

Firewheel Farms No 2 HOA, Inc.
Meeting Minutes

Annual Meeting, open to the Association Date: Thursday, March 25, 2021 6:30pm

Held via Zoom.

Name	Initials	HOA Position	Present or Absent	Role in meeting
Charles Johnson	CJ	Director	Present	Lead
Chuk Lundin	CL	Director	Present	Recording zoom
Lorraine Revelle	LR	Director	Present	Real Estate update
D'Ann Linwood	DL	Vice President	Absent	
Barbara McCoy	BM	Treasurer	Present	Treasurer Report & Financials
Lori Larson	LL	Secretary	Present	Take minutes
Steve Tharp	ST	Consul	Present	CCR Committee

Agenda: Discuss 2021 items

Approximately 25 people attended by zoom.

CJ: Introduces himself, Director Chuck Lundin, and Director Lorraine Revelle. Introduces Officers: D'Ann Linwood-VP, Barbara McCoy-Treasurer, Lori Larson-Secretary. Introduces Steve Tharp-maintains median, Lorean Dillard-Events Committee, Neighborhood Police Officer ("NPO") Don Le [Le pronounced "Lay"].

NPO Don Le:

<Don Le: 3 minutes + Q&A 7 minutes = 10 minutes>

Introduces himself. States he enjoys the area he is assigned to. Our neighborhood is very quiet due to low crime rate. He gets a few reports of suspicious individuals. Email him info, with photos if possible, at: LeD@garlandtx.gov. Please email me as opposed to calling the front desk to report something.

CJ: Example of crime?

Don Le: burglary of property in vehicles, due to unlocked doors. A few times per year. Please keep your vehicles locked.

ST: Could we work up a process about cars that speed in the neighbor or run stop signs.

Don Le: Muirfield Road @ Onion Creek location is an often-reported spot that people don't stop at the stop sign. I park nearby and have pulled vehicles over.

ST: I'm ok with that. Thank you.

Sandy Mayabb: I live at the corner of Muirfield and Rivercove. It's a terrible intersection for people speeding. Do you find it helpful when people have Ring doorbell cameras to record activity?

Don Le: Yes.

Real Estate Update

<LR: 9 minutes + Q&A: 4 minutes = 13 minutes>

LR: 2019 sales compared to 2020. 2021 Home price change is 8% inflation. Inventory is down.

Susan Miller to LR: Asks good questions. LR offers to talk with her in detail at another time. [due to time restraints allotted for topic]

CJ: This is a meeting of order. Please mute your microphone. Please use the chat box to post questions or to speak. All documents discussed tonight are on the website and explains where to look/find items.

CJ: The meeting is called to order at 6:58pm.

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2020 annual general meeting minutes read by LL.

<3 minutes>

CJ: Motion to accept 2020 minutes?

LR: Accepts. CL: Seconds.

All in favor say aye. Aye. **Motion accepted.**

BM: Treasurer's Report

<BM: 3 minutes + Q&A: 7 minutes = 10 minutes>

Bonita Riley: Where are details to show bills that are paid?

BM: I have access to the Chase bank account so I see what the transactions are, what checks are being written, and Town Square access. I recently got access to Pacific Premier Bank to see money going in and out. I recently started a ledger so now I know everything that is being billed, monitoring who the invoice is to, which codes, receipts, when it's paid, when people get reimbursed for receipts, etc.

Bonita Riley: The bank balance looks healthy so why did our dues go up last year? Special events were cancelled.

BM: We originally started at \$50,000 so we are trying to build that fund up again.

Bonita: So, it's to build a cushion?

BM: Yes. We are not quite there yet but we are slowly increasing that amount.

Bonita: No criticism. Just questions. Thank you.

Susan Miller: This was discussed prior about cost of maintaining median. I'd also like to see the details of expenses and more information on the larger expenses.

BM: I can answer some of those questions when the budget is presented, next.

Susan: Yes, thank you.

CJ: Motion to accept the Treasurers Report?

LR: Second. CL Accepts. **Motion accepted.**

BM: Financial Report

<BM: 10 minutes + Q&A: 5 minutes = 15 minutes>

The first column on the financials spreadsheet is 2021 budget. The middle column is 2020 Actual. The last column is 2020 budget.

At first review of the budget the Board realized we would need to raise the dues 2 years in a row because we can only raise them so much per year. To cover the cost of PMG.

Every category and dollar amounts are clearly explained by BM. As she goes along, she points out expenses that may change/go up/go down, and expenses the Board is looking closely at.

BM: Questions?

Dennis Riley: # of meetings in the budget - how many CCR meetings will there be?

CL: 4

Dennis: Late fees. What do the comment lines below that category indicate?

BM: Those numbers you're referring to are actually for me. Since I'm learning the budget that info tells me which expenses/fees would fall under this category.

Dennis: Thank you.

Ronny Ong: Resale certificates. It says 6 resale certs for 2020 but LR stated there were more homes sold than that.

BM: 2 of those 8 homes were sold in 2020 but the money didn't get paid until 2021. We estimated 6 resale certs based on what year the money was collected.

Ronny Ong: Thank you.

LR: I combined 2019 with 2020 to give an average.

Ok.

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Amendment status

<CL: 5 minutes + Q&A: 3 minute = 8 minutes>

CL: At one time the CCR Committee was composed of me, CJ, ST. When LR was elected she joined the committee. Hundreds of hours have been spent over the last year working on the review of the draft that the attorney sent to us. ST has spent hundreds and hundreds of hours on the Article regarding the ACC. As of Tuesday night, we completed all of the reviews and red line comments. It's an extended document. [understatement!] Final review coming up in a few days. Return it to attorney & their staff to go over our revisions and suggestions and changes all to benefit the Association. I estimate the final draft will be finalized this summer, enough to present to the Association to discuss, meet. It's look good right now. Very happy to see this happen and ST commented the next meeting with be a momentous occasion. It's an extensive rewrite and it will take time to make sure everybody understands it. ST to CL: Please share the comment made back to you from the lawyer about our work.

CL: The attorney is highly experienced specializing in property law. His comment back to us was we have **done an incredible amount of work, more than he has ever seen any other Association ever do.** Positive in reaction to what we've done. I also see underneath what he is saying is that what we've done is given him more work that what he expected (laughter).

Rick Bentine: Question. Status on voting? So, we need about 188 votes. 67%. Are you going to have a recap of the changes?

CL: It will be discussed Article by Article. Everyone will have a copy in their hand to see it. I am open to hearing ideas about making this effective in communicating it clearly.

Rick: Vote in person or electronic?

CL: We reviewed that with the attorney and he said that electronic is satisfactory. We don't need signatures.

<Discussion with BR: 16 minutes>

Bonita Riley("BR"): Repeatedly, concerned asks: how are we going to get enough votes to pass this after all this work? Every year I see the line item for attorney fees however I don't see this passing, having enough votes.

CJ: We are going to do all that we can to market this.

Susan Miller: I agree with the Board this can be done. The neighbors need to be held to the same standards as when we first bought our homes here. Additional comments of history of lack of neighborhood enforcement because no one would volunteer.

BR: additional comments, points, questions, vehemently emphasizes her position that we don't need CCRs amended; can't get enough votes to get it passed anyway. Civil banter with Board. Says she appreciates all the hard work that we do and says she loves where she lives. The CCRs is a subject near and dear to her heart.

CJ: A lot of this is about what we can as the Board can do.

CL: Intertwined complexities. Explains: It's more than just: CCRs, improving lot care, preparing for the future, capital for the median, taking care of late fees, how we want our Association to be governed. We see the risk of corporate America purchasing houses. Absent landlords. We have no knowledge of who the renters are. Do the renters conform to our HOA regulations and rules? There is nothing in there about that in the CCRs.

One of the big things also is to make these changes happen without imposing additional homeowner fees. We are not trying to push those fees up. We are trying to keep them down. If we can build up reserve fund to earn bank interest, we can enrich our bank accounts.

Once this [CCR] process is done, it's done.

We have been working on this for about 5 years. I presented this as a problem at the general assembly that March and explained a way we could work this and solve some of these problems. We had a lot of discussion at that meeting about it. The membership agreed to go forward with the effort.

We have spent about \$5 - \$7,000 in attorney fees.

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BR: Just use state laws in place. Laws take precedent over any CCR document.

CL: In general, that is true. However, for instance, we formed a committee to establish and to look at what the homeowners felt were the 10 most serious violations, and to make recommendations about publishing those ideas as regulations. We also asked them to make recommendations on a fine structure. The committee completed its work. I'm going to report on that later in tonight's meeting. Here's an example: The City of Garland requires 6 inches high before they will actually send out their crews to mow somebody's yard. The committee makes a recommendation that we keep that to 4 inches and it's a little more rigid than what the City has to offer. We have a vision to have a higher standard of quality of living, attractiveness, value to our homes.

BR: Disagrees. Thinks we already have our current CCRs.

Susan Miller to BR: Are you proposing we stop this dead in its track after all this work?

BR: Yes, I have been opposing this for the past two years.

CJ: We have discussed that after every meeting and every time we talk to BR. We are at a point of no return. We need to get this finished.

<The below section was discussed for 5 minutes.>

ST: Where we were before... We'd get a call for an issue or we have a law issue and we would look at our CCRs and it said we can do nothing about this. We are going to have to let this slide. **What we have done is taken 13 years of experience and written it in to those CCRs so that we cover the pain points.**

Example one of the points, minute detail is in the 2008 region of a downturn, a home went into foreclosure and the people walked away with a pool rotting in the backyard creating mosquitos. We couldn't get them to clean up the swimming pool. We couldn't enter the property. We couldn't get the bank to clean up the swimming pool. And who was the bank? It was California's Steven Mnuchin's One West Bank that took that place. We took care of this with the new CCRs saying we can do this and you cannot take over anymore. We can go to a judge and say we've got it on the books and Mnuchin you have to take care of this house. Small detail but we took care of that if/when disasters happens.

We ate \$3,000 in late fees on that home and were only paid \$60 in homeowners fees because he pointed the lawyer guns at us and we didn't have powerful lawyers. We have since written those in.

Bonita to ST: I think I know the example of the house you are referring to. The City of Garland has an ordinance to enforce a pool that is causing a bug problem. It's not our responsibility or our cost to address that problem.

ST: It will never be our cost as we turn that cost back to them as a service fee. We now have written in if somebody doesn't take care of their pool, and we gain access to property, we will bring in a cleaning crew to take care of the problem, and I'll supervise. Option to charge a \$100 service fee for my presence plus the cleaning fee.

Bonita: Why not let the City of Garland handle that?

ST: The City throws a couple pills into the pool to kill everything for 6 months. They don't pump it down. The health department won't come back after that. The HOA has to call them again and police that so that you don't get west Nile virus. That's our job – the health and safety of our membership. Small detail but we went after it as we have been bitten so many times on that. Some laws in place so that we've got teeth to enforce these fines and late fees.

CL: If we have higher standards than the City of Garland, we get to act more quickly and have an outcome that is satisfactory.

ST: Bonita, we've got to move forward. We are too far committed. The moment to understand this is when we hold these reviews.

BR: Steve, I respect you and all that you have done for our neighborhood. I'm ok with waiting.

CL: You'll be delighted to see that you've got so much better control over things going on in the Association. I think you will be very happy with it.

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Old Business <LR: 4 minutes>

Shares screen to show website.

LR: We've got the new website up and running. We would like to have your comments, recommendations on this.

LR: This is our introductory page that includes our vision and mission.

She points out where to click to get information, how to contact us, upcoming events, and other records. Scrolls down to the bottom of the introductory website page to show where to submit our email address.

LR: We don't have all of your email addresses so if you would like to submit yours, we would appreciate it.

A special annual meeting tab was used to announce zoom link for tonight's meeting. After the meeting that tab will change back to News. Anything new going on in the neighborhood will be listed here.

The HOA Info tab is one that will be used the most. It has: Docs & CCR. You can click on this to contact the president to request resale certificates, see Bylaws, Articles, CCRs, financials, dues and fees, resolutions, meeting minutes, and how to get in contact with our property management company.

Next is Board. You can read some nice information on the Board of Directors and Officers. You can get ahold of them simply by clicking on Get In Touch. Other tabs are Events, Schools, Garland, Gallery, Real Estate, Yard of The Month, Blog, Businesses. Gallery is fun, we'd love to have you send in pictures. Post your own business on the Business tab as a way to share your information.

New Business <LD: 3 minutes>

Lorean Dillard ("LD") is Chair of Events Committee.

LD: We had all these fun plans but then Covid came and everything got shut down and cancelled.

We're hopeful the July 4th event will occur and we can take part in that. Hopefully by September/October we can host the annual Neighborhood Night Out cookout. The trailer we get from the City of Garland's vitality department has not been available during covid. We're reaching out to them to see when it will become available so that we will have everything we need.

Resolutions <CJ: 4 minutes + Q&A 1 minute = 5 minutes>

CJ: Six resolutions were passed since August 2020. Those can all be found on the Website under the HOA Info. Docs. Resolutions.

Resolutions discussed were:

Resolution to establish date of record of votes and time frame for electronic voting. What that one does is establish dates to verify records of current owners for voting purposes.

Resolution for document retention. We decided we would keep documents for 7 years.

Resolution to grant access to Town Square for the Directors and Officers. They can view demographics such as owner address, name, email, paid status, plus reports.

Resolution to revise collection policy for annual assessments.

Resolution for schedule of fees for handling charges for the HOA and PMG.

Resolution to acknowledge transfer of the ACC from PMG to the Board and establish a Property Committee.

Lot & Property Committee <CL: 9 minutes, Q&A: 3 minutes = 12 minutes>

CL: The Directors talked to me about creating a Lot & Property standards Committee to identify the 10 most important infractions of Article 4 in CCRs, and set up fines for violations. With approval of the Board, I contacted members of the Association. I sent out an email to about 50 people in the Association explaining what we want to do and ask if they'd be willing to participate. Ten people responded so I told everybody else we had enough responses and thanked them. We met on February 9 to have a formation meeting. They had a subsequent meeting on their own. I did not participate in the

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meeting because we wanted them to feel free to talk amongst themselves. To be open and candid and not have to worry about any Director interfering, and they did that. This is what has been proposed and we are going to seek further comment.

The committee met on February 9th, and 18th. With confirmations on the 22nd – 25th.

Recommendations:

1. Debris must be picked up around the entire property (front, back and side yards).
2. Mailboxes will be maintained in a vertical position and brick matching the home.
3. No new planting of trees on home medians and easements.
4. Lawns will be maintained below a maximum of four inches.
5. Signs for advertising roof repairs, landscapers, remodelers etc. will only be allowed during the period from start of construction until one week following completion.
6. FF2 consists exclusively of single-family dwellings, occupied by a single family. No renting space to individual outside primary family in the home.
7. Fence repair in a timely manner. Board on board, stained.
8. Store trash and recycle bins out of sight as much as possible on non-pickup days.
9. Compost bins will be placed in the back yard or side yard, not visible from the street or ally.
10. Before painting the entire brick portion of the home, approval will be obtained from the ACC or Board.
11. Exterior construction projects will be completed in a timely manner.

Fines: The Committee discussed a fine structure for violation of these standards and did not propose fine amounts. Committee members agreed on a recommendation of a maximum of \$100.

CL: It was discussed a fine might be enforced after a second violation notice and might be less than \$100. The board would like to seek comments from you on recommendations. Send to:

info@firewheelfarms.com

<additional Q&A = 9 minutes>

Susan Miller: Some of these ideas are much looser with The City of Garland. Will people have a problem saying I'm within the rights of with Garland's code?

CJ: No because they will be under the restrictions of our CCRs.

Bonita: Board on board fence is considerably pricier. I've seen beautiful iron fences or gates. Explains her point.

CL: What you are offering is good input. Please remember this was from your neighbors. We the Board will meet with deliberation and consideration. Just because the way it was written here doesn't mean it is final.

BR: Thank you CL.

Susan M. to BR: Which of those items do you feel are above or below City of Garland?

SM: They are all above The City, our standards are higher. Like having a border in your home. There are city codes about things like that are acceptable. Agree, this is preliminary.

Rick Bentine: Legal definition of family.

CJ: Agrees family is a loose term. We've talked with lawyers about it.

CL: We did check with census.gov

SM: You are very in depth with your work.

2021 Election Results

<3 minutes>

CJ: My term ended and Steve Tharp ran as well. I'm going to turn this over to LL who had a person that was not affiliated with the Association take care of the election results and report them to her.

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LL: electronic ballots were sent out. 5 residents do not use email so they were sent paper ballots by mail and were returned and counted by an unbiased party then entered in the system. In my opinion only, electronic voting did return more responses than the paper ballots in the past.

Votes received in total: 151

Percent voted: 53.93%

Candidate votes:

Steven Tharp: 93 votes

Charles Johnson: 47 votes

Curt Harris: 1 vote

Quorum only: 10 votes

So based on these numbers Steve Tharp will serve the next Director term.

CJ: Congratulations Steve.

CJ: We would like to invite everyone to a Directors Meeting March 30, 6:30pm to appoint officers. That announcement information will be on the website. All of the officers that were appointed last year, which was a short year, have agreed to stay on through next March. As a matter of procedure, we need to hold this meeting to reappoint them.

CJ: Before the meeting closes, any questions you would like the Board to address? <7 minutes>

Dennis Riley: Does the board have any input in the repaving of streets and sidewalks in this neighborhood?

CJ: When they released the funds for the City of Garland to have roadwork done, we did put in a request, especially on Rivercove. They were able to fix certain portions.

Dennis: In places you can see the repairs but they are two different colors. Thank you for letting me speak my peace.

CL: I've got a concern about that same thing. When they came in two years ago, they marked the sidewalks in front of my house to be replaced but the crew didn't do the work. I propose the board write a letter to the city manager and request a review.

ST: I'd like to option that. If you have an individual problem, you call the city and ask them to come out and do the work. They may have just missed it and they'll probably come back and do those repairs.

LR: I would like to put a motion in even though these are fun conversations to adjourn the meeting [as we have gone over the allotted time].

ST: Seconds. LR: All in favor? All: Aye. Meeting adjourned at 8:35pm.

Minutes typed 4/13/21 by LL.