amount of association dues budgeted for the year is \$90,870.00 and we have received \$72,518.00. The Net Income as of April 14, 2015 is \$68,570.89. Rick Rector asked if the Flying L Ranch has made a payment on the Payment Plan for the Road Maintenance fee. Mrs. Ferragamo said she had not received any payments yet. He asked if she had sent a past due notice to the property owner who owns multiple lots. She said she was waiting to see if a payment plan would be initiated. A motion was made by Terry Peek and seconded by Garry Schneider to acknowledge acceptance of the Treasurer’s Report. The motion carried unanimously. Luana Pirtle asked for information on the list of property owners who owe more than \$1,000 in past due fees that was included in the Treasurer’s Report. Anthony Ferragamo said the board approved a collections policy last month and we are waiting on the attorney’s approval of the draft of the collections letter that was sent to him. The letter will be sent to the property owners who owe over \$1,000.

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PUBLIC FORUM

1) Donna Witt reported on the status of the 501c4 Application. She said she was waiting for the CPA to finish the tax reports, as well as a copy of an up-to-date 2015 Income and Expense Report, and a check for \$850.00 to the U.S. Treasury Department. She will submit the application to the IRS to acquire the non-profit status for the POA.

2) Kathleen Romane said she sent a memo and attachments to the board members earlier in the day detailing the information she planned to discuss at the meeting tonight. She said the Board of Directors has a heavy responsibility governing a community the size of the Flying L Ranch; with over 700 lots they serve more people than the city of Bandera. She said the board needs to consider ensuring a sustainable water supply, as well as meeting the needs for growth and the changing demographics for future development of the community. There are more non-resident owners than resident. How do we create a sense of community (inclusion) for them? She made the following recommendations to the board:

1. Use email communication for alerts and newsletters with an opt-out option.
2. Conduct a survey to determine the priorities of the property owners.
3. Contract with a CPA for year-end financial statements and IRS tax returns.
4. Maintain a working partnership between the POA and PUD.

3) Larry Henson, Chairman of the PUD, reported that the problems that property owners have been experiencing with low water pressure are a result of equipment failures. The PUD finally got the parts and the water was off while the repairs were done. He asked property owners to call if they don't have water, because the PUD may not know it's off. The PUD has hired Jason Smith as the new operator for the water and sewer plant.

4) Don Johnson addressed the board about the Amenities Package for homeowners. He owns a lot, but does not have a home on the Flying L. He said he pays the same amount of dues as homeowners and wanted to know why the board did not offer the amenities to all property owners. The board explained that due to the cost, the POA was unable to negotiate a contract with the Flying L Ranch that included all property owners.

COMMITTEE REPORTS

STANDING COMMITTEES:

Architectural Control: Garry Schneider reported that Tilson Homes has submitted a plan to build a home on two lots on Valley Oak Drive, which was approved by the committee. He said he has another request to build a garage at the back of a home on Flying L Drive and it was also approved

Nominating: No report

By-Laws: No report

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COMMITTEE REPORTS,

(Cont'd.)

Covenants: Terry Peek reported that a second letter was sent to a property owner who is in violation of the Covenants, but we haven't heard anything from him.

Roads: Anthony Ferragamo said Triple R started spraying the road sides last month. The product he used was not very effective, so he has agreed to spray them again with a stronger product at his own expense. He requested a road bid from Jim Chastain, but he has not submitted his bid. Mr. Ferragamo said he cannot recommend we wait for his bid. Last month he received bids from Monstar Construction and Triple R Construction. The bid from Triple R includes blading the sides of the roads, adding fill dirt to the sides of roads, and patching potholes on all the roads in the subdivision except Flying L Drive. The bid from Triple R is \$5,631.25. Even though the bid from Monstar was lower than Triple R, it only included filling the potholes. He recommends accepting the bid from Triple R Construction due to the professionalism he has presented by standing by his work as shown with the spraying bid. He has some concerns about the quality of work done by Monstar Construction in the past. The bid for Flying L Drive was for the entire length of the road, but since the POA is only responsible from the tennis courts on, a new bid will be requested. Mr. Ferragamo will get the bid for Flying L Drive and both bids will be approved at the next meeting. Mr. Rector requested the split rail fence be installed beside the speed bumps on Flying L Drive between Edgewood Drive and Oak Hills Drive. A motion was made by Terry Peek and seconded by Garry Schneider to approve \$500 to purchase the materials to install split rail fences beside the speed bumps. Rick Rector said the speed limit signs still have not been installed on all the roads. Mr. Peek will get the signs installed. Rick Rector asked how many lots the POA mows for the Flying L Ranch in exchange for gas for the mowers. He wants to know the comparison between man hours and the cost of gas. Mr. Rector will research the issue.

Mowing/Trees: Terry Peek reported that Rusty has started to do the mowing on the road sides and common areas. Rusty wants to know if he should mow the wildflowers. He was advised to mow around the wildflowers.

Social Activities: No report

Reclamation and/or Filing of Liens: No report

OLD BUSINESS

Documents Related to Lot Abatements for the Guest Ranch: Woody Baker reported that he and Garry Schneider met with Jody and Susan Jenkins and explained that our attorney advised that abating lots for the Flying L Ranch could create problems. Mrs. Jenkins provided a document signed by Larry Upton executed in 1997 in which fifteen lots were abated by the Flying L POA. Last year the Ranch paid dues on those lots. Mr. Rector said the document states that

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OLD BUSINESS.

(Cont'd.)

the lots would be abated until they were sold. The lots were sold to Trey West last year and a transfer fee was paid to the POA. Mr. Baker said he would contact Andrew York and send the documents to him for his review. A motion was made by Anthony Ferragamo and seconded by Terry Peek to table this issue until we have information from the attorney. The motion carried with Rick Rector opposing.

Delinquent Notices: Mr. Ferragamo said delinquent notices need to be sent out, but a notice has not been sent to the Flying L Ranch. Garry Schneider said the Ranch asked for a payment plan for a three month period, but it has not been initiated due to the issue on the abated lots. Mr. Rector said the payment plan cannot be used unless the owner is delinquent on their account. If dues are not paid by March 15th, the late fees are charged to the owner. Since the Ranch was misinformed, Mr. Ferragamo suggested we ask them to pay what they owe within ten days. If they choose to go on a payment plan, they can use that option. Mr. Ferragamo said the late fees should apply since it is in the By-Laws. In the meantime, we will contact the attorney regarding the abatement issue. In the future, we should advise them to come to the board meetings so everyone would be involved in decisions. Mr. Ferragamo recommended the POA call a special meeting after the attorney issues his opinion on the documents regarding the abatement issue.

Approval of Tax Returns and Remittance: Mrs. Ferragamo said the CPA has completed the Income Tax Returns. The POA owes \$234 for 2010, \$114 for 2011, \$123 for 2012, nothing for 2013, and \$30 for 2014 for a total of \$501.00. The check will be mailed with the forms on April 15, 2015. The IRS requires we keep seven years of tax returns, but we do not have copies of the 2008 and 2009 returns. A motion was made by Rick Rector and seconded by Terry Peek to authorize the request for the 2008 and 2009 tax returns. The motion carried unanimously.

Homeowners Directory on Web Site: The board members were advised that the Homeowners Directory on the web site has been completed. A motion was made by Luana Pirtle and seconded by Garry Schneider to approve the directory on the web site. The motion carried unanimously. A letter will be sent to homeowners with the user name and password to access the directory on line.

Flying L Water Supply Feasibility Study: Larry Henson, Chairman of FLPUD, reported that the PUD does not do a feasibility study. Well levels are checked each week and the PUD is regulated by the TCEQ. He explained that the PUD has drilled two wells 800 feet deep that access water in the Edwards and Trinity aquifers. One well will pump 350 gallons per minute and the other 90 gallons per minute. Based upon this, there should be an adequate supply of water for the community. A motion was made by Anthony Ferragamo and seconded by Garry Schneider for the board to offer to post the minutes of the PUD meetings on the POA web site. The motion carried unanimously.

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NEW BUSINESS

Consider Adoption of Policies: A motion was made by Anthony Ferragamo and seconded by Terry Peek to approve the following policies: Management Certificate, Display of Certain Religious Items, Document Retention Policy, Flag Pole Policy, Records Production and Copying Policy, Guidelines for Rainwater Recovery Systems, and Road Construction to New Homes Policy. The motion carried unanimously.

Invoice for New Year's Eve Fireworks: A motion was made by Terry Peek and seconded by Cissy Elkins to approve \$250 for fireworks on New Year's Eve. The motion carried unanimously.

Discuss Parking for RV's, Trailers and Boats on Flying L Ranch: Mr. Ferragamo suggested that the next newsletter include a request for the donation of a lot to use for parking RV's, trailers, and boats. Terry Peek said he would contact the Flying L Ranch to request a proposal for parking RV's, trailers, and boats on the Ranch property.

ADJOURNMENT

A motion was made by Anthony Ferragamo and seconded by Garry Schneider to adjourn the meeting at 7:47 p.m. The motion carried unanimously.

Respectfully Submitted,

Kathy Antwine, Recording Secretary