

THE FALLS OWNERS ASSOCIATION, INC.

Minutes of Meeting of Board of Directors

January 10, 2022

The Board of Directors (“Board”) of The Falls Owners Association, Inc. met on January 10, 2022, at 6:00pm Falls Pavilion, 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
- Jim Bryant – Director - Present
- Kristy Hrachovy – Director - President - Present

Sub Committee:

- Rochelle Wiley-Record Keeper – Present

Owners Attending:

- Larry Wiley, Sylvia Sosa, Tom Machann, Steve Rogers, Phillip Knight, Steve Johnson, Tom & Kim Plemons, Becky Joy, Tina Robinson, Bill Hargrave Leonard Wideman

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

Agenda Items:

1. Review and accept November 15, 2021 meeting minutes
 - Jim motions that we accept the meeting minutes as written, seconded, unanimous vote.
2. Architectural Control Committee – Activity Report
 - Steve Rogers reported that a couple propane tanks are being installed and fence was approved.
3. Financial Report – Current status – Income & Expenses
 - Susan provided the financial report for end of December 2021 see attached report
 - Interest posting from legal settlement will be posted in Interest
4. First Internet Bank CD renewal February
 - CD for 36 month is currently paying .80.

- Rochelle motions that the CD coming for renewal in February we renew for 90 days and then after that will review after 90 days to see rates again, seconded, unanimous vote.

5. Street Signs

- Rochelle indicated the street signs have been delivered. We put out installation for bids and went with the lowest bids based on the scope of work provided. We are working on getting contracts finalized to begin work so signs can be installed. We are working to get done by end of month.

6. Mowing easement

- Susan is working as well to get contract finalized and begin the mowing. Very similar to the Street sign project.

7. Key Fob

- It was requested for this to be tabled until the street sign and mowing projects are started.

8. Mailbox

- It was requested for this to be tabled as well. It was indicated by an owner that they were told no boxes are available. Rochelle to check with post office. We have already allocated from a previous meeting the amount we agreed to contribute towards the purchase of mailbox and parcel box. Anything else will be tabled at this time.

9. 2022 Annual Meeting preparedness

- BOD sent emails with what will be mailed out for annual meeting for review. Information will be mailed out around January 15th, 2022.
- Rochelle to get a couple volunteers to assist with check in at meeting.

10. Discussion/comments from Property Owners

11. Next Meeting Date, Time, Location

- Saturday, February 26, 2022 immediately following the annual meeting.

12. Executive Session

- BOD went into executive session

Meeting Adjourned: 6:32pm

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

The Falls Owners Association, Inc.
Balance Sheet
As of December 31, 2021

| | Total |
|--|----------------------|
| 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 | \$ 331,283.86 |
| Accounts Receivable | |
| 10500 Customer Accounts | 4,125.00 |
| 10501 Allowance for Bad Debts | 2,555.00 |
| Total Accounts Receivable | \$ 6,680.00 |
| Other Current Assets | |
| 11901 Prepaid Expenses | 12,668.00 |
| Total Other Current Assets | \$ 12,668.00 |
| Total Current Assets | \$ 350,631.86 |
| TOTAL ASSETS | \$ 350,631.86 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Other Current Liabilities | |
| 11500 Deferred Revenue | 19,275.00 |
| Total Other Current Liabilities | \$ 19,275.00 |
| Total Current Liabilities | \$ 19,275.00 |
| Total Liabilities | \$ 19,275.00 |
| Equity | |
| 32000 Unrestricted Net Assets | 330,019.38 |
| Net Income | 1,337.48 |
| Total Equity | \$ 331,356.86 |
| TOTAL LIABILITIES AND EQUITY | \$ 350,631.86 |

The Falls Owners Association, Inc.
Profit and Loss
January - December, 2021

| | <u>January - December, 2021</u> | <u>2021 Budget</u> | <u>\$ Over Budget</u> | <u>% Of Budget</u> |
|---------------------------------------|-------------------------------------|--------------------|-----------------------|--------------------|
| 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% |