

# THE FALLS OWNERS ASSOCIATION, INC.

Minutes of Meeting of Board of Directors

April 9, 2024

The Board of Directors (“Board”) of The Falls Owners Association, Inc. met on April 9, 2024 at 6:00pm at 1750 N. Falls Drive, The Falls Texas Clubhouse Patio area, New Ulm, Texas. The subject of the meeting was to consider and act on the following Agenda listed below:

## Directors:

- Lance Welch - Director - Present
- Susan Brewington - Vice President/Treasurer – Present
- Rochelle Wiley – Secretary - Present
- Ed DeCora – Director - Absent
- Trish Machann – Director - Present

Owners Attending: Phillip Knight, Susan Moerbe & guest, Kelly Joy, Agustin Cavazos

Meeting started at 6:00pm and called to order by Lance Welch

## Agenda Items:

1. Introduce Directors and Officers for 2024
  - Board did round table and introduced owners attending and directors
2. Review and approve February 17, 2024 meeting minutes.
  - Motion made by Susan Brewington to approve the minutes as written, seconded, unanimous vote.
3. Draft acceptance of 2024 Annual Meeting Minutes
  - Motion to accept the draft of the 2024 Annual meeting minutes was made by Susan Brewington, seconded, unanimous vote.
4. Architectural Control Committee – Activity Report
  - There was one approval for replacement of pave stone patio to a concrete slab
  - An approval was given for a new home on N. Falls Drive
  - Two new home approvals on Pinehurst Dr. which are currently under construction
5. Financial Report – Current status – Income & Expenses
  - Susan provided financial report which is attached. Financial report for CDs will show current market value. Actual purchase price will be added into the description on the P&L so it will be easy to know what the actual price paid and maturity guarantee is for CD. Interest will be added at maturity.
  - CD renewal update

- 3mo CD coming up for renewal on 5/6
    - Renew for 9mo \$50,000 and put \$25,000 in money market account.
  - D & O Insurance renewal
    - Renewed for one year at \$1,287.00
  - 2023 Tax update
    - Normally FOA files 1120-H for 2023 we cannot file this type of return due to no assessments collected in 2023. Only taxed on interest income.
    - FOA will file 1120 which has no requirements for income type; no expense requirements can take advantage of all deductions at a 21% rate. More open to red flags from IRS. This year we owe no taxes and we owe \$1175.00 for CPA.
  - Delinquent accounts
    - Lance will contact a local lawyer to inquire about filing liens on past due accounts
  - 6. Speed Bumps
    - Old speed bumps on N. Falls Dr. were replaced and new put in with cart path. Three or four bids were received. No scope of work was written at time of bids. K. Joy had work done to his specifications. K. Joy used some of his workers and equipment as well to perform the work as well as a contractor for concrete. The speed bumps were well done.
    - Susan made a motion for the FOA to reimburse the \$12,800 for speed bumps, seconded, unanimous vote.
  - 7. Front gate exit for walking or bicycles
    - Lance reported that a button/solution will be put in next week on the exit since it is currently a weight being activation.
  - 8. Fire exit
    - Lance will check further on this topic
  - 9. Discussion/comments from Property Owners
  - 10. Next Meeting Date tentatively Tuesday, July 23, 2024
  - 11. Executive Session
    - Delinquent accounts
- Meeting Adjourned: 7:29pm

Rochelle Wiley  
Secretary – Board of Directors  
The Falls Owners Association, Inc.  
[www.foatthefalls.com](http://www.foatthefalls.com)

# THE FALLS

OWNERS ASSOCIATION, INC.

P.O. Box 1304 New Ulm, Texas 78950

## Balance Sheet

As of March, 2024

	<u>Total</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
10003 Industry State Bank - Checking	11,138.42
10004 Industry State Bank - Savings	10,321.77
10014 Fidelity Investments-*9702 5.40%	
Fidelity – Money Market	2,705.76
3 mo CD – 5/6/24 – 5.15%	74,904.75
6 mo CD – 7/31/24 – 5.00%	74,985.75
9 mo CD – 12/25/24 – 4.90%	74,825.25
12 mo CD – 01/24/25 – 4.80%	74,758.50
<b>Total Bank Accounts</b>	<b>\$ 323,640.20</b>
<b>Accounts Receivable</b>	
10500 Customer Accounts	450.00
10501 Allowance for Bad Debts	755.00
<b>Total Accounts Receivable</b>	<b>\$ 1,205.00</b>
<b>Other Current Assets</b>	
11901 Prepaid Expenses	0.00
<b>Total Other Current Assets</b>	<b>\$ 0.00</b>
<b>Total Current Assets</b>	<b>\$ 324,845.20</b>
<b>TOTAL ASSETS</b>	<b>\$ 324,845.20</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20000 Accounts Payable	0.00
<b>Total Accounts Payable</b>	<b>\$ 0.00</b>
<b>Other Current Liabilities</b>	
11500 Deferred Revenue	0.00
<b>Total Other Current Liabilities</b>	<b>\$ 0.00</b>
<b>Total Current Liabilities</b>	<b>\$ 0.00</b>
<b>Total Liabilities</b>	<b>\$ 0.00</b>
<b>Equity</b>	
32000 Unrestricted Net Assets	312,508.30
Net Income	12,336.90
<b>Total Equity</b>	<b>\$ 324,845.20</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 324,845.20</b>

# THE FALLS

## OWNERS ASSOCIATION, INC.

P.O. Box 1304 New Ulm, Texas 78950

### Profit and Loss

Jan-Mar 2024

	Jan-Mar 2024	2024 Budget	\$ Over Budget	% Of Budget
<b>Income</b>				
40000 Annual Lot Assessment	12,850.00	12,850.00	-	100.00%
40002 Interest Income	3,426.37	8,000.00	(4,573.63)	42.83%
<b>Total Income</b>	<b>16,276.37</b>	<b>20,850.00</b>	<b>(4,573.63)</b>	<b>78.06%</b>
<b>Expenses</b>				
61000 Accounting Fees	100.00	1,720.00	(1,620.00)	5.81%
61150 Bank Fees	-	-	-	0.00%
62000 Taxes	-	750.00	(750.00)	0.00%
62500 Insurance Expense	1,287.00	1,178.00	109.00	109.25%
63800 Legal Expense	-	5,000.00	(5,000.00)	0.00%
65000 Office/Administrative Expenses	284.10	600.00	(315.90)	47.35%
67200 Repairs and Maintenance	1,297.02	12,970.00	(11,672.98)	10.00%
67800 Computer Software/Website	-	800.00	(800.00)	0.00%
68600 Utilities	485.35	2,500.00	(2,014.65)	19.41%
<b>Total Expenses</b>	<b>3,453.47</b>	<b>25,518.00</b>	<b>(22,064.53)</b>	<b>13.53%</b>
<b>Net Operating Income</b>	<b>12,822.90</b>	<b>(4,668.00)</b>	<b>17,490.90</b>	<b>-274.70%</b>
<b>Other Income</b>				
70000 Interest on Past Due Assessment	-	-	-	0.00%
70010 Investment Change in Value	(486.00)	-	-	0.00%
<b>Total Other Income</b>	<b>(486.00)</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Net Other Income</b>	<b>(486.00)</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Net Income(Loss)</b>	<b>12,336.90</b>	<b>(4,668.00)</b>	<b>17,490.90</b>	<b>-264.29%</b>