

DOUBLE R RANCH OWNERS' ASSOCIATION, INC.

REGULAR BOARD OF DIRECTOR'S MEETING

February 8, 2022

161 BROKEN SPUR CIRCLE

DIRECTORS PRESENT: John Cressey-Neely, Bill Dillard, John Schuetze, Ron Beadles and Greg Henrie
MEMBERS IN ATTENDANCE: Joe Ortega, Joan Hutchinson, Susie Crews, JoAnn Peterson, Nancy Butler, Dustin and Myrissa Dees, Michelle Barnet, Alex and Gloria Cessac with JoAnn Kickler attending via Zoom.

MEETING START: President, John Cressey-Neely called meeting to order at 7:05 p.m. then opened the floor for **Member Comment:** Appreciation was expressed to Joe Ortega and Joe Ortega Jr. for their dedicated efforts to fix recent water leaks which was discussed further in **Agenda Item: Maintenance Report.** **Member Comment:** asked for discussion on 3 recent fires, one of which got out of control. VFD was notified along with immediate response by Ranch Management and staff, Joe Ortega, Joe Ortega Jr., Ranch Manager's brother-in-law and DRROA President, John Cressey-Neely. It was then reported, by resident near the scene, all above responded in a timely manner to fire(s) in question. It was also reported by Ranch Manager that none of the 3 owners, at location of these burns, had active Burn Permit. **Member Comment:** Asked if these persons would incur fines. It was then advised that question regarding fines will be addressed under **Agenda Item: New Business: Unauthorized Burns:** **Member Comment:** Poised question regarding **General Rule #:** 8 pertaining to vehicles parked on property which were possibly in violation as; not registered, not inspected and not operational. A brief discussion was held at the time which will address in **Agenda Item: Old Business: Discussion of General Rule #8.** **Member Comment:** Asked for discussion regarding ACC Committee and T-Post fencing which Ranch Manager took note of location and will visit site. There was further discussion on fencing etc. as some locations having been "Grand-Fathered In". **Member Comment:** Had videos of incident, regarding use of water hose, by resident at location of fire, during Stage III restrictions. BOD President suggested member submit question to Water Board. There was brief discussion on timeliness of Sheriff's Office (SO) in lifting Burn Bans. It was then confirmed, by Ranch Manager, that SO had not been pre-advised regarding 3 burns in reference. A DRROA Permit copy was then reviewed by those in attendance whereas; resident agrees to adhere to prior notification to SO reporting at time of Burn Permit issue via their signature. Ranch Manager, stated he will be visiting with Fire Marshall on current wording of Burn Permit. Having no further comment John Cressey-Neely closed the floor.

ACTION BETWEEN MEETING: There were no actions between meetings.

MINUTE APPROVAL: President asked BOD if they had reviewed January 11, 2022 minutes and asked if there was Motion.

MOTION: Ron Beadles offered Motion to accept Minutes as written. Motion was seconded by John Schuetze. Motion passed unanimously.

TREASURERS REPORT: John Schuetze reported DRROA accountant, Ernie DeWinne had visited the office to set up "New Accounts" needed to streamline, and or correct, "Chart of Accounts" which had been noted during current task of creating Treasurers 2022-2023 Budget review for submission to BOD. Schuetze reported new "Customer Items" were needed to further refine financial reports. Treasurer also stated a "check off" of accounts will be implemented when signing checks. Treasurer reminded BOD purchases over \$500.00 go into Balance Sheet for calculating depreciation, etc. and purchases are not reflected in Profit & Loss reports. Schuetze went on to explain in consideration of creating the 2022-2023 potential budget items such as; Due Increase and use of Capital Expenditures for earmarking current items on 3-year plan including: Postal Units parking area re-construction, and resurfacing and striping DRROA parking lot will be discussed further in **Agenda Item: Executive Session** then will be presented for vote at regular BOD Meeting. BOD was open to suggestions from members in which street lights were mentioned. President clarified streetlights must be placed on County property and would need an approval from County for variance. President confirmed with Office Manager, Deborah Nickels that Ernie DeWinne had made a back-up of QuickBooks which had been previously approved by BOD at January 11, 2022 meeting for purpose of off-site storage. Treasurer reported notices from County Appraisal District were being addressed to a previous DRROA person who held position and those notices had been returned as non-deliverable. Current information, following January 11, 2022 BOD position election, has since been

signed, notarized and filed with County Clerk. Additional reference will be made during **Agenda Item: Office Manager Report**

MOTION: Motion was made by Ron Beadles to accept Treasurers Report and seconded by Greg Henrie. Motion passed unanimously.

INSURANCE & COLLECTIONS: John Cressey-Neely reported 14 accounts now owed \$14,218.22. This number did not include additional late fees, administration and current attorney fees which will be applied to February customer statements created on 10th of each month. Due to recent payment of accounts, this left an overall decrease of \$5,410.63 from last month's report thus leaving 1 account still in lien and litigation with DRROA attorney. He reported the in-lien account which had sold at Sheriff's Auction is still pending with attorney's and DRROA is only defendant. Due to lengthy delay in updating public information online, other resources were found by Treasurer to determine new property owner which has since been provided to DRROA attorney. Schuetze stated property was valued at \$23,000.00 and sold for \$24,000.00 and was purchased by a business entity in Castroville which attorneys will pursue accordingly. Ron Beadles commended Schuetze on discovery. President then presented information on 4 accounts owing last year's dues, interest and admin charges and asked if BOD would like to make a motion regarding liens for collections.

MOTION: John Schuetze made Motion to formalize 4 additional DRROA accounts to lien that owed last year's dues, admin and late fee charges for recording with County District Clerk after current 45-day demand letter expires on March 9, 2022. Ron Beadles seconded Motion. Motion passed unanimously.

BOD then reviewed two of 6 accounts with current DRROA liens on record with District Clerk totaling \$6992.78. The President asked if there was Motion.

MOTION: John Schuetze made Motion to send 2 accounts currently in DRROA lien recordings with County Clerk totaling \$4,304.09 to Attorney and was seconded by Greg Henrie. Motion failed.

MOTION: After additional discussion regarding upholding fairness to owners who paid accounts timely, Motion was made by John Schuetze to send all 6 accounts in lien at Courthouse which currently totaled \$6,992.78 to DRROA attorney for collection. Bill Dillard seconded. Motion passed unanimously.

Office Managers Report: Deborah Nickels reports all A/R accounts were paid to date with exception of newly entered legal fees totaling \$1,840.40. 4th Quarter Reports and Annual Unemployment was filed and paid. Monthly 941 Report had been submitted as well as 941 Quarterly Reports. Yearly 941 W2 and W3s had been created and submitted. All current Dues Requests and Resales are completed daily and submitted. All deposits are completed and entered into QuickBooks with exception of one cashier's check totaling \$375.00 which is held in safe keeping due to new owner getting ahead of Title Company's instructions. Title Company was contacted and advised Office Manager to hold until documents were requested. DRROA Training Officer, Karen Antill, was able to facilitate installation of Zoom equipment on new computer and has held two training sessions with her. It was reported Karen is making progress sorting and categorizing numerous and duplicated files/folders from External Drives Seagate and D: Book and C: drive to consolidate into One Drive. Deborah reported Karen is also segregating historical documents on computer by year beginning in 1998 which may be reviewed in accordance with DRROA Retention Policy. She is also segregating historical files to zip drives which may then be stored in safe keeping and/or on One Drive pending BOD instruction. Deborah reported Ernie DeWinne performed review of DRROA QuickBooks Chart of Accounts and adjusted, and or, added accounts accordingly. She reported, the DRROA Treasurer, Office Trainer and she had gathered to review Balance Sheets, Profit and Loss Reports and Budget to determine new accounts that may be needed as well as new customer items which may be affecting current reports. In addition, Karen performed checks and balances on Employee SEP/IRA entries made by previous Office Manager which may require additional entries to properly balance those accounts. Deborah reported DRROA Management Certificate had been notarized, submitted for recording with County and posted to website. She reported Secretary of State filings had not been done since 2015 and were required every four years. The filing, with amendments, has now been created, signed by BOD Secretary, Greg Henrie and are in route to the State.

Maintenance: Joe Ortega reported repairs on Mahindra tractor were complete, mowing was then done at Memorial Park and tractor was working well. Stating he has shopped around for used trucks and recently looked at one in San Antonio but wasn't up to par. Another one in Bandera was tested and had severe knocking. John Cressey-Neely joined him at shop during testing which revealed problems with camshaft bearing and metal shavings in oil. There were 3 grass fires caused in the Subdivision and none of the property owners in question had current Burn Permit from the office. Locations were on Park Rd, Heinen Rd and Oak Bend. The battery at River Park gate had been re-charged and road to creek had to be closed for a

day and night due to hazardous ice conditions. Water line to Bath House, which had been capped off due to leak by meter of main line, is now repaired, adding there have been several leaks lately. New bulbs were installed at Entrance Sign and will have to add new light fixture on Flag Pole lights. New Flags had been placed at new Mail Center and will be replacing all other Flags at poles. ACC constructions had been worked and pot holes patched at old Mail Center with more to attend on roads of Unit VII. John Cressey-Neely and Joe recapped a meeting, regarding Kings Ranch Rd, on January 12th with County Commissioner who was supposed to speak with County Commissioner on drainage problem and get back with them on a plan. But has had no update. President spoke of County's original plan which was to start re-laying King Ranch Rd this spring if County Commissioners approved and released funds. Since there had been no response, John Cressey-Neely and Joe Ortega agreed to visit Commissioner the morning of February 9th if he was available.

ACC Report: Joe Ortega reported Paul Barton will stay ACC Chairman for now.

Administrative Report: Discussion to be held in **Agenda Item: Update on Credit Card usage and program setup**

Nominating Committee Report: Discussion will be held in **Agenda Item: Update on CC&R Ballot: UNFINISHED OLD BUSINESS:**

Update on Credit Card Usage and program setup: Greg Henrie asked for discussion of BOD Members regarding the application seemingly calling for personal information such as SS and DL numbers along with financial guarantee of BOD. John Schuetze mentioned BOD Members who owned multiple lots could possibly bear more responsibility and then there were issues of the BOD changing and having to alter information. A BOD Member inquired of using DRROA Employer Identification number instead of SS # of BOD Members. Greg asked BOD to give concerns in writing and he will research further. There were no objections by the BOD. Greg finished by saying it will be a few weeks before he can meet with Treasurer Schuetze in gathering additional information.

Discussion of Dues: Treasurer stated increase in dues per lot based on CPI of 6.3 % or \$12 needs to be reviewed after budget planning. A BOD member offered comment that must also consider increased cost of operations, fuel etc. Other comments were reserves for catastrophic event and determining where current funds would be put to use within the DRROA 3-year plan which would be discussed further in **Agenda Item: EXECUTIVE SESSION** then brought to BOD vote during regular meeting.

Update on Violations: Joe Ortega reported all previous violations had been cured. 2 current possible Violations regarding RV's, which were sent "Rule Awareness Letters" are still being accessed with 2 more possible violations which appeared may be in use as living space or guest space. The Office Manager was directed to send "Rule Awareness Letters" to the later two. Discussion among BOD raised issues of having RV's connected to electric with assumption of being occupied. It was suggested a letter be sent giving 30-day window for RV owners in question to attest in writing that RV's are not being used as living or guest space. A BOD member questioned other RV's that were parked in front of home in driveways as opposed to the rule's references of beside the home or, if possible, in back of home.

MOTION: Was made by Ron Beadles to send "respond in 30-day" letters to one owner of an RV which appeared to be hooked to a generator and another which appeared to be hooked to septic system, requesting a reply attesting to not being used as living space, both of which had been sent the "Rule Awareness Letters". Bill Dillard seconded the Motion. Motion carried.

Update on Sending Additional Accounts in Lien to Attorney: Was covered in **Agenda Item: Insurance & Collection**

Update on road conditions: Was discussed in **Agenda Item: Maintenance Report**

Update on Violations: Covered in Maintenance Report by Joe Ortega.

Update on Road Conditions: Covered in **Agenda Item: Maintenance Report**

Update on Postal Units: John Schuetze reported still no response to communication with Postmaster or contractor in regards to use of units by non-residents. BOD held brief discussion and was recommended John Schuetze form a letter documenting circumstance and lack of response in verbal agreement with Postmaster to be sent to Postmaster Generals office and possibly DRROA attorney. The letter would be reviewed by the BOD prior to sending.

Update CC&R Ballot: Nominating Committee Member, JoAnn Kickler, joined BOD Meeting via Zoom and made comments of Committee's review of the Annual Election ballots cast stating it was surprising how many voters had not filled out forms correctly, including failure to follow directions and or to sign the back of their ballots. The Committee had expressed concern over content of written instructions and lack of understanding. However, she reported that invalid ballots did not change outcome of the election. A question

was poised regarding confusion of how many votes were cast based on how many lots were owned. John Cressey-Neely exemplified the BOD had two open seats up for election and if you owned 3 lots, one could either choose to cast 3 votes for one candidate or 3 votes per each candidate. President asked BOD members to take a copy of the Ballot used during recent election, which was worded by DRROA Attorneys, and the Ballot which had been revised in wording by DRROA Training Officer, Karen Antill, home to study and make recommendation at March 8th BOD Meeting

Update of Owner Late Fees: Was discussed in Agenda Item: **Insurance & Collection**

Discussion of General Rule #8: President brought to table verbiage in issue of General Rule #8 which addresses vehicles stored on owner's property as having been discussed in previous meetings. After general discussion, he reminded BOD, President can only bring an item to BOD's attention, then BOD decides. President suggested BOD Members present written example of General Rule #8, as they would have it to read to next meeting.

MOTION: Was made by Ron Beadles to table item until March 8th BOD Meeting. Bill Dillard seconded.

MOTION: Motion carried with one opposed.

NEW BUSINESS:

Discuss Unauthorized Burns: Having been also discussed in Member comment, Ranch Manager, Joe Ortega, stated 2 additional burns occurred early morning around Unit VI which neighbors reported and could have easily gotten out of control. At this time no Burn Ban was in effect and also noted there were no active Burn Permits on fires in these 2 locations nor was a call to S/O reported, which from The DRROA Fine Policy carries a minimum of \$250.00 fine.

MOTION: Ron Beadles made Motion to send copies of Fine Letters and billing for 1 owner in amount of \$500.00 and for 2 additional owners in question \$250.00. Bill Dillard seconded Motion. Motion passed unanimously.

Discuss Repair at Postal Area: President asked Ranch Manager thoughts on repair, Joe Ortega stated it needed outsourced for tear out and re-surface. John Cressey-Neely stated this would be discussed in content of DRROA 3-Year Plan along with 2022-2023 Budget Item considerations in Executive Meeting to then be later presented in Open Meeting for BOD vote.

Reminder of Next Meeting: Regular Board Meeting - Tuesday, March 8, 2022 at 7:00 p.m

Adjourn open meeting: Greg Henrie made Motion to adjourn Ron Beadles seconded. Motion passed unanimously.

MOTION: Executive Session: Began at 9:15 p.m. where discussions were held regarding Employee Review, 2022-2023 Budget Items and 3 Year Plan.

DRROA President - John Cressey-Neely

DRROA Treasurer - John Schuetze: