

THE FALLS OWNERS ASSOCIATION, INC.

Minutes of Meeting of Board of Directors

February 26, 2022

Annual Meeting

The Board of Directors (“Board”) of The Falls Owners Association, Inc. met on **February 26, 2022, at 10:00 am New Ulm Lions Club, 1031 FM 109, New Ulm, Texas.** The subject of the meeting was to consider and act on the following Agenda listed below:

Directors:

- Kristy Hrachovy -President - Present
- Susan Brewington - Vice President/Treasurer – Present
- Rochelle Wiley – Secretary - Present
- Ed DeCora – Director - Absent
- Jim Bryant -Director –Present

Sub Committee:

- Rochelle Wiley-Record Keeper – Present

Owners in attendance as recorded with Ballot Receipts

Meeting started promptly at 10:00 am and called to order by Kristy Hrachovy

Agenda Items:

1. Call the meeting to order
 - Kristy Hrachovy calls the meeting to order and asks that if speaking stand up and state your name.
2. Establish meeting rules: Meeting is to be conducted in accordance with abbreviated Robert’s Rules of Order
3. Introduction of Directors:
 - Kristy Hrachovy – President
 - Susan Brewington – Vice President/Treasurer
 - Rochelle Wiley – Secretary
 - Ed DeCora – Director
 - Jim Bryant – Director
4. Determine & Announce presence of Quorum
 - There were 157 lots represented in person and by proxy
5. Approval of February 27, 2021 Annual Member Meeting Minutes

- Jim Bryant motions that the February 27, 2021 meeting minutes be approved and entered into the records of the association, seconded, unanimous and no comments.
6. Financial Report of the Association by Treasurer, Susan Brewington
- Susan Brewington provided the financial report for 2021 and reviewed the 2022 Budget.
 - New Street signs were purchased for the neighborhood and installed
 - Mowing and Mailbox are some of the expenses for 2022 repairs
 - 93.3% of the assessments for 2022 have been collected
 - Attached is a copy of the report
7. Nominating Committee Report for 2022 Directors election; call for nominees from the floor
- Larry Wiley, Suzy Greene and Rochelle Wiley was the committee
 - Rochelle Wiley provided report that 2 individual we nominated and ran for board positions. Ed DeCora and Rochelle Wiley were the nominees
 - No nominations from the floor
8. Election of new Directors of the Association (serving February 2022 – February 2025)
- Ed DeCora and Rochelle Wiley were elected on the 2022 – 2025 Board of Directors
9. Accomplishments 2021
- Street Sign replacement – black posts and signs with reflective lettering and 5 stop signs
 - One CD renewal to 90 day due to interest rates to increase
 - Mowing will begin March 1st in all residential areas (section 1,2 &3)
 - Key FOB was discussed and nothing finalized at this point on going forward
 - Deed restrictions draft
 - Mailbox and Parcel box addition, discussions continue and possible new location
10. Select Nominating Committee for February 2022 - February 2023
- Larry Wiley, Suzy Greene and Rochelle Wiley volunteered
11. Member input for consideration of goals and projects of the Association for 2022-2023.
- Fire Hydrants – MUD issue
 - MUD Board meets monthly on 3rd Thursday 6:30pm
 - Mowing question regarding section 1,2 &3 right away
 - Lot Maintenance
 - Deed Restrictions updates
 - Current Deed restrictions from 2006 are on website [DCCR 2006](#) residents are encouraged to review

12. Members Forum – questions, comments and/or recommendations

➤ Merged with item 11

13. Establish next Annual Member Meeting date: Saturday, February 18, 2023 10:00am

➤ Location TBA

Adjournment: 10:46am

Rochelle Wiley
Secretary – Board of Directors
The Falls Owners Association, Inc.
www.foathefalls.com

THE FALLS

OWNERS ASSOCIATION, INC.

P.O. Box 1304 New Ulm, Texas 78950

Balance Sheet

As of December 31, 2021

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
10003 Industry State Bank - Checking	142,154.11
10010 1st Internet Bk of Indiana-12mo	62,392.47
10011 1st Internet Bk of Indiana-24mo	62,985.17
10012 1st Internet Bk of Indiana-36mo	63,752.11
Total Bank Accounts	<u>\$ 331,283.86</u>
Accounts Receivable	
10500 Customer Accounts	4,125.00
10501 Allowance for Bad Debts	2,555.00
Total Accounts Receivable	<u>\$ 6,680.00</u>
Other Current Assets	
11901 Prepaid Expenses	12,668.00
Total Other Current Assets	<u>\$ 12,668.00</u>
Total Current Assets	<u>\$ 350,631.86</u>
TOTAL ASSETS	<u>\$ 350,631.86</u>
LIABILITIES AND EQUITY	
Liabilities	
Other Current Liabilities	
11500 Deferred Revenue	19,275.00
Total Other Current Liabilities	<u>\$ 19,275.00</u>
Total Current Liabilities	<u>\$ 19,275.00</u>
Total Liabilities	<u>\$ 19,275.00</u>
Equity	
32000 Unrestricted Net Assets	330,019.38
Net Income	1,337.48
Total Equity	<u>\$ 331,356.86</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 350,631.86</u>

THE FALLS

OWNERS ASSOCIATION, INC.

P.O. Box 1304 New UIm, Texas 78950

Profit and Loss January - December, 2021

	January - December, 2021	2021 Budget	\$ Over Budget	% Of Budget
Income				
40000 Annual Lot Assessment	7,710.00	7,710.00	-	100.00%
40002 Interest Income	3,122.29	4,500.00	(1,377.71)	69.38%
Total Income	10,832.29	12,210.00	(1,377.71)	88.72%
Expenses				
61000 Accounting Fees	2,340.00	2,500.00	(160.00)	93.60%
61100 Bad Dept Expense-Maintenace Fee	-	-	-	0.00%
61150 Bank Fees	-	50.00	(50.00)	0.00%
62000 Filing Fees	998.65	1,200.00	(201.35)	83.22%
62500 Insurance Expense	978.00	1,000.00	(22.00)	97.80%
63800 Legal Expense	2,180.00	-	2,180.00	0.00%
65000 Office/Administrative Expenses	454.91	600.00	(145.09)	75.82%
67200 Repairs and Maintenance	-	-	-	0.00%
67800 Computer Software/Website	569.16	500.00	69.16	113.83%
68600 Utilities	1,974.09	2,000.00	(25.91)	98.70%
Total Expenses	9,494.81	7,850.00	1,644.81	120.95%
Net Operating Income	1,337.48	4,360.00	(3,022.52)	30.68%
Other Income				
70000 Interest on Past Due Assessment	-	-	-	0.00%
Total Other Income	-	-	-	0.00%
Net Other Income	-	-	-	0.00%
Net Income(Loss)	1,337.48	4,360.00	(3,022.52)	30.68%

THE FALLS

OWNERS ASSOCIATION, INC.

P.O. Box 1304 New Ulm, Texas 78950

2022 Annual Meeting Report

2021 Year End Numbers and 2022 Approved Budget

	2021 Actual	2022 Budget	<u>Notes</u>
INCOME			
40000 Annual Lot Assessment	7,710.00	19,275.00	\$75.00/lot Assessment for 257 lots
40001 Deferred Assessment	-	-	
40002 Interest Income	3,122.29	2,600.00	Decreased due to rates dropping
TOTAL INCOME	10,832.29	21,875.00	
 EXPENSES			
61000 Accounting Fees	2,340.00	2,500.00	Bookkeeping and CPA Tax filing
61100 Bad Debt Expense	-	-	
61150 Bank Fees	-	50.00	New Checks
62000 Taxes/Filing Fees	998.65	1,000.00	Taxes paid on Interest of CD's
62500 Insurance Expense	978.00	1,000.00	Directors and Officers Insurance Policy
63800 Legal Expense	2,180.00	2,500.00	
65000 Office/Admin Expense	454.91	570.00	
67200 Repairs and Maintenance	-	40,539.00	Proposed Projects: Street Signs, Mowing, Mail Boxes
67300 Computer Software/Website	569.16	570.00	\$70.00 Increase in QB fee
68600 Utilities	1,974.09	2,000.00	
TOTAL EXPENSES	9,494.81	50,729.00	
 Other Income			
70000 Interest on Past Due Assessment			
Total Other Income			
Net Income (Loss)	1,337.48	(28,854.00)	