

# THE FALLS OWNERS ASSOCIATION, INC.

Minutes of Meeting of Board of Directors

February 18, 2023

Annual Meeting

The Board of Directors (“Board”) of The Falls Owners Association, Inc. met on **February 18, 2023, 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

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 161.73 lots represented in person and by proxy
5. Approval of February 26, 2022 Annual Member Meeting Minutes
  - Larry Wiley motions that we wave the reading of the February 26, 2022 meeting minutes, seconded, unanimous vote.

- Susan Brewington motioned the 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 2022 and reviewed the 2023 Budget.
  - New CPA hired for 2023 from Seidel Schroeder (Michele Kwiatkowski) Same CPA firm as Falls MUD. This is due to previous CPA being overwhelmed with work and they elected to drop our account.
  - Savings account added at Industry State Bank
  - Added a fourth 6 month CD will renew on 2/23/2023 at 4.30%
  - 36 month CD will be turned in and renewed at higher interest rate since it is currently at .80%
  - We will be getting back to the ladder of the CDs so that we stagger the CDs mature dates
  - Due to the mowing project not being done in 2022 we credited each lot \$45.00 in December 2022. The assessment fee for 2023 is \$45.00.
  - Money allocated for mailbox project will be reallocated to the mowing project which should begin in a couple weeks.
  - Attached is a copy of the report
7. Nominating Committee Report for 2023 Directors election; call for nominees from the floor
- Larry Wiley, Suzy Greene and Rochelle Wiley was the committee
  - Rochelle Wiley provided report that 3 individual we nominated and ran for board positions. Susan Brewington, Jim Bryant and Patricia Machann were the nominees. Jim Bryant withdrew his nomination
  - No nominations from the floor
8. Election of new Directors of the Association (serving February 2023 – February 2026)
- Susan Brewington (148.23) and Patricia Machann (141.23) were elected on the 2023 – 2026 Board of Directors
  - One write in candidate received 3 votes.
  - Kristy Hrachovy term expires February 2024.
9. Accomplishments 2022
- Street Sign replacement – black posts and signs with reflective lettering and 5 stop signs, Thank you to David Dusek for the installation
  - CD renewals at higher interest rates
  - New CPA firm
  - Mowing will begin in all residential areas (section 1,2 &3)
  - Industry Telephone/I-net presentation was done in September
  - BOD reviewing Deed restrictions for future revision

10. Select Nominating Committee for February 2023 - February 2024

- Larry Wiley, Jim Bryant and Rochelle Wiley volunteered

11. Member input for consideration of goals and projects of the Association for 2023-2024.

- Need some way for bicycles to get outside the front gate without having to wait for a vehicle to open the gate
- Key FOB stopped due to HOA not wanting to maintain the FOBs when problems arise and collecting funds for the FOBs.
- Front gate manual override, battery backup on front gate for loss of power
- Try to have twice a year guest speaker on various topics
- Fire Hydrant painting – Falls MUD responsibility

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

- Merged with item 9 & 11
- Complaints regarding barking dog(s) & cars parking in yards

13. Establish next Annual Member Meeting date: Saturday, February 17, 2024 10:00am

- Location TBA

Adjournment: 10:38 am Larry Wiley motions that meeting be adjourned, seconded, unanimous vote.

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

# THE FALLS

OWNERS ASSOCIATION, INC.

P.O. Box 1304 New Ulm, Texas 78950

## Balance Sheet

As of December 31, 2022

	<u>Total</u>
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
10003 Industry State Bank - Checking	22,801.57
10004 Industry State Bank - Savings	50,097.88
10010 1st Internet Bk of Indiana-24mo 2/23/23 .70%	62,830.61
10011 1st Internet Bk of Indiana-6mo 5/20/23 3.80%	63,666.02
10012 1st Internet Bk of Indiana-36mo 2/14/24 .80%	64,264.00
10013 1st Internet Bk of Indiana-6mo 5/18/23 3.80%	60,466.75
Total Bank Accounts	\$ 324,126.83
Accounts Receivable	
10500 Customer Accounts	-100.00
10501 Allowance for Bad Debts	1,460.00
Total Accounts Receivable	\$ 1,360.00
Other Current Assets	
11901 Prepaid Expenses	0.00
Total Other Current Assets	\$ 0.00
Total Current Assets	\$ 325,486.83
<b>TOTAL ASSETS</b>	<b>\$ 325,486.83</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Other Current Liabilities	
11500 Deferred Revenue	0.00
Total Other Current Liabilities	\$ 0.00
Total Current Liabilities	\$ 0.00
Total Liabilities	\$ 0.00
Equity	
32000 Unrestricted Net Assets	331,356.86
Net Income	-5,870.03
Total Equity	\$ 325,486.83
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 325,486.83</b>

# THE FALLS

## OWNERS ASSOCIATION, INC.

P.O. Box 1304 New Ulm, Texas 78950

### Profit and Loss January - December, 2022

	January - December, 2022	2022 Budget	\$ Over Budget	% Of Budget
<b>Income</b>				
40000 Annual Lot Assessment	19,275.00	19,275.00	-	100.00%
40002 Interest Income	2,195.51	2,600.00	(404.49)	84.44%
<b>Total Income</b>	<b>21,470.51</b>	<b>21,875.00</b>	<b>(404.49)</b>	<b>98.15%</b>
<b>Expenses</b>				
61000 Accounting Fees	2,705.00	2,500.00	205.00	108.20%
61100 Bad Dept Expense-Maintenance Fee	1,215.00	-	1,215.00	0.00%
61150 Bank Fees	-	50.00	(50.00)	0.00%
62000 Taxes	633.00	1,000.00	(367.00)	63.30%
62500 Insurance Expense	1,178.00	1,000.00	178.00	117.80%
63800 Legal Expense	3,290.00	2,500.00	790.00	131.60%
65000 Office/Administrative Expenses	447.05	570.00	(122.95)	78.43%
67200 Repairs and Maintenance	15,265.23	40,539.00	(25,273.77)	37.66%
67800 Computer Software/Website	621.86	570.00	51.86	109.10%
68600 Utilities	1,985.40	2,000.00	(14.60)	99.27%
<b>Total Expenses</b>	<b>27,340.54</b>	<b>50,729.00</b>	<b>(23,388.46)</b>	<b>53.90%</b>
<b>Net Operating Income</b>	<b>(5,870.03)</b>	<b>(28,854.00)</b>	<b>22,983.97</b>	<b>20.34%</b>
<b>Other Income</b>				
70000 Interest on Past Due Assessment	-	-	-	0.00%
<b>Total Other Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Net Other Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Net Income(Loss)</b>	<b>(5,870.03)</b>	<b>(28,854.00)</b>	<b>22,983.97</b>	<b>20.34%</b>

**THE FALLS**  
OWNERS ASSOCIATION, INC.

**Approved 2023 Budget**

**INCOME**

40000 Annual Lot Assessment	\$0.00
40001 Deferred Assessment	
40002 Interest Income	\$1,500.00
<b>TOTAL INCOME</b>	<b>\$1,500.00</b>

**EXPENSES**

61000 Accounting Fees	\$2,725.00
61100 Bad Debt Expense-Maintenance Fee	
61150 Bank Fees	
6200 Taxes	\$750.00
62500 Insurance Expense	\$978.00
63800 Legal Expense	\$5,000.00
65000 Office/Admin Expense	\$600.00
67200 Repairs and Maintenance	\$10,000.00
67300 Computer Software/Website	\$1,350.00
68600 Utilities	\$2,000.00
<b>TOTAL EXPENSES</b>	<b>\$23,403.00</b>