

THE FALLS OWNERS ASSOCIATION, INC.

Minutes of Meeting of Board of Directors
September 19, 2023

The Board of Directors (“Board”) of The Falls Owners Association, Inc. met on September 19, 2023, at 10:00pm at 1750 N. Falls Drive The Falls Texas Clubhouse, New Ulm, Colorado County, Texas. The subject of the meeting was to consider and act on the following Agenda listed below:

Directors:

- Ed Decora – Director - Present
- Susan Brewington – Director – V. President/Treasurer - Present
- Rochelle Wiley – Director - Secretary - Present
- Trish Machann – Director - Present
- Kristy Hrachovy – Director - President - Present

Owners Attending:

- Jim Bryant, Leonard Wideman, Larry Wiley, Bill Hargrave, Jim Brewington, Steve & Jennifer Johnson, Carol & Scott Huegele, Nanette Welch, Christine Wied, Becky Joy

Meeting started at 6:00pm and called to order by Kristy Hrachovy

Agenda Items:

1. Review and approve June 24, 2023 meeting minutes
 - Motion was made to accept the meeting minutes from June 24, 2023, seconded, unanimous vote.
2. Architectural Control Committee – Activity Report
 - One application for a home approved on Pinehurst Dr.
 - One approval for a remodel was also approved.
3. Financial Report – Current status – Income & Expenses
 - CD renewal update
 - 2 CDs up for renewal we did not renew with First Internet Bank closed and moved to Industry State Bank.
 - Fidelity account now opened approx. \$139,000 in fidelity account earning 4.98% interest
 - Motion to move approx. \$139,000 into 3 month CD 5.45% at Fidelity, seconded, unanimous vote.
 - 2 more CDs up for renewal in November
 - Motion to move the 2 CDs that are up for renewal in November to the Fidelity money market account, seconded, unanimous vote.
 - Motion to move First Internet Bank CDs in November to Fidelity money market, seconded, unanimous vote.
 - Motion to move \$40,000 from ISB to Fidelity money market account, seconded, unanimous vote.
 - 2022 Tax update
 - Taxes have been filed and paid
 - Delinquent accounts

- Only one account is delinquent at this time.
 - Financial reports attached
4. Mowing contract renewal
 - Contract can be renewed at same price for 2024.
 5. Set and Approve 2024 Budget
 - Preliminary budget was reported
 - Finalize budget to be voted in November
 6. Set and Approve 2024 Assessments
 - Finalize Assessment on November 1st meeting
 7. Deed restrictions update
 - Met with Kelly to discuss restrictions.
 - If we can't enforce restriction then it should be removed from restrictions
 - If the restriction is a law already then it can be enforced legally by laws
 - There was discussion on ACC and possibly a 3rd party handling the ACC instead of community members.
 8. Speed Bumps
 - Four bids were provided for only the 5 speed bumps on N. Falls Dr.
 - Range from \$6k to \$27k in cost due to difference in opinion on what needs to be done
 - Action Item: Kristy to meet with Kelly Joy before next meeting in regards to speed bumps and reduction of them on N. Falls Dr.
 9. Discussion/comments from Property Owners
 - Nominating committee will send out email for nominations for 2024 ballot for next 3 year term
 10. Next Meeting Date, Time, Location
 - Tuesday, November 1, 2023, 6:00 PM, TBD
 11. Executive Session
 - None
- Meeting Adjourned: 7:00pm

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

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OWNERS ASSOCIATION, INC.

P.O. Box 1304 New Ulm, Texas 78950

Balance Sheet

As of August 31, 2023

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
10003 Industry State Bank - Checking	22,056.64
10004 Industry State Bank - Savings	179,677.23
10010 1st Internet Bk of Indiana-*8375 6mo 8/23/23 4.30%	0.00
10011 1st Internet Bk of Indiana-*8383 6mo 11/16/23 4.95%	65,508.36
10012 1st Internet Bk of Indiana-*8391 6mo 8/23/23 4.30%	0.00
10013 1st Internet Bk of Indiana-*6802 6mo 11/14/23 4.95%	52,085.52
Total Bank Accounts	\$ 319,327.75
Accounts Receivable	
10500 Customer Accounts	-100.00
10501 Allowance for Bad Debts	755.00
Total Accounts Receivable	\$ 655.00
Other Current Assets	
11901 Prepaid Expenses	0.00
Total Other Current Assets	\$ 0.00
Total Current Assets	\$ 319,982.75
TOTAL ASSETS	\$ 319,982.75
LIABILITIES AND EQUITY	
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	325,486.83
Net Income	-5,504.08
Total Equity	\$ 319,982.75
TOTAL LIABILITIES AND EQUITY	\$ 319,982.75

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Profit and Loss January - August, 2023

	January - August, 2023	2023 Budget	\$ Over Budget	% Of Budget
Income				
40000 Annual Lot Assessment	-	-	-	0.00%
40002 Interest Income	6,445.35	1,500.00	4,945.35	429.69%
Total Income	6,445.35	1,500.00	4,945.35	429.69%
Expenses				
61000 Accounting Fees	360.00	2,725.00	(2,365.00)	13.21%
61150 Bank Fees	499.50	-	499.50	0.00%
62000 Taxes	-	750.00	(750.00)	0.00%
62500 Insurance Expense	1,178.00	978.00	200.00	120.45%
63800 Legal Expense	777.50	5,000.00	(4,222.50)	15.55%
65000 Office/Administrative Expenses	271.18	600.00	(328.82)	45.20%
67200 Repairs and Maintenance	7,540.75	10,000.00	(2,459.25)	75.41%
67800 Computer Software/Website	-	1,350.00	(1,350.00)	0.00%
68600 Utilities	1,322.50	2,000.00	(677.50)	66.13%
Total Expenses	11,949.43	23,403.00	(11,453.57)	51.06%
Net Operating Income	(5,504.08)	(21,903.00)	16,398.92	25.13%
Other Income				
70000 Interest on Past Due Assessment	-	-	-	0.00%
Total Other Income	-	-	-	0.00%
Net Other Income	-	-	-	0.00%
Net Income(Loss)	(5,504.08)	(21,903.00)	16,398.92	25.13%