



Welcome to the 2019 Annual Meeting of the Bear Springs Trails Owners Association

Agenda



- Welcome and introduction of Board of Directors/Officers
- Quorum Determination
- Financial Overview
- 2018 Budget
- 2019 Projected Expenses
- Election of Director / Architectural Control Comm. Volunteer
- Proposed Amendments to Covenants and By-Laws
- Discussion Topics/Open Forum
- Adjournment

Board of Directors

➤ Board of Directors

- Ray Nolen
- Andy Watson (resigning)
- Betty Serene

➤ Officers

- President: Ray Nolen
- Vice President: Andy Watson (resigning)
- Secretary: Vacant
- Treasurer: Betty Serene

➤ Architectural Control:

- Bruce Scott
- Richard Robinson
- Andy Watson (3-year term expiring)



Quorum Determination



- Quorum is met by 1/3 of eligible lots present or represented
 - 60 lots in subdivision
 - Per HOA Bylaws, lot owners behind in dues are ineligible to vote
 - $60 - 2 = 58$
 - $58 \times \frac{1}{3} = 19.33$
- 19 lots represented needed to make Quorum

Do we have a Quorum?

Financial Overview



Checking Account Balances

Account Balances

- 12/31/2018 \$22,517.03
- Current \$15,689.40
- 12/31/2019 (projected) \$13,579.65

- Certificates of Deposit Balances

- Current \$ 6,132.00
- 12/31/2019 (projected) \$10,660.00 + interest

2019 Projected balance takes into account 2019 Income/Expenses and all past due dues paid

2018 Budget



Starting Balance	\$ 19,598.98
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Income (Dues + Interest)	\$15,821.77
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Transfer Fees	<u>\$ 540.00</u>
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Total Income	\$16,361.77
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Expenses

Contract Services	\$ 3400.00
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Bandera County	\$ 289.37
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Utilities	\$ 468.00
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Operations	<u>\$ 9286.40</u>
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Total Expenses	\$13,443.72
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$\$19,598.98 + \$16,361.77 = \$35,960.753 - \$13,443.72 = \textbf{\$22,517.03(Dec 31, 2018 Balance)}$

Starting + Income = Total - Expense = Ending

2018 Expenses

2018 Detailed Expenses

Treasurer	\$ 2,400.00
Mowing	\$ 1,000.00
Utilities:	\$ 468.00
Road Taxes	\$ 289.32
Postage:	\$ 56.00
Office Supplies and Printing:	\$ 914.72
Bear Springs Trails, LLC (loan payment)	\$ 6,793.68
Insurance	<u>\$ 1,522.00</u>
 Total Expenses 2018:	 \$ 13,443.72

2019 Projected Expenses

2019 Projected Expenses

Treasurer	\$ 2,400.00
Mowing	\$ 1,500.00
Utilities:	\$ 490.00
Road Taxes	\$ 290.00
Postage:	\$ 175.00
Office Supplies and Printing:	\$ 350.00
Bear Springs Trails, LLC (loan payoff)	\$ 9,124.38
Insurance	<u>\$ 1,530.00</u>
 Total Projected Expenses 2019:	 \$15,859.38

Elections

➤ Election for the Board of Directors

(The HOA members elect the Directors. The Directors then appoint the officers)

➤ 3 Directors (serve two-year terms)

Andy is resigning in the middle of his term. Presently two nominations for that position.

➤ Once elected the board will then select the following officers

- ✓ President
- ✓ Vice President
- ✓ Treasurer
- ✓ Secretary

➤ Architectural Control Committee

➤ (The Board of Directors set up the ACC so that 3 year terms are served on a staggered cycle with one committee member position open for a new volunteer each year. Andy Watson's term is up in 2019, Bruce Scott's in 2020, and Richard Robinson in 2021.)

- ✓ Andy Watson's position is up for replacement. Are there any volunteers who would like to be nominated to join the Architectural Control Committee or be considered for an officer position or the vacant Director's position?



Discussion Topics/Open Forum

➤ Old Business

- Road Resurfacing Fund – The roadways throughout the neighborhood will likely need to be completely resurfaced in the next 8-10 years. This will come at a substantial cost to the HOA (likely upwards of \$100K). To help offset this expense at the time it is necessary, the Board of Directors will earmark funds each year that will be set aside for these repairs and not used for any other purpose. We have earmarked an initial amount of \$5K which has been invested in a 36-month certificate of deposit (CD). With the payoff of the loan, we will be purchasing a \$1,132 24 or 36-month (CD) every two months. A 24 or 36-month CD offers the highest rate of interest, and can be cashed out after 6 months without loss of principal.



Discussion Topics/Open Forum

➤ New Business/ Open Forum

- Covenant Amendment - Andy Watson has proposed an amendment to the Declaration of Covenants, Conditions and Restrictions of the Bear Springs Trails Subdivision to permit assessment of fees for noncompliance with the use restrictions.
- Covenant Amendment - Blake Liebold has proposed an amendment to allow for certain metal non-residential structures.
- By-Laws Amendment – David Ketterer has proposed an amendment to the By-Laws which would prohibit officer compensation for their services.

Amendment to Covenants

- **Proposed Addition to OA Covenants Concerning Special Assessments**
- Proposed addition to the Declaration of Covenants, Conditions and Restrictions Bear Springs Trails Subdivision allowing the Board of Directors to assess a special assessment for failure to abide by use restrictions set forth in Article II:
- Proposed addition:
- Article IV, Section 14: Special Assessments for Non-Compliance with Article 2 – Use Restrictions: In the event that the lot owner does not adhere to or ensures that the individuals residing on their lot adheres to the Covenants and Restrictions noted in Article II (Use Restrictions), the Board of Directors will have authority to take the following action:
 - Board of Directors will notify owner and resident in writing regarding which covenant or restriction is not being adhered to and give a 30 day notice to bring property back into compliance. The owner/resident will also be allowed to contest the offense during this period as noted in Article 7 – Dispute Resolution.
 - If after 30 days and a failed appeal the property has not been brought back into compliance, the owner will be issued a fine in the amount of \$50/month. The fine will continue to accrue until the property is brought back into compliance, inspected, and signed off via written letter from the Board of Directors.

Amendment to Covenants

- **Proposed Change to BSTOA Covenants Concerning Metal Structures**

- Current Restrictions:

- Article 2, Section 5, Architectural Control, Paragraph 2, sentence 2 states

- The exterior of all structure must be brick, stone, stucco, or other exterior siding approved by the committee; provided however, that no metal exterior (other than roofs) will be permitted.

- Proposed Change (revising and inserting additional language):

- Article 2, Section 5, Architectural Control, Paragraph 2

- The exterior of all residential dwellings must be brick, stone, stucco, or other exterior siding approved by the committee; provided however, that no metal exterior (other than roofs) will be permitted. Non-Residential structures (including, barns, garages, shops, etc.) can be constructed utilizing metal components as approved by the committee. Quonset style metals buildings are not allowed.
- Non-Residential structures constructed from Metal must be galvanized or better grade and durability.
- Non-Residential structures must comply with limitations stated in Article II, Section 2, Construction.
- Non-Residential structures can be constructed prior to construction of the primary residence as are Storage Buildings as defined in Article II, Section 2, Storage Buildings, as approved by ACC.
- Non-Residential structures must comply with Article II, Section 7 Location of Improvements Upon the Lot
- Non-Residential structures must be approved by ACC.



Amendment to By-Laws

- **Proposed Change to BSTOA By-Laws Concerning Officer Compensation**
- Current language: Article 6, Section 10. The Secretary, Treasurer and/or the Assistant Secretary and/or Treasurer may receive compensation for their services if approved by resolution of the Board of Directors.
- Amend to read: Article 6, Section 10. No officer of the Owners Association can receive compensation for their services. An officer may receive reimbursement for any expenses incurred during the official execution of their duties.



Voting

Voting and Announcement of Results

Amendment to the Covenants require approval of 75% of the lots (45). A proposed amendment will be defeated by a no vote by 16 lots.

Amendment to By-Laws require a majority of votes represented at the meeting



Adjournment

Motion to close the annual meeting