

Flintrock Falls  
Board of Directors Meeting DRAFT Notes - unapproved  
January 9, 2019

Attendees:

Board: Kent Wells, Tom Rich, Grant John, George Gutierrez, Kevin Daley

First Service Residential: Megan Maedgen

Homeowners: 12

1. The Meeting was called to order at 6:02 PM by Kevin Daley. There was a Quorum present and the minutes of the October 2018 BOD Meeting were approved.
2. New Business:
  - a. 2019 Annual Budget – Kent Wells presented the Budget with \$515,670.00 Revenues and \$515,670.00 expenses including an \$86,137.00 contribution to the Reserve Fund. Annual contribution to the Reserve Fund should approximate \$100k.

An ideal budget is approx. \$500k revenues, \$400k expenses and \$100k contribution to the Reserve, but with higher anticipated and unexpected expenses in 2018, the Reserve contribution will be about \$43k. Higher anticipated expenses were for the cameras and the gate improvements and the unexpected expenses were for the QuickPass installation and a homeowner bad debt. We need to find the best way to increase the reserve contribution during 2019. We should look at reducing expenses first but if insufficient we will need to increase revenue, which means higher homeowner dues.

Homeowners dues represent 96.5% of revenue with balance from collected fees for constructions, fines, etc. Dues are collected from 100% of Home and Lot owners so no dues upside from current base. As expenses increase, revenues will have to come from increased dues.

High Ticket expenses are - Security \$156k (35%) vs \$135 in 2017 – improving Guard quality. The Hills Security expense is 3-4 time higher. Landscape is about \$120k (23%) with normal service and projects for 2019 – mostly JN and Honors entrances.

The Board may want to consider selling some land areas adjacent to homeowners reducing tax and landscape costs. Some areas have no significant value to the POA.

Property Manager is \$24k (5%), QuickPass is \$16k (3%), Reserve \$86k (17%), ACB Contract \$18k (3%). The remaining 14% is spread among several items like insurance, property taxes, electricity, phone, internet, etc.

It was suggested the new Board review contracts for Guard Services, Landscape, ACB, Property Manager, Road repair (\$37,000 in 2018) to see if there are some potential cost savings. Was 2018 an anomaly for road repairs or is this to be expected in the future? And should decide if payment for road and curb repairs made from Reserve, further reducing the Reserve base, or from operating expenses.

A motion was made to approve the Budget as submitted and was seconded and approved unanimously.

- b. Damage Payments for Arms Violators – There was a lively discussion with agreement to keep Honors as a resident and invited guests gate and contractors enter and exit by JN gate. Universal agreement all Gates and Arms violators should pay damages.  
It was proposed and approved an Arms knock Off damage fee is \$250 and a replaced Arm is \$650. There have been discussions with Google and other GPS app companies to make Honors Drive a Private Road. There has been some success but needs more enforcement. We will communicate accountability to all residents and contractors and reeducate homeowners the protocol for approaching the Arms and Gates to insure safe access and reduce damage to Arms.
- c. Steps for handling homeowners not paying assessments – If Homeowners are late paying their assessments, there is a 30/60/90-day late payment protocol required before any legal action can occur. We currently deactivate gate opening devices after 90 days unless a payment plan is requested and implemented. We can initiate a legal action to impose a lien on the property if homeowner is unwilling to accept a payment plan or make payment. The threshold agreed for initiating legal action is two missed assessments, essentially one year.
- d. Add Cameras at Jack Nicklaus Gate – we want to relocate one existing camera and add a second camera to the island between the Resident and Visitor lane – one pointing at the Resident Entrance Arm and one at the Arm and Gate in entrance. We are waiting for the quote before approving this expenditure. The benefit is catching drivers who knock down or break the Entrance Lane Arm. This may need to be acted on by the new Board.
- e. Ratification of new Website Design Expense – We are developing a new interactive Website owned by the POA to facilitate and enhance communications to and within the Community. The Website Design is \$2,800 and the integration to First Service Website portals for Documents is \$1,200. After one-time installation cost of \$4,000, annual cost is \$500 plus a service fee to FSR. This will provide a less expensive more effective more seamless website for Community Communication. The \$4,000 one- time expense was approved.

3. Old Business:

QuickPass Update – By end of the week all gates will be activated and operating with the QP readers to allow access to the QP Transponders, all TxTags including the new smaller Tag with the micro security chip. This includes EZ Pass, Houston and North Texas (Dallas) tags. We are advising all homeowners with any device to test it / them at the Shared Gate and/or JN gate. While QP accepts 90-95% of all TxTags, it is possible it may not work on all vehicles and that vehicle may need a new TxTag or a Transponder. This will be dealt with on a case by case basis. The Key FOBS will be ordered on Jan 17 after we receive requests from Homeowners. Payment with pickup. A new QP key pad for FOBS was installed at Honors Gate near current phone access keypad. Radiant system scheduled to be deactivated permanently Jan 15, 2019. We still have approx 40 homeowners who have not registered any vehicle in the QP System. Once Radiant deactivated and unable access community, hopefully these delinquent homeowners will register.

There was additional discussion on restoring the 4-digit code at Honors to allow friends access thru Honors, which they have with the phone access system, but this would recreate the issues of the past where contractors get the access code. Also, it was raised about asking ATT if install fiber optics will that assist w/ roads expense – unlikely since ATT has an easement throughout the community so access is free just restore area to previous condition.

4. Executive Session

- a. Aged Owner Balances – policy established as above.
- b. Replace stolen Traffic Cones from roadway failure between 504 & 507 Golden Bear – Cost of \$382.67 approved
- c. Homeowner requested have a neutral third party observe New Board Ballot tabulation on Jan 17 – agreed.

Prepared by Kevin J. Daley, POA Board