

LEHOA ANNUAL MEETING

FEBRUARY 3, 2018

Meeting called to order 3:00 p.m.

Present: Rich Schmelz, Bill Russell, JR Douglas, Toya Dyess, Juli Neace and 60 other homeowners (see end for list).

Absent: Jim Parker

Rich read an opening statement:

Good Afternoon Fellow Members. Glad to see we have a full house. I have a few opening comments before we get knee deep into the Agenda. The current LEHOA Board is probably the most conservative of any of the previous Boards. This Board, unlike those in the past, attempted to follow the CCRs without interpretation.

You will recall at last year's meeting, after much discussion, a motion to have a Deer Harvest was made, seconded and passed almost unanimously. The concept proposed was based upon the same approval process done in prior years' interpretations.

It was brought to the Board's attention sometime in late August 2017 that this was a direct violation of our CCR's. No firearms allowed. An amendment would be required to allow the Deer Harvest to proceed. According to the CCR's, there is a procedure that must be followed to put forth an Amendment. Basically, a notification period must be given to the Members before a vote could be taken. 75% of the Members need to vote. If 75% of the members do not vote the Amendment cannot be considered.

The timing didn't allow for a Deer Harvest in 2017 if we were to follow procedures outlined. Additionally, the "Conservation Permits", which had been previously issued to LEHOA, would not be available since Texas legislature had changed the law. This meant that only INDIVIDUAL permits/tags could be used. Thus, to take 30 deer there would have to be 15 shooters. (A survey of local residents indicated we did not have anywhere close to that number of shooters).

The Board continued with research for various methods to insure a safe hunt should it be allowed. This consisted of internet searches to gain insight on what others had done, and conversations with other communities to see how they were handling the issue, including Holly Lake.

(TPWD advised that Holly Lake instituted a surcharge to its members for funding per lot to allow trapping of deer). TPWD also advised that it was not going very well and did not recommend for LEHOA. If trapping is used and deer are relocated, many of the deer would not survive and not many places allow or want the deer. ***Should be noted in trapping, that many of the deer would have to be shot due to injuries sustained in trapping process. Again, a use of firearms. Research also included using professional hunters. This would be expensive, plus this didn't seem viable since this involved firearms.

Trapping /Relocating of deer was researched and found to be very expensive. Cost varied between \$1000 and \$2000 per deer dependent on mileage to relocate, processing of those deer that were euthanized, cost of permit, etc. TPWD (Regional Director/Biologist and Game Warden) came to LE to review process and procedures to be used if there was to be hunt. All agreed with the vetting of hunters/location, shooting locations/recommendation, and a spotter to accompany shooter.

The Board also researched insurance issues. Each shooter must have liability insurance and sign a co-insurance binder for this hunt. The Board's umbrella policy was also in place.

Based upon above issues, the Board cancelled the hunt for 2017 and prepared an amendment so that future hunts could take place when recommended by TPWD. Again, no interpretation of the CCR's.

In January of this year, research provided by Ron Schaller and confirmed by Brad Mc Campbell stated that in 2015, Texas Legislature passed "Property Owners Protection Act 209.004-209.005". This act and how it affects the CCR's will be discussed a little later.

Members, you should be aware that overpopulation of deer is NOT the biggest issue facing LE, although deer population is the most current. Elizabeth Clements recently had her car damaged when a deer attempted to jump over her car. A vehicle hit a deer along Hole 3 this summer and died. A deer recently attempted to jump a fence along hole 2 and didn't make it. These are indications of overpopulation.

The board has had recent requests for electric fences from owners wanting to protect shrubs/trees/grass on their property. These types of fences are NOT included in permissible fencing in our CCR's and could pose major liability to LEHOA and the individual property owner.

The biggest threat to LE from wildlife is feral hogs. Some of you will recall last spring a semi hit 3 hogs on highway 154 near the turnoff to LE. A large hog was hit by a vehicle not far from Fisherman's One Stop. A dead hog was also found on the bridge that crosses Little Caney.

Feral hogs bred 2 times a year with 4-8 babies per delivery. Do the math. These hogs are destructive and literally destroy a piece of property in one day. They tear up everything in their path including trees. They dig/chew at roots. They eat just about anything: bugs/vegetation/grass but prefer corn.

The state of Texas has no season on these animals and has no limits since they are considered non game animals. Additionally, no hunting license is required. That should tell you something.

LEHOA does not have procedures to deal with this type of situation in a timely manner. It is not a question of IF but when. Interestingly, many of the people I have talked to said they would shoot the hog(s). This includes those that are against harvesting the deer.

You may not like the proposed amendment, but the new board should take steps to handle and amend the CCR's accordingly.

At this time a big thanks is due JIM PARKER for doing a lot of the research and attempting to provide a meaningful solution to this issue as well as other accomplishments of this board which will be presented later in agenda.

Agenda item #1: Our neighborhood. We currently have: 45 GOLF LOTS, 10 VILLA LOTS, 79 LAKE LOTS, 83 HOMES, 54 FULLTIMERS, and 43 LOTS AVAILABLE FOR BUILDING. Our new neighbors are: Tommy & Linda Burns (L 82 on 5982), William & Teresa Denny (L 78 on 5982), James & Apryl Iley (L 14 on 5980--Also own L-15), Thomas Koonce (G 8 on 5980), and Larry Wagoner (L 16 on 5983). We have numerous volunteers and are always looking for more.

Agenda item #2: Fire Department Update. Rick Nichols (chief of fire department) stated that they had a decent year last year. They responded to 2/3 of the number of calls from the previous year. Sixty five were for fires and 45 were medical or motor vehicle accidents. There are 13 active members. In 2016, the fire department applied for a grant to replace the gear which was more than 10 years old and no longer effective. It typically takes about 3 years for those grants to be acted upon. Thanks to Merion and Shirley Reynolds, we didn't have to wait. The Reynolds' provided the funds to purchase 8 new sets of gear. The firemen train 3 Mondays every month. A preowned engine with only 4000 miles on it, from Quitman, was purchased. We leave on a call with 7,000 gallons of water on our trucks. Most of the calls are mutual aid—we assist Yantis, Quitman, Alba and some of Hopkins County on their calls. We have gotten a few upgrades in the meeting room—new carpeting and a new ice machine. Our Golf Tournament this year is on June 9th. We have had a tough time getting teams together in advance of the tournament—we will work harder this year on that.

Agenda item #3—Deer population. The deer population estimate is based on our October 2016 deer count that was submitted to the TP&WD. The TP&WD uses historical factors to estimate the actual population based on our physical count, as follows:

LE deer population is estimated at 255 (Based on 150 actual count). This is an increase of 60% over 2015.

There is 1 deer for every 2 acres.

Buck to doe ratio...1 buck per 9 does.

The October, 2017 deer count was 140 and 124 at night and 34 during the day.

Recommended:

1 deer for every 16 acres.

1 to 2 ratio of bucks per does.

Recommended Harvest-----75 deer

Agenda item #4—Proposed CCR Amendment. The amendment is being proposed in order to allow the Board to approve, as the need arises, the discharging of firearms and the use of compound bows to manage the deer population in Land's End.

The current CCR states:firearms. Hunting, as well as the discharge of firearms and fireworks by anyone at any time in the Development is absolutely prohibited.

The proposed CCR states: Firearms. Hunting, as well as the discharge of firearms and fireworks by anyone at any time in the Development is absolutely prohibited, except for the following circumstance. The Board, working in conjunction with the Texas Parks and Wildlife Department, may develop a plan which permits the discharging of firearms or the use of compound bows by property owners or their immediate family in a strictly limited, controlled and monitored basis, on specific dates and in specific approved areas within the development, for the strict purpose of controlling the deer population.

The positive result of the change will give the Board the flexibility to reduce the deer population for the good of the deer and to reduce the damage the deer are doing to the vegetation in our community. Duck hunting is permitted because it's on the lake and the SRA will not allow shooting on their property. The Board asked TPW to co-sponsor a shoot on our property and they declined. The Board recommends not feeding the deer, but there is no CCR against it.

An Open Forum ensues.

Bill Carter states that we can all agree that the deer population is out of control. There are other neighborhoods we have to consider, however. Wolf Creek, for example, will not allow any shooting of any kind and will fight to keep it that way. Georgia, who owns the farm adjacent to LE, is not interested in permitting hunting on her property. He suggests that we develop a group of people to do footwork and find a solution.

Tammy Legenza recommends that we gather information and form a committee to add a wildlife CCR to our current ones.

Bob Arledge says that this is a precedent and we need to be very careful about an amendment. There has been a lot of misinformation out there up until a few days ago.

Bill Kainer states that he has seen hogs destroy downtown golf courses and they need to be shot or trapped.

Jeanette Warren asks how the CCR's affect the golf course and the answer is that they do not. Tom Keenan adds that the SRA says that it wouldn't affect them.

Doug Hill states that he has dealt with feral hogs and that he has trapped them. He believes we may need to broaden our thoughts. He now lives in Tyler and recognizes some real dysfunction in Land's End. He states that the Board is only trying to address the issue and it's sad for him to see the charges and emails going back and forth. He believes we can work through this together. All the board was trying to do was execute intent that was voted on at last year's annual meeting.

Sharon Brooks saw 4 feral piglets on the other side of Alligator Bridge and Dawn McCampbell saw 5 piglets by the Terror Trails.

Jerri Dawson stated that an amendment for future wildlife issues is a good idea. She also mentioned that this is not an East Texas problem, but a Texas issue and that feeding them is encouraging them to come.

Tammy states that it's not only about your yard...what about when they charge you? As one did to Joe? Or how about the 8 point buck that followed Joe from the boathouse to the yard?

Kathy Shafer asks why electric fences are not permitted? The response is that the liability is too much of an issue. Joey Bush states that Merion Reynolds said he'd only have his on at night. Merion did have to remove his fence as it was against the CCRs.

Ron asks about a high fence around the neighborhood and the response is that Jim got a quote of over \$30,000 to do that. We'd also have to keep the gates closed at all times, which is not practical with the golf course patrons.

Judy Johnson states that the deer come in from everywhere so a fence wouldn't work.

Tammy asks that if the proposed amendment passes, would we have to pass an additional amendment for other wildlife and Rich responds that yes, we would.

It is decided that the attending members would vote at this time regarding the proposed amendment. Members are told to vote FOR the change if you are in favor of allowing the Board to approve the use of firearms and bows on a limited basis as defined in the amendment, and to vote AGAINST if you desire this CCR paragraph to remain as is and not allow firearms to be discharged for the purpose of controlling the deer population. The vote was 61 in favor of the amendment, 25 against and 7 abstentions. As we needed 93 affirmative votes to approve the amendment, the amendment did not pass.

Agenda item #5—2017 Road Maintenance. The road resurfacing that was done last year is as follows:

Seal Coated 62,440 Sq. Ft. on various roads

Overlaid 54,840 Sq. Ft. on various roads

Patched 3,364 Sq. Ft on various roads

Dug out/replaced 1,440 Sq. Ft. on 5990

Future strategy: As we have done for the past 7-8 years, the HOA Board will continue to direct selected repairs vs. a complete new asphalt job. We changed contractors in 2017 and the quality of work improved. We interviewed 3 contractors for the roads. The ones we hired were more expensive than the previous, but the roads look much better. The biggest cost will be from the clubhouse to the front gate and will be completed in 2-3 stages. Please tell the board if you notice any areas that need attention.

Agenda item #6—Other 2017 Projects completed. We sprayed vegetation in the entrance ponds, bought new Christmas decorations, repaired suction piping on entrance pond fountain pump, completed a new electrical feeder to the entrance pond fountain pump and put the pump on a timer, installed a water meter and water piping to the common area garden, finalized Villa/Links Maintenance Separation Agreement and signed the Service Agreement between the Links and Land's End.

Agenda item #7—Proposed 2018 Projects. Lay new overlay on part of road from main entrance to club house, asphalt resurfacing, as required, repair holes, cracks, etc., repair culverts as necessary, and review roadway drainage. Estimated Cost for 2018 is \$65,000. Also, looking forward....deer harvest plans and the Villa conveyance to LEHOA.

Agenda item #8—The Links Update. Tom Keenan presented a power point with pictures of the golf course and the clubhouse. In March of 2016, 23 parties purchased the golf course. The first year after that, time was spent on the course and last year, time was spent renovating the clubhouse and meeting room, adding a sports bar and an office. We improved our technology system. The kitchen has been upgraded and we added two new dining areas, improving the dining experience. There is new flooring and furniture which increased the seating area. Liquor sales have doubled every month since last year. As you enter through the warm, main entrance, you will see a beautiful American flag that was flown over Afghanistan and was donated by Carl and Mary Hall. We have a new

fleet of carts with state of the art GPS. We have a new pond on holes 2 & 3 and new fencing and landscaping throughout the course. We have and will continue to have wine tastings, fine dining events, concerts (The Day the Music Died on 2-2-18), live entertainment, more 'member only' golf tournaments, and have added a teaching consultant. The largest event to ever be held at LE was the Fold of Honor Patriot Sporting Challenge. We had hundreds of visitors and were able to give a check for \$100,000 to the Folds of Honor Organization. We will continue to offer live entertainment and will clean up all views on the golf course. We were once again recognized as one of the best courses outside of the metroplex.

Agenda item #9—Budget Review. There's been very little change from last year to this. Bill presents the Proposed Budget, the Balance Sheet from 2017, the Profit and Loss Budget vs. Actual, and the Reserve Schedule of 2017 and 2018. These are available in detail upon request. Mickey Link asks how big do we let our reserves get before we decide to do something with them? Bill replies that we don't know what we'll need in the future, especially regarding the roads, so we hold on to them. Arlan Jaeger asks if there has been any thought given to upgrading the culvert walls? Specifically the front entrance but including all of them? Bill replies that the Board can look into that. Judy also adds that the front entrance can use some work and Bill agrees we need to look into it. We have allotted \$5,000 in the past for the deer harvest expense. Someone asks if we have been doing it for the last 3 years and Sharon replies no. Bob McGuire inquires as to how much insurance do we have? Bill is not sure but knows that it was changed earlier and he will revisit our insurance protection.

Agenda item #10—Open Forum. Ron Schaller states that we have been handling our nominations and voting practices incorrectly and he proposes that we begin now with doing it correctly. Rich says that we sent out the notices in time and we are going to proceed with the vote for Board members. Brad stated that he and Ron had talked all week and had agreed to disagree. Brad says we substantially followed the rules and maybe looking forward we can change. It is exciting that we have 6 people willing to serve on the new board and that the new board can look at the new rules. Ron said that no proxies were addressed; therefore, the election of board members is voided. He gives the example that someone could build a dome home, for example, and if you have a board that hasn't been properly voted in, the board would not be a valid board to disapprove the dome home. Tom motions that we go forward with the vote, and Mickey seconds. There is a show of hands to go forward or not—2 people raise their hands to not go forward, the rest show to move ahead, so the nominations are held.

Cathy Jaeger—nominated by Tom Keenan, seconded by Jerry Busbee

Brad McCampbell—nominated by Bill Carter, seconded by Robert Lane

Tom Keenan—nominated by Arlan, seconded by Jerry Busbee

JR Douglas—nominated by Cathy Bastyr, seconded by Jerry Busbee

Jerri Dawson—nominated by Mike Dawson, seconded by Rich Schmelz

Joe Legenza—nominated by Joey Bush, seconded by Merion Reynolds

Ted Warren—nominated by Tom Keenan, seconded by Brad McCampbell

Robert Lane—nominated by Ron Schaller, seconded by Bill Carter

Joey Bush—nominated by Tom Keenan, seconded by Debby Keenan

The results are as follows: Tom, Brad, Cathy, and JR, with JR serving a one year term and the others two.

The new gate code, effective immediately, was announced. #2318. Remember, you must press “#” first.

Rich motions for the meeting to be adjourned and Brad seconds.

Meeting adjourned at 5:00 p.m.

The following homeowners also attended: Bob and Sarah Arledge, Frank and Suzanne Bauer, Jerry and Sharon Brooks, Tommy and Linda Burns, Jerry and Marti Busbee, Joey Bush, Bill Carter, Terry and Sue Casburn, Michael and Jerri Dawson, Caroline Douglas, JD and Toya Dyess, Randy and Judy Hake, Doug Hill, James Iley, Arlan and Cathy Jaeger, Doug and Judy Johnson, Bill Kainer, Tom and Debby Keenan, John and Donna Keffler, Robert and Donna Lane, Joe and Tammy Legenza, Mickey and Ann Link, Carolyn Manning, Brad and Dawn McCampbell, Bob and Carolyn McGuire, Merion and Shirley Reynolds, Sandra Russell, Ron and Cheryl Schaller, Kathy Scheumack, Garry and Nancy Schnabel, Carl and Kathy Shafer, Diane Stowe, Jeanette Warren, Dusty Weaver, and James and Mary Williams.