

Firewheel Farms Home Owner Association Meeting

Meeting Recording: is viewable on Zoom via the following Link.

Topic: 2020 Annual HOA Meeting

Start Time : Aug 20, 2020 06:02 PM Duration 1:29

Meeting Recording Link (Click or copy this link to your browser, user password shown):

https://zoom.us/rec/share/oECgPbeAg7ne6ou-c1lCyl4KV513lmh_8ix6v9kwu98LTDOhVbzQlybB68UOMDSm.ztB4oUBjheC5Tx0z

Access Passcode: Firewheel#2

Meeting Minutes

There were 27 participants

- **Welcome**

- Welcome by Charlie Johnson, President Explanation that the annual meeting postponed from March due to Covid-19 protocols
- Introduction of Board, Steve Tharp and Lorainne Revelle
- Introduction of Chuck Lundin, Acting Secretary and will continue to participate with the Board of Directors on the CCR stuff.
- Introduction of Abbi Wreyford, Secretary taking minutes.
- Steve Tharp – Beginning of the year we started using a management company to manage our financial operation, Principal Property Management Company. They collect all assessments and pay all bills. They opened a bank account with Pacific Premier Bank in the associations name and manage it for us. They provide regular financial statements to the board. Victoria Patterson is our point of contact. The 2019 minutes are available via the FirewheelFarms.com website.
- 2020 meeting minutes brief – Recap of 2020 meeting minutes by Charlie Johnson – Steve motion, Lorraine second. Meeting minutes were accepted

- **Treasurers Report and Budget Review, Chuck Lundin**

The Treasure Report and the 2020 Budget are available on the website.

Beginning Bank Balance \$48,535 was reduced by Loss of (\$10,729) Ending Balance \$37,806

Financial events for 2019 included:

Revenues:

\$64,027

| | | |
|-----------------------------------|-----------|------------|
| 1. Annual Assessment \$83 / year | \$23,906 | |
| 2. Resale Certificates 13 @ \$225 | \$2,925. | |
| 3. Grant from the City of Garland | \$37,196. | |
| Expenditures: | | \$74,757 |
| 1. Administration | \$13,572 | |
| 2. Community Programs | \$ 2,065 | |
| 3. Median Maintenance | \$10,508 | |
| 4. Capital Improvement Median | \$48,612 | |
| (Net Capital Expense \$11,416) | | |
| Net Surplus (Loss) | | (\$10,729) |

Operating Revenue **excluding the City Grant** was \$26,831 or \$95.83 per lot.
 Operating Expenses **excluding Capital Expense** \$26,145 or \$93.75 per lot.

Bank Balance

| | |
|-------------------------------|-----------------|
| Chase Bank (8/1/20) | \$33,213 |
| Pacific Premier Bank (7/1/20) | \$19,146 |
| Total Cash | \$52,359 |

2020 Budget Summary. (Details on Website)

| | | |
|-----------------------------------|-----------|------------------|
| Projected Revenue for 2020 | | \$32,125. |
| Assessment fees \$95 X 280 | \$26,600. | |
| Resale Certificates est 13 @\$395 | \$ 5,135. | |

Projected Expenses for 2020 **\$30,146**

| | | |
|--|----------|----------------|
| 1. Administration | \$15,542 | |
| Includes new items: | \$10,009 | |
| Electronic Voting | \$1,034 | |
| Property Mgt Fee | \$6,335 | |
| Zoom Subscription | \$140 | |
| 2. Community Programs | \$3,620 | |
| 3. Legal for CCR | \$2,500 | |
| 4. Maintenance | \$10,984 | |
| PROJECTED Net Profit (as of Feb 2020) | | \$1,978 |

Significant Plans for 2020.

1. Increased Assessment fees \$12 from \$83 to \$95
2. We will use Cash reserves to cover PMG Property Mgt, Electronic Voting, & Zoom
 $\$6,335 + \$1,034 + \$140 = \$7,509 / 280 = \$26.82$ less \$12 increase = $\$14.82 / \text{lot short}$
3. Legal Fee estimate for CCR Amendment is \$2,500
 We anticipate finishing CCR amendment this year and end to related legal fees.

CURRENT STATUS

Caution on Income: The average 13 lot sales per year are falling behind.
 Current shortage of 7 Lot Purchases compared to 2019 $7 \times 395 = (\$2,765)$.

Shortages for 2020 may be made up by increased fees or drawdown of general fund
The general fund is sufficient to draw-down for some loss, but we will not know for certain how the year will turn out until January when the Board Can determine the best course.

The board tries to ensure that revenues and expenses are balanced every year.

- Charlie Johnson invited questions and comments and there were none.
- Charlie Johnson invited a motion for Directors to accept the budget.
- Lorraine Revelle motioned to approve the Budget, 2nd by Steve Tharp.
- Board approved budget, unanimous

- **Old Business, Chuck Lundin (0:25 on recording)**
 - Declaration amendment status – CCR Review Committee
 - ❖ We have been working on these since 2016, made annual reports each year.
 - ❖ We made significant progress this year.
 - ❖ We received the draft for CCR Amendment from the New attorney in February.
 - ❖ The Committee is currently working on Article V and is almost ready to send back to the attorney, hopefully no later than mid- September.
 - ❖ Optimistic that the attorney will have the revised CCRs for committee review sometime in October-November at which time the committee will send out to the all the members with intentions of having membership review and seek to resolve the amendments before the next annual meeting in March 2022.
 - ❖ The Board intends to take an electronic vote at this time
 - ❖

- **New Business: Community Events Committee (0:29 on recording)**
 - Lorean Dillard Introduced as Director of Neighborhood Event Planning Committee
Members are: Lorean, Lori Larson, Natalie Vega, Lorraine Revelle
 - Events Included:
 - ❖ Good turnout for Chili Cook-off (Prizes were awarded)
 - ❖ Happy Hour at On the Border
 - ❖ Family Night Out was great
 - ❖ Covid is keeping us limited in what we can do but hopeful and excited to ramp up neighborhood connections through fun activates
 - ❖ We do not plan a Neighbor Hood Night out this year due to Covid.
 - ❖ We look forward to continued events next year.
 - Charlie Johnson encouraged others to step forward and volunteer help on committees.
 - ❖ Contact Charlie if you want to volunteer.

- **Real Estate Update, Lorraine Revelle (0:31 on recording)**
 - **Comparing 1st half of 2020 to 1st half of 2019**
 - **City of Dallas – as of June, avg sales prices up 0.3% to \$450,131 Price/sq Foot = \$195**
 - **City of Garland – avg price is \$245,602, Price/sq Foot = \$132.**
 - **Firewheel Farms area – avg price is \$305,976, Price/sq Foot = \$142**
 - **Firewheel Farms Subdivision currently 2 active, 2 pending and 1 coming soon.**
 - **There is lots of competition right now.**

- **Resolutions, Steve Tharp (0:38 on recording)**
 - **Six resolutions were passed. Complete resolutions are on the Website.**
 - **#1 Resolution to Appoint a Property Management Company to handle financial affairs.**
 - ❖ Association will contract Property Mgt Co to handle Financial Affairs beginning 1/2021
 - ❖ Board of Directors may transition to full services property management.
 - ❖ Board assumes responsibility for the oversight of the Property Management Co.
 - ❖ Board maintains the freedom to appoint, retain or terminate the Property Manager, and may resume self-management or contract with an alternative property management company at their discretion
 - **Re-Approved by directors, unanimous.**
 - **#2. Resolution to Adopt a Transfer Fee**
 - ❖ Establish a Fee for Transfer of Ownership, January 16, 2020 (required by PMG).
 - ❖ The transfer fee is set at \$125
 - **Re-Approved by directors, unanimous.**
 - **#3 Resolution to appoint Principal Property Management company, Principal Management Group of North Texas, December 31, 2019 (0:43)**
 - ❖ They are authorized to manage our banking with a new checking account being opened through Pacific Premier Bank and the HOA Maintenance fund will be transferred to the new account
 - ❖ Annual assessment fee will be increased by \$12.00 to \$95.
 - ❖ Notices & Invoices will be managed by PMG and sent by US Mail.
 - ❖ PMG will establish online accounts for each homeowner using TownSQ.io on internet.
 - ❖ PMG will assess late fees
 - ❖ PMG will report assessment fee status to Board
 - **Re-Approved by directors, unanimous.**
 - **#4 Resolution Authorizing Electronic Voting & Procedures, November 21, 2019**
 - ❖ The HOA has adopted the use of the electronic online voting system
 - ❖ Once enabled, members will receive a notification of elections by email.
 - ❖ An electronic ballot may be counted as a member present and voting for the purpose of establishing a quorum
 - ❖ The Board reserves the right to terminate or amend the actions taken and contemplated by this resolution, at any time

Questions/Concerns from Members:

Bonita Reilly confirmed with Charlie that 2/3 majority will be required.

She is also concerned about notary.

1. Ronny Ong objected to electronic votes claiming that signatures were required.
2. Chuck Lundin stated that the specific question was raised to the Attorney and that the attorney reported electronic voting meets the requirements of the statutes.

3. Ronny objected further and said he is willing to challenge this in court and also that due to the severability clause in the CCR that there is no need to update the CCR. He will consider suing if votes are without signatures.
4. Chuck will try to get a statement from the attorney for Ronny.
5. Ronny asked about the Directors and Officers Insurance Policy coverage.
6. Chuck will get that information for Ronny.
7. Charlie thanked Ronny and said his concerns will be considered.
8. Lorraine asked Ronny what
 [Comment inserted by Chuck following the meeting: The CCR change is not focused on updates to match statutes, but instead is focused on changes to give more financial stability and sustainability to the association in the future. Notarized signatures are not required by the CCR but are required by the County Clerk if signatures are relevant to confirm or witness documents.]

- Board re approved all resolutions

- **#5 Resolution to Change to Various Fees, March 16, 2020 (0:52 on recording)**

- ❖ The list of fees will be shown on the website.
- ❖ Increase Resale Certificate Fees from \$225 to \$395
- ❖ The fee for Late Payment for assessments will be increased from \$25 to \$30
- ❖ The fee for records request will increase from \$20 to \$50 plus copy costs
- ❖ The fee for lawn care for unkempt or abandoned property will increase from \$70 to \$100 plus maintenance expenses
- ❖ The fee for other property care for unkempt or abandoned property will increase from \$70 to \$100 plus maintenance expenses
- ❖ The fee for sending demand letters and notice for collections will increase from \$40 to \$250
- ❖ Lien Recording fee will increase from \$125 to \$300
- ❖ Release of Lien fee will change from \$50 to \$200
- ❖ Motion to Withdraw Suit will change from \$45 to \$200 plus attorney fees
- ❖ A first notice to owners to correct prohibited activities will be issued without fee. If the condition stated is not corrected within 14 days a second notice may be issued and fee is \$100

- Lorraine asked participants if anyone had any questions or comments. None did.

- Board re-approved all resolutions

- **#6 Resolution that PMG will be an Agent for maintaining new Account at Pacific Premier bank. (0:56 on recording).**

- Board re-approved all resolutions

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- **Commissioning of Architectural Committee, Steve Tharp**

- ACC is restarted as a functional Committee

- Purpose is to

- Keep community looking uniform.
- ACC Approval is required before any physical changes are made.
- ACC will publish an Application form and Architectural Guidelines.
- ACC will identify property Maintenance issues to be published soon.
- ACC will be an entity the members can get help to solve neighborhood issues.
- ACC Activities are expected to begin before the end of the year.
- Rollout will be updated via an association newsletter before taking effect.

- General expectation is that each property needs to maintain a good appearance with the goal being to make our neighborhood as attractive and appealing as possible
 - Hopeful that this committee can put out a bi-annual newsletter
 - Members
 - ❖ Steve Tharp
 - ❖ Mark Tyler
 - ❖ Charlie Johnson
 - ❖ Oversight
 - ❖ Chuck Lundin
 - ❖ Lorraine Revelle
 - Homeowner, Rick Bentine concerned that the committee has the potential to get out of control and questioned if homeowners will be grandfathered in. For example, can the committee control the color of your front door? How are decisions being made? Steve Tharp responded that issues would be taken before the Board of Directors. Rick further inquired if decisions to ask residents to change things on their homes could/should be made at the general meeting as opposed to just the Board. Steve said that there will have to be variances and actions will have to be realistic. Charlie elaborated. Rick said it was necessary to have such guidelines reviewed and approved at a general meeting. D'Ann Linwood did not think that the ACC would become as petty as Rick was concerned about. Rick volunteered to help with the committee and the guidelines for the ACC. Steve responded that if anyone wants to help with this project to let him know. Steve added that the Board and all of us reviewing this are very conscientious and have a major goal is to get the ACC right so that we can get the amendment passed. You are all going to get a chance.
 - Lorraine recognized Rick willingness to join with the committee.
 - Steve thanked Rick and mentioned Rick's expertise.
 - Member Jarred Rush made comments about putting Rick on the spot. Jarred is all in favor of the ACC because he lives near craziness.
 - Chuck added that the effort is aimed at drafting a structure declaring what we want the ACC to be like and will have that reviewed by the attorney. We have to consider the guidelines to be created and it's a significant amount of work to be reviewed and approved before putting it into place.
 - Steve added that the ACC will not require any fees for applications.
 - No motion was needed or called for.
- **Election Results from March & Board by Charlie Johnson, President (1:17 on recording).**
 - Loraine Revelle received 62% of the vote and was appointed to the Board we thank Donald Hulbert for his interest. He received 36% of the vote and we will look forward to his help in the future.
 - We have had a lot more interest expressed by people to volunteer. The President must remain as a director. We have the following nominations that we are working with:
 - Deana Lynnewood will be the new Administrator
 - Lori Larson will be the new Secretary
 - Barbara McCoy will be the new Treasurer
 - Steve Tharp is resigning from the Board. Chuck Lundin nominated to replace him and will continue working with the board and provide training to the new officers.
 - Steve will continue in the role of Vice President and administrator to maintain the media n and will focus on establishing the ACC.
 - We will schedule an open meeting to actually confirm the nominations for those positions.

- Charlie asked for any new business or questions.
- **Website - Lorraine**
 - We will do some updating on the website. Chuck did a great job. We need to put a new face to it and it will allow you to paste pictures of family, pets and activities.
 - It will run side-by-side with the old website.
 - Any input from anyone will be appreciated.
 - The new website will eventually be the only website.

Member Joni Copeland complemented Steve on the accomplishment of the median landscape.

D'Ann Linwood announced that GISD announced a rate reduction vote for taxes.

Charlie announced thanks to the Yard-of-The-Month Volunteer.

**Motion to adjourn meeting by Chuck Lundin, seconded by Barbara McCoy.
Meeting adjourned at 7:57 pm**

Minutes Prepared by Abbi Wreyford and Charles Lundin.