

Firewheel Farms No. 2, Home Owners Association, Inc.

RESOLUTION TO TRANSFER FINANCIAL OPERATIONS FROM THE HOA ASSOCIATION, DIRECTORS and OFFICERS to PRINCIPAL PROPERTY MANAGEMENT GROUP AND TO DELAY ANNUAL ASSESSMENTS TO FEBRUARY 5, 2020, AND TO INCREASE ANNUAL ASSESSMENT BEGINNING YEAR 2020.

WHEREAS, the Board of Directors (the “Board”) of **Firewheel Farms No2. HOA, Inc.** (the “Association”) met in compliance with applicable law and determined that it would be in the best interests of the members of the Association (the “Members”) to raise the annual assessment fee, and

WHEREAS, The Declarations of Covenants, Conditions and Restrictions (CCR) of the Association grant authority to the elected directors, acting by majority rule, to conduct all of the business of the Association except when membership votes are required pursuant to said declaration, and

WHEREAS, CCR Article III, Section 9 (a) dedicates the collection of annual and special assessment fees to the “Maintenance Fund”, and

WHEREAS, The CCR Article III, Section 9 (b) assigns to directors the responsibility to set the annual assessment fee as follows “

“ The assessment for a particular Lot for the calendar year in which the Association is created shall be prorated for such calendar year for the period commencing with the formation of the Association and ending on December 31 of such calendar year. The rate at which each Lot will be assessed for subsequent years will be determined annually by the Board at least thirty (30) days in advance of each annual assessment, provided that, without a vote of the membership as described in the next sentence, the maximum annual assessment may not be increased by the Board in any year by an amount in excess of fifteen percent (15%) above the previous year’s maximum annual assessment. The Association shall, upon demand and upon payment of a reasonable fee, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. “

AND WHEREAS the Article III, Section 10 states that the purpose of the maintenance fund is to “Improve, beautify, maintain, manage and operate the Common Properties and Common Facilities, and pay taxes and insurance premiums thereon, and promote the recreation, health, safety, convenience and welfare of the members of the Association, such benefits to include, by way of illustration but not limitation: providing professional management or financial services; providing patrol or watchman service; providing service”, and

WHEREAS, directors have resolved to contract financial services and have contracted with professional property management services with Principal Property Management Group, a division of Associa Property Management company, and recognize the need to increase the annual assessment fee, and

WHEREAS, the transfer of responsibility for issuing annual fee invoices and collecting fee payments will be delayed until February 2020,

NOW, THEREFORE be it resolved that:

1. The Annual Assessment fee for 2020 will be delayed until February 2, 2020.
2. The Annual assessment fee will be increased by \$12.00, a 14.5% increase.

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3. The new annual assessment fee will be \$95.00 due by February 28, 2020
4. If assessments are not paid by the due date, then late fees will be applied beginning on March 1.
5. The notices and invoices for annual assessment fee will be provided by Principal Property Management and sent by US Mail and or email. .
6. The prior methods of invoice notification sent by the Association via Intuit Online Payments or by US Mail, is immediately terminated.
7. The prior methods of delivering assessment payments to the HOA Association officers are immediately terminated. All payments will be delivered to Principal Property Management per their directions and will allow for payment by Credit Card or by ACH credit, or by mailed in check, or by hand delivery to Principal Property Management offices, 12700 Park Central Dr. Suite 600, Dallas, TX 75251, 214 368-4030 or 800 808-4882
8. Principal Management will establish an online account for each lot owner in order for the lot owner to access records of balances and payments. The lot owner may choose to register or not register with the Principal online system.
9. Principal Management will maintain records of payments and provide information to confirm payment.
10. Principal Management will apply late fees and give notice of late fees, similar to prior HOA process, and provide collection services.
11. Principal Management will report to directors the annual assessment collections status each year.
12. Principal Management will handle all financial operations for the Firewheel Farms No. 2 HOA and will report regularly to directors and officers.
13. Principal Management will provide financial statements and budget plan for the annual meeting beginning in March, 2021.
14. Principal Management will open a new checking account with their bank, Pacific Premier Bank, or other federally insured bank and the HOA will transfer the Maintenance Fund to that account.

I hereby certify that on the _31st day of December, 2019, at an electronic meeting where quorum of Directors was present, duly called for the purpose, the Board of Directors of Firewheel Farms No. 2 HOA, Inc. adopted the above RESOLUTION. An affidavit executed by the person providing the notice shall be filed with the official records of the Association.

Record of Voting:

Director	Vote Yes	Vote No
Charles Johnson, President	Yes	-
Steve Tharp, Vice President	Yes	-
Charles Lundin, Treasurer/Secretary	Yes	-

Out of _3_ total members of the Board of Directors, the vote was _3_ in favor and _0__ opposed, the resolution is adopted.

Certified By: Charles Lundin
Director and Secretary/Treasurer