

LAND'S END HOMEOWNERS' ASSOCIATION
MINUTES OF THE BOARD OF DIRECTORS' MEETING
December 9, 2024

The following minutes reflect the discussions and actions by the Board of Directors (the "Board") of Land's End HOA (the "Association") at the executive meeting of the Board conducted on December 9, 2024 at The Pavilion, 285 PR 5980, Yantis, Texas 75497 at 2PM.

Brad asked if he had a motion to call the meeting to order. So moved by Cathy and seconded by Paul. All in favor. Meeting called to order at 2.01PM

Attendees: Brad Rogers, Cathy Bastyr, Beverley Haynes, Joey Bush, Paul Tibbets.
A quorum is present.

Members in attendance: Carl Shafer, Mike Dawson, Bill Russell, Sandra Russell, Cliff McMillan, Juli Neace, Kevin Rogers, Barbara Woosley

NEW BUSINESS

Discuss and potentially take action on the following items:

I. Review '24 budget vs. Actual and project any remaining expenses for estimated '24 final numbers.

Brad said that overall the actual expenditure by the end of December would likely be very close to budget. The roads final cost was \$122,520.60. The hot mix asphalt surface is a better product for us than the chip seal. As at the end of October, the balance is under budget by \$117,948.95. We had budgeted to be over budget by \$11,335, taking the extra from the checking account which was left over from last year. Still to be posted are the roads cost at \$122,520, the Xmas lights of \$1400, a mowing expense of \$370, website renewal cost of \$418.88, Xmas party cost of up to \$400, water and electrics \$500, accounting fees of about \$400. Brad estimated the total at the end of December would be about \$126,000. Currently we have an invoice for \$1551.09 for the culvert repair. Brad added a total cost of \$2000 bringing the total to be posted to an estimated \$128,000 by the end of the year. Currently, we are under budget by \$117,948. That would put us over by about \$11,000. Our budget was to be over by \$11,335. It looks like there is also a couple of months of interest income which is tracking at about \$150 per month. Fortunately our road contractor came in under budget which helped offset the cost of gate repairs.

Cathy asked if we wanted to break down the budget line items for 2025. The first one is the Miscellaneous Expense. The \$10 online banking fee goes in there so that's \$120. There is also the trailer which has to be registered every year and repairs this year of over \$500. Do we want to add the trailer as a line item? In response to Brad, Bill confirmed that it was not a problem to add a trailer line item. Cathy asked about the common areas repair and maintenance. Brad said we could add line items for gates which are major expense, the fountains pump and piping, the mowing contract, and landscaping. Sprinklers would be included in landscaping. Water is already broken

out as a line item. In response to a question from Brad, Cathy said these expenses would be line items under 61840. We would be able to see 61841, 61842 etc.

There were no other comments or questions from the Board regarding the 2024 numbers.

II Based on '24 actual/projected, create first pass '25 budget for presentation at Feb. annual meeting

Brad suggested an opening number of 5% inflation straight across the board. Cathy was concerned that 5% might not be enough for the insurance. She said companies do not respond well if at all to her proposals.

Brad said this year we paid \$2.61 per square foot. He said he thought we got a good product, the roads look good and the way the apron feathered into everyone's driveways. The hot mix is less susceptible to weather, which means we can do the roads earlier in 2025. Therefore, Brad is going to have Scott Paving give us their bid for 2025 in January so that we can incorporate the number into our final budget to be presented at the annual meeting.

Paul asked if we rebuilt the road outside the Marshalls. Brad said yes we did. Paul confirmed that the min turnaround is part of the road system and belongs to the HOA, according to the platt. The owner of the house would like us to repair it. Cathy thought that an agreement had been worked out with the original owner, at the time when the mailbox was being placed. Paul said the platt says it's HOA property.

Brad said he would go ahead to get the bid on roads and mowing. Cathy would work on insurance bids. He said all the parts in the gates have been replaced but he will purchase a \$27 timer as a last resort. Cathy mentioned that power outages could affect the timing of the gates. Brad asked Bill for a spreadsheet with a 2025 column added to it. Cathy said she would send Bill the extra lines to be added. Brad will then populate with the new numbers and send to the Board for review. In response to Beverley, Brad said he would get the Roads Committee together to decide on the stretches to be rebuilt in 2026.

III Discuss Land's End HOA dues and any changes for '25

Brad said we are at \$900 annual dues for the last two years. 75% of our budget is roads. Paul said he would prefer us to keep the rate the same perhaps for the next two years. Beverley said she would be happy with that, as long as we keep working on the roads. Cathy said that we can fall back on the CD if necessary. Cathy said the CD comes up for renewal on December 31. It has been renewed at 1% ever since it started. The bank will offer us 3.75% renewal on a 5 month CD. They will offer us 3 3/4% on a Money Market, but Cathy reminded us that the cash would be more accessible. Cathy said she would be fine with keeping the dues at \$900 for at least another year. She mentioned the villas had also been hit with an increase at the same time as ours. Joey said he would be happy to keep the same rate the same this year. Joey thought it could be a good year for everyone and depending on the outcome we can adjust later. Brad said he was on the fence, based on our neighborhood real estate values, based on the sporting club and the amount of traffic. Our dues are lower than other neighborhoods which gives us less income.

Our reserves in the checking account are estimated to be \$45,000 at the end of this year, together with the CD, bringing the total reserves to the \$165,000 range.

Cathy asked about the rate of interest to be charged on late payment of dues. Do we want the 10% as per our CCRs or 6% which is the county property tax rate for delinquent payments. She said she would like the rate put on the dues invoice. Brad said we should charge the rate in the CCRs which is the published rate.

IV Discuss issue of speed complaints in Land's End and possible remedies to combat the issue

Brad said we are receiving complaints about speeding the neighborhood. We have some signs posted but are not having any impact. Brad said he had discussed putting speedbumps in the neighborhood with Scott Paving. Paul said it might be a remedy but speedbumps are a nuisance to everyone and Cathy added it would be a problem for golf carts as well. Cathy said she sees the contractors arriving in the morning speeding. Beverley suggested a group of us going out one morning to stop and try to speak to the contractors. Brad said it would be difficult to stop them and many are Spanish speakers. Brad said the speedbumps would be relatively inexpensive, about \$250 about per installation. Beverley said Greg Chalmers had said in his school district the bumps made as part of the road did not last. They had to buy speedbumps and anchored them. Paul said no to speedbumps, Bev said no, Cathy said speedbumps would be harder to live with for the residents and said no, and Paul suggested a digital vehicle showing the speed limit and the speed of each vehicle as it passes by. Joey said no and Brad said no. The matter was closed.

V Christmas Lights in front of the villas

Beverley explained that a couple of years ago the villas requested Christmas lights and Casey said the system would not handle the extra load. Greg spoke to Casey this month and was told that now the HOA has switched to LED lights it is possible to have lights installed in front of the villas. Paul said yes to putting in the lights, Beverley said she was in favor of lights as it would make the whole front of the property more complete. Cathy and Joey agreed. Brad said he would table the lights as an action item at our next meeting for the final budget.

QUESTIONS OR COMMENTS FROM HOMEOWNERS IN ATTENDANCE

It was suggested that we should upgrade our common areas. The beds at the gates need fertilization three times a year and should be included in the landscaping budget. In the triangle area the swing and the wood around it needs to be stained and sealed, there is missing rope on the bridge in the triangle. The park area and pet cemetery wood needs general clean up, limbs are down and not being picked up at this time of year. The landscape committee do planting, weeding, and use their own fertilization. They require some money for fertilization and to pay for someone to help with gardening. The biggest complaints are about the front entrance and we need buy in from the golf club which we don't have.

In answer to questions from another resident it was restated:

The golf club is responsible for the old sales office.

The area where there was a waterfall down from the pool is the responsibility of the golf club.

The fountains in the front entrance are the responsibility of the HOA.

Paul said the golf club wanted rid of the old sales office but did not want the expense of doing so. Paul tried to get a couple of people to take it down and take the materials to sell. But it wasn't worth their while.

Cathy clarified that the reserves are divided into \$75,000 for roads and the rest for common areas totalling \$112,000, currenty held in a CD.

It was suggested that a study is carried out to ascertain what would be considered fully funded reserves, by a professional or inhouse. Brad said he thought 18 months of expenses.

Should the HOA pay for something for the Xmas party? It was suggested that \$1500 towards food or entertainment. Cathy said we've always done a potluck.

Another resident said he appreciated that the HOA did want speed bumps which would punish all residents. However, he thought the HOA should approach perpetrators, contractors or residents. If speeding is important to the Board, we should not be leaving fallen road signs lying around. Action needs to be seen if we want to be taken seriously.

Another resident told the Board that some young girls were speeding in golf carts around the neighborhood and entered his driveway and broke multiple of his Xmas lights. It was about 9:30pm. When they left our neighborhood they drove into the Wolf Creek neighborhood. Unfortunately the gates should have been closed at that time of night. He also mentioned another white vehicle that he followed around the neighborhood at 1am. Cathy said she'd watched a blue vehicle that looked suspicious. Beverley said another resident had told her about a pick up truck which he stopped and questioned. The young men left shortly after.

Another resident said that the front entrance wasn't up to standard for a neighborhood with million dollar homes. He felt there was a disconnect with the Board who were not in favor of spending money and a resident who feels the HOA has the funds to spend. He also felt we should speak to the residents who are speeding and find a way to speak to the contractors who speed, perhaps through the builders.

A resident asked what the Board does about violations. Beverley confirmed if she is told about a violation she writes to the owner. The resident also said something should be done about the golf course area behind the 18th green. Beverley stated that in principal she would not be in favour of HOA dues being spent on golf course areas, especially because it sets a precedent. The resident feels it is up to the HOA to speak to the golf club. It was confirmed that the HOA has spoken to the golf club, but it has a budget and and long list of items to address.

Brad reaffirmed that 75% of our dues go towards roads, meaning there is not a lot to put towards common areas. The income we are generating, mostly from dues is not going to provide much in way of extra money to address all the wants complained about today by residents or the Board members. However, Brad said should there be one time events, such as an extension of road repairs or a decision to do an extreme makeover of our entrances by having a reduced reserve, we could certainly consider it. The question remains, 'What is a valid amount of reserves based on the assets that the HOA is responsible for on our balance sheet, and not the Sporting Club's?'

Cathy said the HOA spent \$122,000 on roads. That is the HOA priority. Had we not had some carry over in our checking account from the previous year, we would have almost nothing left to spend on other items. It was confirmed that money has been taken from reserves in the past.

It was confirmed that lots with additional structures with a kitchen bathroom, and a bedroom do not pay dues twice. Brad said it is a legal issue and its not clear who would win if there was a challenge. It was confirmed that The ACC committee is Bill Denney, Kevin Rogers, Tom Keenan and Ted Warren. It was mentioned that a new house being built is very similar to another recent build.

A resident asked if we shouldn't get a 20 year bond to cover the cost of rebuilding the roads. Brad explained that he had experience with school district bonds and he had talked to two bond brokers. To service the loan, the dues would need to be raised to \$1500, and the input was no way. Brad thanked the members for their input.

VI Action items

I Review '24 budget vs. Actual and project any remaining expenses for estimated '24 final numbers.

No action item needed.

II Based on '24 actual/projected, create first pass '25 budget for presentation at Feb. annual meeting

No action item needed.

III Discuss Land's End HOA dues and any changes for '25

Brad asked for a nomination to vote on any change to the HOA dues. Nominated by Beverley, seconded by Joey. All those in favour of increasing dues for 2025? No-one was in favour. All those opposed to increasing dues? The vote was unanimous 5-0. The dues will remain at \$900 for 2025.

IV Discuss issue of speed complaints in Land's End and possible remedies to combat the issue

The only proposal was the addition of speedbumps in the neighborhood. Nominated by Paul, Seconded by Cathy. All those in favour of installing speedbumps? All those against. The Board voted 5-0 against installing speedbumps.

Brad suggested that we discuss additional signage on the roads at the next meeting.

V11. Adjourn meeting

Brad asked for a motion to adjourn the meeting. Nominated by Cathy, seconded by Paul. All in favor. Unanimous. The meeting was adjourned at 3.59pm.