

Shannon Ridge Homeowners' Association

Board of Directors Meeting

Monday, Oct 7th

7:00 pm

via FreeConferenceCall.com

- Dial-in number: (605) 313-5704
- Access code: 1932972#
- Online meeting ID: shannonridgehoa

Minutes

(Draft: To be approved at next board meeting)

Call to Order: 7:16 pm

Roll Call of Board Members:

Present: Andi Kelly, president; Tom Segura, vice-president; John Turner, treasurer; Glen Mabe, subdivision rep #1 (by proxy); Leonard Ruiz, subdivision rep #2; Mande Henk, subdivision rep #5

Absent: Alena Berlanga, secretary; Ed Matheaus, subdivision rep #3; Rex Minard, subdivision rep #4; Terry LaBreck, subdivision rep #6

Establish Quorum: 6 in attendance, 4 absent, there being a majority a quorum was established.

Approve Agenda:

Suggested additional agenda items:

#6 – Update on HK Bella's Ranch development

Motion made by Tom Segura to approve adding item #6 to the agenda, seconded by John Turner, unanimously approved. The new agenda was adopted.

Approve Minutes:

Board – July 13, 2024: No changes were suggested. Motion by Mande Henk to approve board minutes, seconded by Leonard Ruiz, unanimously approved.

Announcements:

Membership meeting with elections – Saturday, October 26th

Wilson County Ag Extension Rooms 9 & 10

1103 4th Street (same complex as the library), Floresville

Reports

1. President's Report presented for information only and is posted on the website.
2. Treasurer's Report presented for information only and is posted on the website.
Beginning balance 1-1-24: \$53,141.87
Ending balance 10-7-24: \$47,116.67
Total of 99 members
Expenditures since 7-13-24:

\$245 for legal questions relating to amending the deed restrictions

Unfinished Business

1. None

New Business

1. Elections in October

- a. Vice President – Debi Segovia
- b. Treasurer (3 yr term) – John Turner
- c. Parliamentarian – Larry Sanders
- d. Subdivision Representative #2 – Mandee Henk
- e. Subdivision Representative #4 – Terry Labreck

The ballot to be presented to HOA members October 26th will have a place for write in candidates should someone step up at the meeting and nominate him/herself or someone else for a position. Should only one candidate be named for a position, that position will be filled by acclamation.

Absentee ballots will be available on the website for those members who will not be in attendance but would like to cast their vote. The ballot receptacle (same one used for the deed restriction amendment procedure) will be placed by the mailbox as before at 117 Shannon Ridge. There will be envelopes available for people to sign their name as in the procedure for the deed restrictions amendment procedure. Or people can mail in their absentee ballot to the PO box.

A limited proxy will also be available on the website for those who are not able to attend the meeting. The limited proxy will have approve/disapprove options for the February 24 minutes, and the 2025 proposed budget. The limited proxies will also count toward the membership quorum.

2. 2025 Budget to be approved at October Membership meeting

According to the Standing Rules voted by the membership last February, Section 1. 5 – Audit states: An audit of SRHOA records will be done by an independent CPA firm every three years to coincide with the election of the treasurer position.

The board discussed the timing of the audit. We still need to perform an audit from the 2023 year. Since the new term of the treasurer will begin January 1, 2025, it was decided an audit review by a CPA will be done in 2027 to coincide with the treasurer's term. An amount to cover the cost of a CPA will be added to the 2027 proposed budget.

3. Corporation Transparency Act

Andi Kelly attended a free zoom seminar hosted by attorney Tom Newton. The Corporate Transparency Act (“CTA”) is a law passed in 2021 as part of the omnibus National Defense Authorization Act. The purpose of the law is to make it harder for bad actors to hide or benefit from their ill-gotten gains through shell companies or other opaque ownership structures. It is meant to target money launderers, drug traffickers, terrorists, tax evaders and fraudulent activity. However, the net used to catch them is enormous.

The CTA is being implemented by a rule adopted by the United States Treasury Department's crime enforcement bureau, the Financial Crimes Enforcement Network (“FinCEN”). The CTA requires **Reporting Companies** and **Beneficial Owners** to submit a **Beneficial Ownership Information Report** to **FinCEN**. Compliance with the

requirements of the CTA is through both civil penalties and criminal prosecution. Efforts are underway to invalidate the CTA.

Community Associations Institute (“CAI”), a national property owners’ association industry organization, filed a lawsuit in federal district court in Virginia on September 10, 2024, asking for property owners’ associations to be exempt from the reporting requirements of the CTA, arguing that the CTA is unconstitutional and that the rules created to implement it were adopted in violation of the procedure for approval of federal administrative regulations. CAI has filed application for a Preliminary Injunction, and the Court has ordered the Secretary of the Treasury to file a response brief on or before October 2, 2024. A hearing has not yet been scheduled. It is possible that the CTA requirements might be stayed for property owners’ associations before the reporting deadline of January 1, 2025, for most associations.

“Beneficial Owners” are individuals who either (1) own or control at least twenty-five percent of a reporting company’s ownership interest, or (2) exercise substantial control over a Reporting Company. All members of the Board of Directors of a property owners’ association are considered to Beneficial Owners. Community Association Managers are exempt from the definition because they are agents, not decision-makers.

Beneficial Ownership Information must be submitted for each Beneficial Owners, consisting of:

1. Full legal name
2. Date of birth
3. Complete current residence street address
4. Identification number from passport, driver’s license or identification card
5. Image of the identification document

In the alternative, individuals may obtain a FinCEN identifier from FinCEN and then provide their identifier number to the Reporting Company to be used for them in place of their Beneficial Ownership Information.

“The Financial Crimes Enforcement Network (FinCEN) is a bureau of the U.S. Treasury Department. Its mission is to safeguard the financial system from illicit use, combat money laundering and its related crimes including terrorism, and promote national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.” - FinCEN *Beneficial Ownership Reporting Outreach and Education Toolkit*

Access to Beneficial Ownership Information is restricted to (1) law enforcement for authorized activities related to national security, intelligence and law enforcement, and (2) financial institutions (which will not have access until 2025). Importantly, no court permission is required for federal agency access. FinCEN reviews and makes the decisions on their requests.

Mr. Newton advised those on the zoom meeting not to take action yet as this issue may change and HOA’s may be exempt from filing reports. He will let us know by December 15th if we need to file these reports by the end of the year.

4. Halloween Event

Halloween is on Thursday (Oct 31st). Our budget provides \$100 for candy.

- Time: 6:30 pm – 8:30 pm

Trunk or Treat potential gathering areas:

- Lucky Ln & Shamrock Dr
- Blarney Rd & Tipperary Ln
- Leprechaun Ln & Killarney Rd
- Killarney Rd & O'Malley Ln
- Shannon Ridge Dr & Emerald Dr

In the past our community has had a hay ride going to several areas where the kids can trick or treat. We will ascertain if this is feasible and if anyone will volunteer to operate the hay ride. A notice will be forthcoming to our neighborhood regarding a Halloween event.

5. Purchase of ShannonRidge.org domain name

The original .org website domain name will expire December 31, 2024. The amount to purchase the domain is approximately \$11.48. Our current .info website domain name will expire December 17, 2025.

It was recommended that we purchase the .org domain for one year. When the .info is up for renewal as well as the .org in December of next year, we can renew both and possibly renew for a few years.

Motion by John Turner to purchase .org for one year, seconded by Tom Segura, unanimously approved.

6. Update on HK Bella's Ranch development

There was a zoom hearing on Tuesday, Oct 1st. TECQ gave testimony to SOAH (State Office of Administrative Hearing) regarding HK's wastewater permit.

Mr. Freasier informed the HK's lawyers have managed to put off any decision and delay the proceedings for an open-ended timeline. It appears their tactics are to delay, delay, delay and wear James down with legal expenses and at \$3,000 an hour for lawyers and court costs. So, at \$60,000 for the last two days and \$340,000 cost so far, he doesn't know how he can continue the fight. He says: Sorry but it looks like Freasier LLC is in a no-win situation and he's not optimistic about the outcome.

The board decided to pursue writing the TX legislature which will begin in 2025, and urge to make changes to TX State Code on building restrictions to lots to coincide with existing neighboring communities.

A template letter to send to our state legislative representatives will be sent to our property owners for them to forward to voice their concerns as well.

TEXAS STATE CODE:

[LOCAL GOVERNMENT CODE CHAPTER 232. COUNTY REGULATION OF SUBDIVISIONS \(texas.gov\)](#)

SUBCHAPTER E. INFRASTRUCTURE PLANNING PROVISIONS IN CERTAIN URBAN COUNTIES

Sec. 232.101. RULES. (a) By an order adopted and entered in the minutes of the commissioners court and after a notice is published in a newspaper of general circulation in the county, the commissioners court may adopt rules governing plats and subdivisions of

land within the unincorporated area of the county to promote the health, safety, morals, or general welfare of the county and the safe, orderly, and healthful development of the unincorporated area of the county.

(b) Unless otherwise authorized by state law, a commissioners court shall not regulate under this section:

(1) the use of any building or property for business, industrial, residential, or other purposes;

(2) the bulk, height, or number of buildings constructed on a particular tract of land;

(3) the size of a building that can be constructed on a particular tract of land, including without limitation and restriction on the ratio of building floor space to the land square footage;

(4) the number of residential units that can be built per acre of land;

(5) a plat or subdivision in an adjoining county; or

(6) road access to a plat or subdivision in an adjoining county.

(c) The authority granted under Subsection (a) is subject to the exemptions to plat requirements provided for in Section [232.0015](#).

Next board meeting: (TBD), Wilson County Ag Extension Rooms 9 & 10

1103 4th Street, Floresville

- Prior to January 1st to include new officers to preview board goals & objectives, and review officer position responsibilities.

Adjourn: Motion by Mandee Henk to adjourn the meeting, seconded by Leonard Ruiz. Meeting was adjourned at 7:40 pm.

Respectfully submitted,

Andi Kelly

(taking notes for Alena Berlanga, Secretary)