

**MINUTES OF WORKSHOP MEETING OF BOARD OF DIRECTORS OF
TANGLEWOOD FOREST LIMITED DISTRICT**

June 24, 2021

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The Board of Directors of Tanglewood Forest Limited District met for a budget workshop meeting, open to the public, on June 24, 2021, via Zoom teleconference due to the global COVID-19 pandemic, and pursuant to notice duly given in accordance with law. A copy of the Certificate of Posting of the Notice is attached hereto as **Exhibit “A”**.

The following Board Members were present, thus constituting a quorum:

Ron Peterson	President	Present
Kat Dowling	Vice President	Present
Nikki Krueger	Treasurer / Secretary	Present
Robbie Castille	Director	Present
Josh Schauer	Director	Present

Also present for the meeting were: Grayson McDaniel of The Carlton Law Firm, P.L.L.C., Terri Giles of Giles & Shea, and residents of the District.

Director Peterson convened the meeting at 6:00 p.m. and took the agenda items in the order described below.

BUDGET WORKSHOP

Item 1 – Discuss budget for 2021 fiscal year and take any related action. Director Krueger opened the budget discussion by noting that the District has new board members, and asked Terri Giles to explain any budgetary issues of which the Board should be aware. Director Krueger proposed that the Board determine what the District’s operating expenses were for the year and prepare that information for discussion at the next regular meeting. Director Krueger proposed that the Board discuss reserves and capital expenditures after determining the year’s operating expenses. As an example, Director Krueger mentioned that the 2020 budget did not contain a line item for \$22,000 for landscape extras associated with tennis courts and irrigation, so that it was not clear what portion of that was for operating expenses and what was for capital improvements.

In response to Director Krueger’s initial question, Terri Giles then explained that something that confuses people that the District’s budget does not equate to cash. Ms. Giles explained that the District went into 2021 with \$426,000 cash on hand. Ms. Giles stated that submitting an unbalanced budget is undesirable but is possible.

Ms. Giles explained that she had sent the Board a profits and loss (“P&L”) statement for the District that she revised to be color-coded for the different committees of the Board to review. Ms.

Giles suggested assigning these categories to Board members and employees to review before the next regular meeting to provide input on areas that still need expenses.

Ms. Giles mentioned that District Manager Trey Thompson was absent from the workshop. Director Peterson said he had informed Mr. Thompson that he did not need to attend, because the Board would be reviewing and assigning tasks. Director Dowling noted that the Board will require Mr. Thompson's feedback to create the budget.

The Directors and Ms. Giles then discussed different line items on the color-coded P&L statement, and which committees should address certain line items. Director Peterson suggested eliminating the "Other" category and assigning line items currently under "Other" to named categories (such as "Community"), in order to clarify the Board's budget. Director Krueger and Ms. Giles agreed. Director Krueger asked Director Dowling to clarify the line item designated for "Electrical Repairs" and whether those repairs applied to pools, parks, or both. Director Dowling says the repairs were "general." Director Dowling also noted that the line item for Porta-Potty was not assigned to a category (like "Pools" or "Security," for example) but had been left separate so that the Board could specifically monitor whether the recurring expenses associated with the Porta-Potty justified allocating capital funds for a permanent solution.

Director Dowling asked Ms. Giles if the budget can be amended after it has been adopted by the Board, and Ms. Giles stated that it can be, conditional on the Board voting on and approving any amendment.

Director Krueger asked Ms. Giles whether the line item designated "Special Projects and Elections" represented the reclassification of certain invoices from The Carlton Firm, P.L.L.C. out of "Legal" and into a separate category. Ms. Giles explained that she decided to split legal invoices that reflect services beyond those included in the flat monthly fee the District pays to The Carlton Firm, P.L.L.C as General Counsel (for litigation regarding enforcement of deed restrictions, for example) into different areas. She explained that the costs for legal services exceeded the 2020 budget, so she reallocated some of the legal costs to special categories, but that the legal fees still exceed what was budgeted. Director Dowling stated that legal fees exceeded the budget because the District they had an election year. Director Dowling suggests that in the future the Board should amend the budget to adjust for these fluctuations throughout the year and update Ms. Giles on the amended budget. Director Dowling said John Carlton will need to update Board at next meeting about Legal for next budget.

Director Krueger volunteered to review the budget-planning documents from Ms. Giles and send out assignments to Board committees on which items they are responsible for addressing. Directors Krueger and Peterson agreed to submit the budget planning documents to John Carlton by the Friday before the next regular Board meeting on July 21, 2021. In order to meet that deadline, Directors Krueger and Peterson and Ms. Giles agreed that the committees should be sent the budget-planning documents by July 12, 2021.

Director Castille submitted a written comment to everyone on the "Chat" feature on Zoom, reproduced in full below:

Instead of wasting everyone's time presenting ideas which will be immediately dismissed, here's my only suggestion for tax rate

purposes. Since we will probably be exempted from a rollback election due to the disaster damage at the pool. This year is our only year that we'll have a free pass to get our finances back on track without having to call a special election. Our reserves haven't been funded for the last few years. My recommendation is adding the unfunded \$110,000 reserve contribution for 2019, the unfunded \$110,000 reserve for 2020, and the \$100,000 contribution recommended for this year. This way we get fully funded and caught up, and we can reduce the tax rate back down for next year. In my opinion, this is the cleanest, most efficient way to get this done for the District with a minimum of taxpayer disruption. Good luck guys! Page 15 of our 2019 reserve study has all these numbers.

There was no further discussion, and no action was taken.

Item 2 – Discuss and consider time, date, and agenda items for the next Board meeting:
Director Peterson stated that the next meeting would be held on Tuesday, July 21st, at 6:00 p.m.

PUBLIC COMMENT

Item 3 – Receive communications from the public on items not listed on the posted agenda.
No public comment was offered.

Meeting adjourned at 6:27 p.m.

(Seal)



Nikki Krueger, Secretary
Board of Directors

Date: July 21, 2021

EXHIBIT A

**CERTIFICATE OF POSTING FOR
TANGLEWOOD FOREST LIMITED DISTRICT
AT
THE CARLTON LAW FIRM, P.L.L.C.
4301 WESTBANK DRIVE, SUITE B-130
AUSTIN, TEXAS 78746**

**STATE OF TEXAS §
 §
COUNTY OF TRAVIS §**

I, Katy Hennings, hereby certify that at 1:30 p.m. on June 21, 2021, I posted a copy of the attached notice of meeting of the Board of Directors at a place readily accessible and convenient to the public.

I understand that the notice was posted in order to comply with the Open Meetings provision of Chapter 551 of the Government Code and that the Board of Directors of the District will rely on this certificate in determining whether the provisions of Chapter 551 of the Government Code have been satisfied.

Witness my signature this 21th day of June 2021.



Katy Hennings

**CERTIFICATE OF POSTING FOR
TANGLEWOOD FOREST LIMITED DISTRICT
AT
TRAVIS COUNTY COURTHOUSE
5501 AIRPORT BLVD.
AUSTIN, TEXAS 78751**

**STATE OF TEXAS §
 §
COUNTY OF TRAVIS §**

I, Katy Hennings, hereby certify that at 1:27 p.m. on June 21, 2021, I delivered the attached notice of meeting of the Board of Directors to the Travis County Clerk's Office for subsequent posting with Travis County.

I understand that the notice was posted in order to comply with the Open Meetings provision of Chapter 551 of the Government Code and that the Board of Directors of the District will rely on this certificate in determining whether the provisions of Chapter 551 of the Government Code have been satisfied.

Witness my signature this 21th day of June 2021.



Katy Hennings


**CERTIFICATE OF POSTING FOR
TANGLEWOOD FOREST LIMITED DISTRICT
AT
POOL AND TENNIS COURTS
NEAR SLAUGHTER AND CURLEW
AUSTIN, TEXAS 78748**

**STATE OF TEXAS §
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COUNTY OF TRAVIS §**

I, Katy Hennings hereby certify that at 1:57 p.m. on June 21, 2021, I posted a copy of the attached notice of meeting of the Board of Directors at a place readily accessible and convenient to the public.

I understand that the notice was posted in order to comply with the Open Meetings provision of Chapter 551 of the Government Code and that the Board of Directors of the District will rely on this certificate in determining whether the provisions of Chapter 551 of the Government Code have been satisfied.

Witness my signature this 21th day of June 2021.



Katy Hennings

**CERTIFICATE OF POSTING FOR
TANGLEWOOD FOREST LIMITED DISTRICT
ON
WWW.TANGLEWOODFORESLIMITEDDISTRICT.COM**

**STATE OF TEXAS §
 §
COUNTY OF TRAVIS §**

I, Trey Thompson, hereby certify that at 1:44 p.m., on June 21, 2021, I posted a copy of the attached notice of meeting of the Board of Directors on the District's internet website – www.tanglewoodforestlimiteddistrict.com.

I understand that the notice was posted in order to comply with the Open Meetings provision of Chapter 551 of the Government Code and that the Board of Directors of the District will rely on this certificate in determining whether the provisions of Chapter 551 of the Government Code have been satisfied.

Witness my signature this 21st day of June 2021.



Trey Thompson

TANGLEWOOD FOREST LIMITED DISTRICT

Agenda

June 24, 2021

TO: THE BOARD OF DIRECTORS OF TANGLEWOOD FOREST LIMITED DISTRICT
AND ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of Tanglewood Forest Limited District will hold a meeting on **Thursday, June 24, 2021**, at **6:00 p.m.**, via Zoom teleconference call or at the Tanglewood Pool House, 9809 Curlew Drive, Austin, Texas, for the following purposes:

Due to the state of emergency and/or local disaster caused by the COVID-19 pandemic, the Board of Directors of Tanglewood Forest Limited District may hold its meeting via telephone conference call because of the difficulty and risks of convening a quorum in one location. If initiated, the call will be recorded as required by the Texas Open Meetings Act. The public may participate in the meeting via the internet at www.zoom.us/join or by telephone at 346-248-7799 and entering meeting ID: 843 4365 8745.

Individual members of the public wishing to address the Board at a meeting held in person or over telephone / video conference must register to speak in the 15-minute period before the meeting begins by signing up on the attendance form for in-person meetings or logging into the virtual meeting and providing the information to the meeting host at least 5 minutes prior to the start of the meeting. Alternatively, individual members of the public desiring to participate in a meeting conducted by telephone / video conference may sign up by email addressed to john@carltonlawaustin.com, no later than 5:00 p.m., the day prior to the meeting and identifying the agenda item(s) on which the individual desires to speak. Individual members of the public may address the Board for a maximum of 3 minutes on items not on the current agenda under public comment and for a maximum of 2 minutes per person per agenda item. Members of the public may collectively address the Board for a total of 15 minutes on items not on the current agenda under public comment. Individuals may address the Board once per item. No formal action, discussion, deliberation, or comment will be made for items not on this agenda.

BUDGET WORKSHOP

1. Discuss budget for 2021 fiscal year and take any related action;
2. Discuss and consider time, date, and agenda items for the next Board meeting; and

PUBLIC COMMENT

3. Receive communications from the public on items not listed on the posted agenda; *[Members of the public may sign up to speak for three (3) minutes regarding general topics or specific agenda items. If speaking on specific agenda items, citizens may speak one time per agenda item. Those desiring to speak must complete the citizen communication form supplied by the District so they may be recognized by the Board President. In accordance with the Texas Open Meetings Act, any response to a public comment that is made on an item that is not on the published final agenda will be limited to a statement of factual information or a statement of existing policy given in response to the public comment. Any*

deliberation or decision by the Board must be limited to a proposal to place the subject on a future agenda.]

The Board of Directors is authorized by the Texas Open Meetings Act to convene in closed or executive session for certain purposes. These purposes include receiving legal advice from its attorney pursuant to §551.071 of the Texas Government Code; discussing real property matters pursuant to §551.072 of the Texas Government Code; discussing gifts and donations pursuant to §551.073 of the Texas Government Code; discussing personnel matters pursuant to §551.074 of the Texas Government Code; discussing security personnel or devices pursuant to §551.076 of the Texas Government Code. If the Board determines to enter executive session regarding any item on this agenda, the Presiding Officer will announce that an executive session will be held and will identify the item to be discussed and provision from the Open Meetings Act that authorizes the closed or executive session.

(SEAL)



Attorney for the District

The District is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call John Carlton at (512) 614-0901 for information. Hearing impaired or speech disabled persons equipped with telecommunication devices for the deaf may utilize the statewide Relay Texas Program by dialing 7-1-1 or 1-800-735-2988.