

Fair Oaks Ranch Homeowners' Association
June 6, 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 7:00 p.m. All board members were present, except Kim Keller and Cathy Ploszaj, who were represented by proxies. Guests attending were Georganna Dillon, Alderman Roy Elizondo, John Eubank, Mayor Garry and Dee Anna Manitzas, and Gary Williams.

II. GUEST COMMENTS – The public relations group for the city's roadway project submitted a handout on construction updates. There were no guest comments.

III. APPROVAL OF MINUTES – Al McDavid moved to approve the May 2, 2017 minutes as written. Tom Jaster seconded. The motion passed unanimously.

IV. REPORTS

A. Treasurer – Tom Jaster reported that the 2016 audit review is coming up. He explained that the audit review differs from a full audit in that no certified financial statement is issued. A full audit costs about \$1,000 more than a review. It has been FORHA's practice to have an audit review every year for four years, with a full audit on the fifth year. Tom stated that having a full audit every year could reduce the risk of fraud or errors in FORHA's financials. Lockbox services may mitigate this by moving the cash/check handling to a third party. *See item "B" of consideration/discussion items for further discussion.* Tom reported that he, Ken Nichols, and Jennifer Dubois toured the Frost lockbox facilities last month. The tour and meeting that followed were very informative.

B. Parks and Trails – Debra Grandjean reported that the Vestal Park erosion project will be completed by June 9, 2017. By then, the contractor will have installed two culverts, built a 52ft. retaining wall (with sitting area), dug a ditch and berm around the upper granite path, covered the ditch with permanent and temporary erosion mats, refurbished the granite path, put large rocks in the drainage ditch in the center of the park, and moved a concrete tank. Three engineers were consulted for the project: Robert Solari of CDM Smith, Steven Dean of Pape-Dawson, and Adrian Garcia from the city. The engineers recommended an 18' culvert be installed in the park, rather than methods to just divert water run-off. After looking at water flow over the next 10 years, the engineers advised that the park should be in good shape with the new culvert and drainage swell. Future projects for the park include: repairing the foot bridge to reduce its steepness, repurposing the old stock tank into a planter, and installing a ditch and berm to address street drainage issues on Rocking Horse. The footbridge will be done in June but the other two projects will not be handled until there is budget. Debra gave an update on the trails. A tree limb was removed on Trail 1. Signs have been ordered for Trails 1 and 3. Many residents have requested tree trimming on Trail 4. The bid for the trimming is \$2,000 more than budgeted, and will need to be decided by the board at a future meeting. Last month, a resident contacted the office about teenager driving ATVs/golf carts at dangerous speeds on the trails between Trail 1 and 2. The teenager was eventually caught, and police cited them for operating a non-street legal vehicle, running multiple stop signs, and driving on the trails.

- The Arbors Preserve – The road and parking lot easements have been staked, and they are expected to be built by the end of the month. A tax protest was filed with Comal County for the tax valuation that was based on the developer's ownership, instead of the Arbors HOA. A date for the hearing will be provided by July 27, 2017. Naturalists have completed 5 studies to date, and will issue a final report next month. They concluded that there were no endangered species on the property. Next week there will be a trail building field trip to Hill Country State Natural area, led by Paul Hendrix, to discuss building horse and walking trails through nature areas. Debra extended an invitation to any interested board members. No one accepted.

C. City Comprehensive Plan – Debra Grandjean reported that Gap Strategies presented the design charrettes at the last Stakeholder Committee meeting. The designs will be presented to the public for feedback at the next Town Hall Meeting on June 13, at 6:30 p.m. Debra encouraged everyone to

attend and give their input on how future ETJ properties might be built out. An estimated 750 residents participated in the city's survey from the March Town Hall Meeting.

- D. HOA Forum – Carolyn Knopf reported that 35-40 HOA leaders attended the event co-hosted by Fair Oaks Ranch Living on May 11, 2017. Carolyn shared some feedback from the attendees for future forums: limit event to Presidents or designated representatives, have separate focus groups for larger and smaller HOAs, gear the event to be more business than social, provide a summary of the ideas shared and contacts for each HOA, and have each HOA come prepared with a list of their wants and needs. It was also suggested that restriction chairs be invited for areas that do not have a secondary HOA.
- E. Communications: FORHA Survey – Mike Saletta has compiled a report of the results. Hard copies will be provided to the board to prepare for discussion in the executive session on June 20, 2017.

V. CONSIDERATION/DISCUSSION ITEMS

- A. Discussion and consideration of the FORHA Communications Policy – The policy was first proposed in February 2017 and revisited at each board meeting since. Last month, the board decided to vote on the policy electronically. On June 1, 2017, a motion was brought forth for vote by email. A board member called for discussion in regular meeting, where the motion stands.
- Motion – On June 1, 2017 via email, Debra Grandjean moved that that the board adopt the FORHA Communications Policy as written in the attached document dated May 31, 2017. Carolyn Knopf seconded. At the June 6, 2017 regular meeting, Jonathan Cluck restated the motion by moving to accept the FORHA Communications Policy as written. Al McDavid seconded.
 - Discussion – Jonathan Cluck expressed that he felt the policy should be voted on in open forum since it has been on the agenda for several months. Ken Nichols requested clarification on the wording in item #7. There was no further discussion.
 - Status – The motion carried with all in favor.
- B. Discussion and possible consideration of funding for Lockbox and Bill Payment Presentment services with Frost Bank. – Ken Nichols and Tom Jaster submitted a mid-year business case for lockbox and bill payment presentment services with Frost Bank. The service is not currently budgeted for, and the business case calls for an additional ~\$1,372 for the year, and ~\$3,096 annually thereafter. Benefits include improved security and internal controls, reduced staff workload, and timely processing of member payments.
- Motion – Jonathan Cluck moved that the board approve the 2017 mid-year business case for lockbox and bill payment presentment services as submitted. Ken Nichols seconded.
 - Discussion – Mike Saletta objected to the consideration of expenditures for lockbox and the TOPS database as separate items, stating that they are intermixed and should be considered together with the new website proposal as part of a larger strategic planning effort. Mike further explained that he was not opposed to the projects, but he could not support them until all financial tradeoffs and their benefits to the homeowners were considered. Carolyn Knopf agreed with the need for future strategic planning, but pressed the time sensitivity of the projects. Several other board members voiced support for the benefits that lockbox would provide, most notably the increased payment security.
 - Status – The motion passed with 7 in favor and 2 opposed.
- C. Consideration to approve additional funding to upgrade the office database, TOPS. – Ken Nichols submitted a mid-year business case for an office upgrade to the TOPS ONE database. The last TOPS upgrade (TOPS IQ) was performed about two years ago. The upgrade improved data security by hosting information remotely, but ultimately retained the same issues as the previous version since the database design was the same. The newest platform, TOPS ONE, utilizes a different and more modern SQL design. The TOPS ONE upgrade is not currently budgeted for, and would require an additional \$9,900 for 2017, and an increase of \$11,175 to future annual budgets. Ken estimates the conversion would take three months.
- Motion – Debra Grandjean moved to approve additional funds to upgrade the office database to TOPS ONE, as outlined in the business case submitted. Tom Jaster seconded.
 - Discussion – Ken Nichols answered questions from the board on the conversion, pricing, and capabilities. Some board members advocated in favor of the TOPS upgrade, reasoning that the move would be inevitable since the office's version is outdated and unsupported. Debra

Grandjean stated that the upgrade would boost productivity by reducing the amount of staff labor spent on resolving daily issues with the current database. As requested by the board, the Office Manager, Jennifer Dubois, shared her opinion in favor of the upgrade and cited instances where the current database caused strain and added work for the office. Mike Saletta reiterated his comments from the previous motion, and questioned the availability of the additional funds needed with this year's predicted deficit. Tom Jaster explained that the planned play equipment expenditure of about \$100k accounts for this year's temporary deficit, and confirmed that funds would be available for the upgrade since there is currently about \$137k in unrestricted cash.

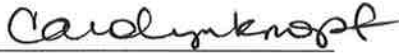
- Status – The motion carried with 7 in favor, 1 opposed, and 1 abstained.

VI. ANNOUNCEMENTS

- A. Special Meeting – June 20, 2017, 6:00 p.m.
- B. Independence Day, Office Closed – July 4, 2017
- C. Board Meeting – *Thursday*, July 6, 2017, 7:00 p.m.

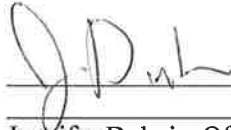
The meeting adjourned at 8:52 p.m.

Submitted by:



Carolyn Knopf, President

Prepared by:



Jennifer Dubois, Office Manager

