

Fair Oaks Ranch Homeowners' Association
December 5, 2017, 7:00 p.m.
Fair Oaks Ranch HOA Conference Room, 7286 Dietz Elkhorn

- I. CALL TO ORDER** – Carolyn Knopf, President, called the meeting to order at 7:01 p.m. All board members were present except Jonathan Cluck, represented by proxy, and Kim Keller. Guests attending were Greg Buschmann, Mayor Garry Manitzas, and Beki Webster.
- II. GUEST COMMENTS** – Mayor Manitzas announced that 107 parcels of property were annexed into the city. Of those 107 properties, 63 were residential homesteads. Four main residential areas were annexed: Enchanted Oaks (21 properties), Old Fredericksburg Road (11 properties), the Van Raub area near the new school (4 properties), and part of the Front Gate subdivision (8 properties). The newly annexed properties are not FORHA members, with the exception of the Front Gate subdivision, whose deed restrictions had already indicated membership.
- Greg Buschmann gave a brief update on the HOA Forum. There is now a four-person steering committee composed of: Kathy Phillips of The Fountains HOA, Kristen Benavides of Raintree Woods HOA, Carolyn Knopf of FORHA, and Greg representing Fair Oaks Living Magazine. He announced that there will be two HOA Forums this year. The first is scheduled for March 20, 2018, and the second will be in October on a TBD date. The steering committee plans to invite approximately 18 HOA leaders. The forums will be working sessions, and less social than the first HOA Forum. The steering committee is also considering a forum with restriction committees in the summer.
- III. APPROVAL OF MINUTES** – The November 7, 2017 minutes were approved with the following revision: Report item “B”, line 2, changed from “...set 8 of 10...” to “...set 8 of 12...”.
- IV. REPORTS**
- A. Treasurer – Tom reported that outstanding receivables at this time of year usually average 1.5-2%. This year, the association is running at about 3%. However, roughly .75% of the amount outstanding is owed by the developer, Greenland Ventures, whose dues/fees are not paid until resale as per an agreement made with FORHA several years ago. The office manager will report the details surrounding this agreement and projections in the next board meeting. When considering assessments only, there is about 1.98% outstanding (1.32% when excluding Greenland Ventures). Ken Nichols noted that lockbox will be used in the 2018 annual billing. The lockbox procedures and internal controls will be documented by office staff for Tom’s review.
- Review of the 2016 audited financial statement – Tom reviewed the 2016 financial statement with the board. He explained that the audited financials function as the official, certified statement to the membership of the association’s condition. FORHA’s budget and audited financials are now on the website. During Tom’s review of the financials, he noted that FORHA pays income tax on three main areas: interest expense, resale packages, and contributions from non-members. Tom highlighted that at the end of 2016, about \$36k was needed in the replacement fund for it to be ideally funded. FORHA had \$105k in the fund for December 2016, meaning that the fund was ~289% ideally funded. The auditor recommends an annual contribution of \$7,015 to the replacement fund through 2019. Audit of the 2017 financials is planned for March 2018. The auditor will be asked to attend a board meeting to report their findings. It was suggested that audit services be taken out to bid in early 2018. A formal review of internal controls will be requested in the bid. Any decision to change auditors or their services will be brought to the board.
- B. Parks and Trails – There were no updates.
- The Arbors Preserve – The tax issue is still unresolved, and will likely go into litigation. The amended development agreement is on the city council’s December 7, 2018 agenda for action. The current development agreement expires at the end of the month. The parking lot and road surveys are finished. The trail on The Preserve is now marked. A naturalist hiked the trail to ensure that it will have no impact on rare species. C.A. Elder expects that the trail will be cleared by the end of the month.
- C. City Comprehensive Plan – Mayor Manitzas estimated that the city’s annexation of ETJ delayed the plan by ~45 days. He anticipates that the next stakeholder meeting will be in late January. The next step will

be focused on zoning and unified development codes. In the latter part of 2018, the city will be working on the master water/waste studies and will discuss implementation tools.

- D. Communications – Carolyn Knopf has reengaged Adam Limmer of myHOA to start work on the new FORHA website in January. Carolyn noted that new board member, Beki Webster, has expressed interest in helping with the website’s launch.
- E. Visit with Santa – Carolyn reported that 54 children from 28 families attended Visit with Santa on November 26, 2017. Kim Keller coordinated the event. The directors agreed that advertising needs to be improved for the event next year, especially in communicating that residents do not need to be Fair Oaks Ranch Country Club members to attend. Ken Nichols suggested that the FORHA event signs be used.
- F. Restrictions Advisory Committee – As the outgoing Restrictions Advisory Committee (RAC) Chair, Al McDavid presented a summary of FORHA’s role in the restrictions. The RAC advises and assists the 60+ restriction committees in Fair Oaks Ranch that follow a “developer/volunteer model” in their deed restrictions. Since the restriction committees are considered volunteers of FORHA, they are covered under the association’s Directors and Officers insurance with a \$15k deductible for each board approved occurrence. However, if the FORHA board approves funding for initiating legal action in support of a Restrictions Committee, there is no insurance. All costs in this case are at FORHA’s expense. The RAC works to prevent escalation of such issues if possible and recommend action to the board. Documentation on the restriction committee members are processed with the office and filed in the appropriate county. The 2018 President will appoint next year’s Restrictions Advisory Committee. Al recommended that Frank Chesworth be appointed to chair the committee, as he has several years’ experience as a unit restriction chair.

V. DISCUSSION/CONSIDERATION ITEMS

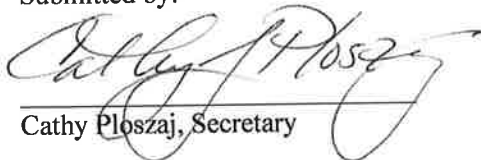
- A. Discussion of the 2018 Board Dinner – The board discussed January 16th and 30th as possible dates for the event. The office manager will coordinate with the directors absent, and reserve the venue for one of the two dates. Al McDavid suggested that the FORHA attorney, Peter Kilpatrick, be invited to attend.
- B. Discussion of new board member orientation – The board agreed that orientation for new board members will be held in February, on a TBD date (not to be held on the same evening as the regular meeting). The orientation will be geared towards new directors, but open to the entire board to attend. The office manager is preparing a packet with general board information, and Jonathan Cluck will have a revised policy binder available for the orientation.
- C. Discussion of the 2018 calendar – It was decided that the 2018 calendar would be reviewed at the next meeting with the 2018 board. Ken Nichols requested that Volunteer Appreciation Brunch be added to the calendar. The HOA Forum on March 20, 2018 will also be added to the calendar.

VI. ANNOUNCEMENTS

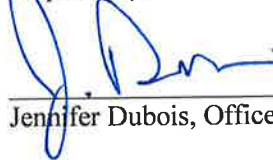
- A. Christmas Holiday, *Office Closed* – December 25 & 26, 2017
- B. New Year’s Day, *Office Closed* – January 1, 2018
- C. Board Meeting – January 2, 2018, 7:00 p.m.

The meeting adjourned at 8:56 p.m.

Submitted by:


Cathy Ploszaj, Secretary

Prepared by:


Jennifer Dubois, Office Manager