



Board of Directors Meeting

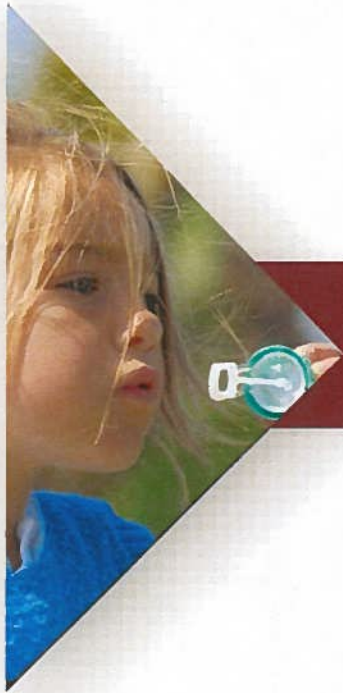
Windsong Ranch Community Association

Monday June 19 2023

3:00 p.m.

AGENDA

- I. Call to Order**
- II. Establishment of Quorum**
- III. Executive Session**
 - I. Assessment Collections
 - II. Legal Matters
 - III. Vendor Contract Maintenance/Review
- IV. Approval of Meeting Minutes**
 - I. January, 17, 2023
- V. New Business**
 - I. Promissory Note
 - II. Ratify Expense Authorization
 - III. Patrol Service Contract
 - IV. Flock Camera Installation
 - V. The Villas Building Maintenance
 - VI. The Villas Cleaning and Re-staining of Cedar Elements
 - VII. Audit Approval
 - VIII. Prosper Education Foundation Contribution
- VI. Adjournment**



Board Meeting Memo



Windsong Ranch Community Association

MEMO OF RECOMMENDATION

Closed Session – Assessment Collections

Riddle & Williams: Status Report

Review status report presented by Riddle & Williams



RIDDLE & WILLIAMS
P.C.
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:380929

Unit Address

Patricia Bostian
4061 Pepper Grass Lane
Prosper, TX 75078

Last Action:	Time Period Under Lien Letter Expired
Date Last Action Taken:	4/13/2022
Next Scheduled Action:	Waiting on Board Authorization to File Expedited Foreclosure Lawsuit

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:381662

Unit Address

Kayla Bowditch

3691 Pine Leaf Lane

Prosper, TX 75078

Bowditch, Kayla

3691 Pine Leaf Lane

Prosper , TX 75078

Last Action:

Title Search Completed

Date Last Action Taken:

7/24/2022

Next Scheduled Action:

Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:489913

Unit Address

Ashley Farris and Michael Farris
4211 Coopwood Drive
Prosper, TX 75078

Last Action:	Title Search Completed
Date Last Action Taken:	7/24/2022
Next Scheduled Action:	Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:381761

Unit Address

Johnston Flanders and Aimee Excell
981 Copper Canyon Drive
Prosper, TX 75078

Last Action:

Date Last Action Taken: 9/28/2021

Next Scheduled Action:

Status Notes:

04/11/2023

Account PLACED on HOLD until: 10/8/2023 for the
following reason: New 209 letter needs to be sent.



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:380807

Unit Address

Joel Robert Gordon and Laura Gordon
200 Albright Lane
Prosper, TX 75078

Gordon, Joel Robert
200 Albright Lane
Aubrey, TX 76227

Gordon, Laura
200 Albright Lane
Aubrey, TX 76227

Last Action: Title Search Completed
Date Last Action Taken: 7/24/2022
Next Scheduled Action: Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:457771

Unit Address

Laquinte Judge and Daren Donald Gaynair, as Co-Trustees and Laquinte Judge and Daren Donald Gaynair, as Co-Trustees, of the Young Trina Kota Family Trust dated January 13, 2019

**1010 Foxglove Lane
Prosper, TX 75078**

**Laquinte Judge and Daren Donald Gaynair, as Co-Trustees,
of the Young Trina Kota Family Trust dated January 13, 2019**

**1010 Foxglove Lane
Prosper, TX 75078**

Last Action:	Title Search Completed
Date Last Action Taken:	7/24/2022
Next Scheduled Action:	Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:381042

Unit Address

Carrie Meier and Roger Meier
3790 Woodbine Lane
Prosper, TX 75078

Last Action: Title Search Completed
Date Last Action Taken: 7/24/2022
Next Scheduled Action: Update the Account Information

Status Notes:

06/15/2023

We received a check in the mail in the amount of
\$1813.25. Reached out to management company in order
to determine what action we are to take with this payment.



RIDDLE & WILLIAMS
P.C.
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:380976

Unit Address

Noreen Osborne
4060 Brazoria Drive
Prosper, TX 75078

Last Action:	Title Search Completed
Date Last Action Taken:	7/24/2022
Next Scheduled Action:	Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:381570

Unit Address

Jessica Lauren Price
820 Bandera Court
Prosper, TX 75078

Last Action:	Title Search Completed
Date Last Action Taken:	7/24/2022
Next Scheduled Action:	Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:398574

Unit Address

Delisa Rose

3731 Marigold Lane

Prosper, TX 75078

Last Action:	Title Search Completed
Date Last Action Taken:	7/24/2022
Next Scheduled Action:	Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:380567

Unit Address

Gunvinder Kaur and Diltaj Singh
4150 Porosa Lane
Prosper, TX 75078

Kaur, Gunvinder
1071 Lake Carolyn Parkway
Apartment 1037
Irving, TX 75039

Singh, Diltaj
1071 Lake Carolyn Parkway
Apartment 1037
Irving, TX 75039

Last Action: Title Search Completed
Date Last Action Taken: 7/24/2022
Next Scheduled Action: Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



RIDDLE & WILLIAMS
ATTORNEYS AND COUNSELORS

Assessment Collection Status Report
Windsong Ranch Community Association, Inc.

Managed by Capital Consultants Management Corporation

June 16, 2023

Acct#:380855

Unit Address

John Phillip Sobrado
4151 Pepper Grass Lane
Prosper, TX 75078

Last Action:	Title Search Completed
Date Last Action Taken:	7/24/2022
Next Scheduled Action:	Update the Account Information

Status Notes:

No new notes have been entered on this account between
03/18/2023 and 06/16/2023



Board Meeting Memo



Windsong Ranch Community Association

MEMO OF RECOMMENDATION

Developer Promissory Note

1. Current Balance: \$3,144,193.18
2. Current Amount paid back to Developer: \$1,000,000
 - a. Previous payments made in January and March of 2023 in the amount of \$500K
3. Officially Recorded Promissory Note, Filed 1/10/2023

Recommendation: Update Exhibit "A" with current Balance and previous payments, and officially record updated promissory note with Denton County.

**Denton County
Juli Luke
County Clerk**

Instrument Number: 2751

ERecordings-RP

MISCELLANEOUS

Recorded On: January 10, 2023 12:41 PM

Number of Pages: 13

" Examined and Charged as Follows: "

Total Recording: \$74.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2751
Receipt Number: 20230110000338
Recorded Date/Time: January 10, 2023 12:41 PM
User: Jennifer K
Station: Station 38

Record and Return To:

Simplifile



**STATE OF TEXAS
COUNTY OF DENTON**

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

**WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS
IN LIEU OF MEETING OF THE BOARD OF DIRECTORS**

The undersigned, being the Directors of the **WINDSONG RANCH COMMUNITY ASSOCIATION, INC.**, a Texas non-profit corporation (the "Association"), do hereby consent, pursuant to Section 22.220 of the Texas Business Organizations Code and in lieu of the holding of a meeting of the Board of Directors, to the adoption of the following resolution:

**ADOPTION, RATIFICATION AND AFFIRMATION OF
HOMEOWNER'S ASSOCIATION PROMISSORY NOTE**

WHEREAS, the Association is the homeowners association established under the Windsong Ranch Master Covenant, recorded as Document No. 201420239 in the Official Public Records of Denton County, Texas, as may be amended from time to time (the "Covenant");

WHEREAS, VP WINDSONG OPERATIONS, LLC, a Delaware limited liability company, is the current "Declarant" under the Covenant pursuant to that certain Assignment of Declarant Rights Under the Governance Documents, recorded as Document No. 2018-89732 in the Official Public Records of Denton County, Texas;

WHEREAS, pursuant to *Section 5.01(c)* of the Covenant, the Declarant may reduce Assessments for any fiscal year by the payment of a subsidy to the Association, and any such subsidy paid to the Association by Declarant may be treated as a contribution or a loan;

WHEREAS, David R. Blom, as President of the Association, executed that certain Promissory Note dated March 31, 2022, in favor of Declarant in the principal sum of FOUR MILLION ONE HUNDRED FORTY-FOUR THOUSAND SIX HUNDRED FIFTY-TWO AND 15/100 DOLLARS (\$4,144,652.15), together with interest thereon, a copy of which is attached hereto as Exhibit A (the "Note");

WHEREAS, the Board of Directors of the Association has reviewed the Note and decided that it is in the Association's best interests to obtain the loan from the Declarant, to be used for funding of the expenses of the Association; and

WHEREAS, the Board of Directors of the Association has further determined that a commercial loan at the same or similar terms (including without limitation zero percent (0%) interest) is unavailable;

NOW THEREFORE, IT IS RESOLVED, that the Board of Directors has determined that the entering into of the Note will directly or indirectly benefit the Association;

RESOLVED FURTHER, that the form of said Note is hereby approved;

RESOLVED FURTHER, that the Note submitted to the undersigned Directors with this consent, and all of the terms, conditions, representations, provisions and covenants contained therein, are hereby adopted, ratified and affirmed by the Board of Directors of the Association;

RESOLVED FURTHER, that David R. Blom, as President of the Association, is hereby authorized and directed, for and on behalf of the Association, to execute, acknowledge where necessary, and deliver the Note and any and all other documents, agreements, and such other instruments as may be necessary to consummate the transactions hereby authorized;

RESOLVED FURTHER, that all past decisions, conduct and actions, whether or not reflected in the minute book of the Association, of the Board of Directors, and of each and every officer of the Association from and after the date of the last annual meeting, up to and including the present date, are hereby ratified, confirmed and approved; and

RESOLVED FURTHER, that David Blom, D. Craig Martin, and Tina Sauseda, as all of the members of the Board of Directors of the Association, are hereby authorized and directed that this consent be filed in the Official Public Records of Denton County, Texas.

[SIGNATURE PAGE FOLLOWS]

9th IN WITNESS WHEREOF, the undersigned have executed this consent effective as of the
day of January, 2023.

ASSOCIATION:

**WINDSONG RANCH COMMUNITY
ASSOCIATION, INC.,**
a Texas nonprofit corporation

David Blom

David Blom, Director

D. Craig Martin

D. Craig Martin, Director

Tina Sauseda

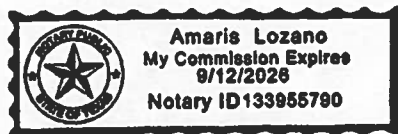
Tina Sauseda, Director

THE STATE OF Texas §

COUNTY OF Collin §

This instrument was acknowledged before me on this 9th day of
January, 2023, by David Blom, Director of WINDSONG RANCH COMMUNITY
ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said nonprofit corporation.

[SEAL]



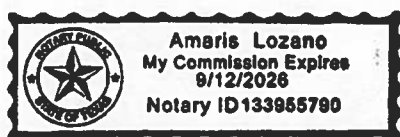
[Signature]
Notary Public

THE STATE OF Texas §

COUNTY OF Collin §

This instrument was acknowledged before me on this 9th day of
January, 2023, by D. Craig Martin, Director of WINDSONG RANCH
COMMUNITY ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said nonprofit
corporation.

[SEAL]

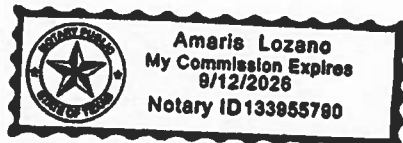


[Signature]
Notary Public

THE STATE OF Texas §
COUNTY OF Collin §

This instrument was acknowledged before me on this 9th day of January, 20 23, by Tina Sauseda, Director of WINDSONG RANCH COMMUNITY ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said nonprofit corporation.

[SEAL]



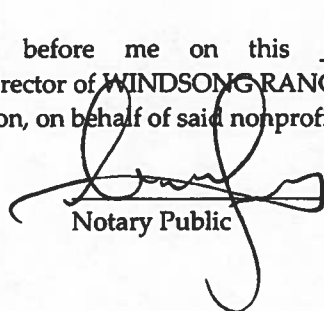

Notary Public

EXHIBIT "A"

THE NOTE

[SEE ATTACHED]

PROMISSORY NOTE

\$4,144,652.15

March 31, 2022

FOR VALUE RECEIVED, WINDSONG RANCH COMMUNITY ASSOCIATION, INC., a Texas nonprofit corporation ("Borrower"), having an address at 130 N. Preston Road, Suite 130, Prosper, Texas 75078, Attention: David Blom, hereby promises to pay to the order of VP WINDSONG OPERATIONS, LLC, a Delaware limited liability company (the "Lender"), having an address at 130 N. Preston Road, Suite 130, Prosper, Texas 75078, Attention: David Blom, the principal sum of Four Million One Hundred Forty-Four Thousand Six Hundred Fifty-Two AND 15/100 DOLLARS (\$4,144,652.15) together with interest at the Note Rate (as hereinafter defined), and otherwise in strict accordance with the terms and provisions hereof. The Debt (defined below) is for the repayment of subsidies paid by the Lender, as "Declarant", to Borrower, as the "Association", under *Section 5.01(c)* of that certain Windsong Ranch Master Covenant, recorded as Document No. 201420239, in the Official Public Records of Denton County, Texas, as the same may be amended from time to time, as more particularly described on Exhibit "A" attached hereto and incorporated herein by reference.

ARTICLE I DEFINITIONS

Section 1.1 Definitions. As used in this Note, the following terms shall have the following meanings:

Business Day: A weekday, Monday through Friday, except a legal holiday or a day on which banking institutions in Denton County, Texas are authorized or required by law to be closed. Unless otherwise provided, the term "days" when used herein shall mean calendar days.

Debt: The indebtedness evidenced by this Note, the sum of which is described on Exhibit "A" attached hereto and incorporated herein by reference. The exact amount of the Debt may be updated from time to time by an amendment to this Note executed by Borrower and Lender.

Effective Date: The Effective Date is November 12, 2020.

Maturity Date: The date that is five (5) year(s) after the Effective Date, subject to the right of acceleration as herein provided.

Maximum Lawful Rate: The maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved by Lender in accordance with the applicable laws of the State of Texas (or applicable United States federal law to the extent that it permits Lender to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law), taking into account all charges made in connection with the transaction evidenced by this Note.

Note: This Promissory Note.

Note Rate: The rate equal to the lesser of (i) the Maximum Lawful Rate or (ii) zero percent (0.0%) per annum.

Related Indebtedness: Any and all debt paid or payable by Borrower to Lender pursuant to any other promissory note or instrument executed by Borrower in favor of Lender, except such Debt which has been paid or is payable by Borrower to Lender under the Note.

ARTICLE II PAYMENT TERMS

Section 2.1 **Payment of Interest.** Unpaid interest on the outstanding principal balance of this Note shall begin to accrue on the Effective Date of this Note and shall be due and payable in pro-rata monthly installments commencing on the Effective Date, and continuing on the first day of each successive month thereafter through and including the Maturity Date. The outstanding principal balance of this Note and any and all accrued but unpaid interest hereon shall be due and payable in full on the Maturity Date or upon the earlier maturity hereof, whether by acceleration or otherwise.

Section 2.2 **Unconditional Payment.** Borrower is and shall be obligated to pay all principal, interest and any and all other amounts which become payable under this Note absolutely and unconditionally and without any abatement, postponement, diminution or deduction whatsoever and without any reduction for counterclaim or setoff whatsoever.

Section 2.3 **Payments.** All payments hereunder shall be made to Lender at the address as specified herein or as Lender may from time to time designate in writing to Borrower. All amounts payable hereunder are payable in lawful money or legal tender of the United States of America. If any payment of principal or interest on this Note shall become due and payable on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

Section 2.4 **Application.** Except as hereinafter provided, all payments on this Note shall be applied in the following order: (i) the payment or reimbursement of any expenses, costs or obligations (other than principal and interest) for which Borrower shall be obligated or Lender entitled under this Note; (ii) the payment of accrued but unpaid interest hereon, and (iii) the payment of all or any portion of the principal balance then outstanding hereunder.

Section 2.5 **Computation Period.** Interest on the indebtedness evidenced by this Note shall be computed on the basis of a 360 day year of 12, 30-day months and shall accrue on the actual number of days any principal balance hereof is outstanding.

Section 2.6 **Prepayment.** Borrower shall have the right to prepay, without premium or penalty, the entire unpaid principal balance of this Note or any portion thereof, but must also pay the amount of then accrued but unpaid interest on the amount of principal being so prepaid.

Section 2.7 Event of Default. An event of default shall occur hereunder if Borrower shall fail, refuse or neglect to pay, in full, any installment or portion of the indebtedness evidenced hereby, within ten days after the same shall become due and payable, whether at the due date thereof as stipulated herein, upon acceleration or otherwise.

Section 2.8 Remedies. If a default shall occur under this Note, then Lender may, at its option, declare the unpaid principal balance of, and the accrued but unpaid interest on, this Note immediately due and payable, foreclose all liens and security interests securing payment hereof, pursue any and all other rights, remedies and recourses available to Lender hereunder and/or at law or in equity or pursue any combination of the foregoing. Borrower agrees to pay all costs of collection under this Note when incurred, including reasonable attorneys' fees, whether or not any legal action shall be instituted to enforce this Note. Notwithstanding any other provision of this Note, before exercising any of Lender's remedies under this Note or at law, Lender will first give Borrower written notice of default and Borrower will have ten (10) days after notice is given in which to cure the default.

Section 2.9 No Waiver. No failure to accelerate the Debt by reason of an event of default under this Note or, acceptance of a partial or past due payment shall be construed (i) as a novation of this Note or as a reinstatement of the Debt or as a waiver of such right of acceleration or of the right of Lender thereafter to insist upon strict compliance with the terms of this Note, or (ii) to prevent the exercise of such right of acceleration or any other right granted under this Note or by any applicable laws. Failure on the Lender's part to exercise its rights in the event of any one default shall not constitute a waiver of such rights in the event of any subsequent default.

Section 2.10 Waivers. Borrower waives presentment and demand for payment, notice of intent to accelerate maturity, notice of acceleration of maturity, protest and notice of protest and non-payment, bringing of suit and diligence in taking any action to collect any sums owing hereunder or in proceeding against any of the rights and collateral securing payment hereof.

Section 2.11 Interest Provisions.

(a) **Savings Clause.** It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable on this Note or the Related Indebtedness (or applicable United States federal law to the extent that it permits Lender to contract for, charge, take, reserve or receive a greater amount of interest than under Texas law). If the applicable law is ever judicially interpreted so as to render usurious any amount (i) contracted for, charged, taken, reserved or received pursuant to this Note, (ii) contracted for, charged or received by reason of Lender's exercise of the option to accelerate the maturity of this Note and/or the Related Indebtedness, or (iii) Borrower will have paid or Lender will have received by reason of any voluntary prepayment by Borrower of this Note and/or the Related Indebtedness, then it is Borrower's and Lender's express intent that all amounts charged in excess of the Maximum Lawful Rate shall be automatically cancelled, *ab initio*, and all amounts in excess of the Maximum Lawful Rate

therefore collected by Lender shall be credited on the principal balance of this Note and/or the Related Indebtedness (or, if this Note and all Related Indebtedness have been or would thereby be paid in full, refunded to Borrower), and the provisions of this Note immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; provided, however, if this Note has been paid in full before the end of the stated term of this Note, then Borrower and Lender agree that Lender shall, with reasonable promptness after Lender discovers or is advised by Borrower that interest was received in an amount in excess of the Maximum Lawful Rate, either refund such excess interest to Borrower and/or credit such excess interest against this Note and/or any Related Indebtedness then owing by Borrower to Lender. Borrower hereby agrees that as a condition precedent to any claim seeking usury penalties against Lender, Borrower will provide written notice to Lender, advising Lender in reasonable detail of the nature and amount of the violation, and Lender shall have sixty (60) days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to Borrower or crediting such excess interest against this Note and/or the Related Indebtedness then owing by Borrower to Lender. All sums contracted for, charged or received by Lender for the use, forbearance or detention of any debt evidenced by this Note and/or the Related Indebtedness shall, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of this Note and/or the Related Indebtedness (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of this Note and/or the Related Indebtedness does not exceed the Maximum Lawful Rate from time to time in effect and applicable to this Note and/or the Related Indebtedness for so long as debt is outstanding. In no event shall the provisions of Chapter 346 of the Texas Finance Code (which regulates certain revolving credit loan accounts and revolving triparty accounts) apply to this Note and/or the Related Indebtedness. Notwithstanding anything to the contrary contained herein, it is not the intention of Lender to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

(b) Ceiling Election. To the extent that Lender is relying on Chapter 303 of the Texas Finance Code to determine the Maximum Lawful Rate payable on this Note and/or the Related Indebtedness, Lender will utilize the weekly ceiling from time to time in effect as provided in such Chapter 303, as amended. To the extent United States federal law permits Lender to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law, Lender will rely on United States federal law instead of such Chapter 303 for the purpose of determining the Maximum Lawful Rate. Additionally, to the extent permitted by applicable law now or hereafter in effect, Lender may, at its option and from time to time, utilize any other method of establishing the Maximum Lawful Rate under such Chapter 303 or under other applicable law by giving notice, if required, to Borrower as provided by applicable law now or hereafter in effect.

Section 2.12 Governing Law; Submission to Jurisdiction. THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. THIS NOTE IS PERFORMABLE IN DENTON COUNTY, TEXAS. Any action or proceeding under or in connection with this Note against Borrower or any other party ever liable for payment of any sums of money payable on this Note may be brought in any state or federal court in Denton County, Texas. Borrower and each such other party hereby irrevocably (i) submits to the nonexclusive jurisdiction of such courts, and (ii) waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such court or that such court is an inconvenient forum.

Section 2.13 Successors and Assigns. The terms and provisions hereof shall be binding upon and inure to the benefit of Borrower and Lender and their respective heirs, personal representatives, successors and assigns.

Section 2.14 Joint and Several Liability. If Borrower consists of more than one person, each shall be jointly and severally liable to perform the obligations of Borrower under this Note.

Section 2.15 Time is of the Essence. Time is of the essence with respect to all provisions of this Note, subject to Borrower's right to cure in Section 2.8 above.

Section 2.16 Severability. If any provision of this Note shall for any reason be invalid or unenforceable, then neither the remainder of this Note nor the other instruments referred to herein shall be affected thereby, but rather shall be enforced to the greatest extent permitted by applicable law.


Section 2.17 Conflict. If the event of a conflict between the terms of this Note and the terms of the Declaration, it is the intent of Borrower and Lender that the terms of this Note shall control.

Section 2.18 NO ORAL AGREEMENTS. THIS NOTE EMBODIES THE FINAL, ENTIRE AGREEMENT OF BORROWER AND LENDER AND SUPERSEDES ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF BORROWER AND LENDER. THERE ARE NO ORAL AGREEMENTS BETWEEN BORROWER AND LENDER. The provisions of this Note may be amended or revised only by an instrument in writing signed by the Borrower and Lender.

EXECUTED to be effective as of the date first written above.

BORROWER:

WINDSONG RANCH COMMUNITY ASSOCIATION,
INC., a Texas nonprofit corporation

By: 
Printed Name: DAVID R. BLOM
Title: PRESIDENT

LENDER:

VP WINDSONG OPERATIONS LLC,
a Delaware limited liability company

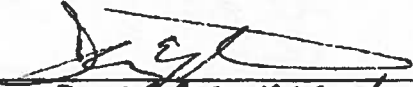
By: 
Name: D. CRAIG MARTIN
Title: PRESIDENT

Exhibit "A"

Debt

**DEFICIENCY FUNDING SCHEDULE - WRCA/DECLARANT
as at March 31, 2022**

DATE	DEFICIENCY FUNDING	DEFICIENCY CREDIT	BALANCE
1/31/2019	\$ 299,670.00	\$ -	\$ 299,670.00
8/30/2019	\$ 200,000.00	\$ -	\$ 499,670.00
10/23/2019	\$ 200,000.00	\$ -	\$ 699,670.00
11/13/2019	\$ 400,000.00	\$ -	\$ 1,099,670.00
12/13/2019	\$ 13,374.11	\$ -	\$ 1,113,044.11
12/13/2019	\$ 19,886.68	\$ -	\$ 1,132,930.79
3/25/2020	\$ 128,800.00	\$ -	\$ 1,261,730.79
7/15/2020	\$ 286,580.00	\$ -	\$ 1,548,310.79
8/31/2020	\$ 352,030.00	\$ -	\$ 1,900,340.79
11/6/2020	\$ 262,400.00	\$ -	\$ 2,162,740.79
12/8/2020	\$ 510,810.00	\$ -	\$ 2,673,550.79
2/9/2021	\$ 150,970.00	\$ -	\$ 2,824,520.79
5/11/2021	\$ 349,520.00	\$ -	\$ 3,174,040.79
11/15/2021	\$ 250,000.00	\$ -	\$ 3,424,040.79
3/31/2022	\$ 720,611.36	\$ -	\$ 4,144,652.15



Board Meeting Memo



Windsong Ranch Community Association

MEMO OF RECOMMENDATION

Ratify Expense Approval: Various

Below is an itemized list of approvals made outside of a meeting, to be ratified, and approval documented in the minutes.

Expense	Contractor	Expense Amount	Expense Account
Re-key of Commons building	A-1 Locksmith	\$4,470.73	Misc. repairs -699
10 barbeque grill timers and pressure testing	Albright Services	\$12,297.12	Misc. repairs -699
Parking Lot Striping/Stenciling at The Commons and The Lagoon	Albright Services	\$6,891.45	Misc. repairs -699
Sport Court Gate Repairs	Automation Integration	\$4,452.38	Misc. repairs -699
Financial Statements Audit 2022	Butler Hansen- CPA	\$11,150	Audit & Tax- 553
Painted/damaged/corroded sprinkler heads for the fire safety system in the pool pump building	Cintas	\$5,148.73	Misc. repairs -699
Surveillance Upgrade	Crown Audio Video	\$12,957.21	Misc. repairs -699
Conference Room Chair replacements	IISpaces	\$8,664.64	Reserves
Work Order Software Annual Premium Subscription	MaintainX	\$3,664.42	Dues/Subscriptions-564
Paver repairs/replacement at Windsong Ranch Lagoon	Pavepro	\$8,365.00	Reserves
Cabana structures sandblast and powder coating	Powder Works	\$15,988.50	Pool Repairs-72001
Turf Installation on Pineleaf- Townhomes	Synthetic Grass Pros	\$20,190.10	Additional Landscaping (Villas)-61913
Turf Installation at The	Synthetic Grass Pros	\$3,900.00	Additional Landscaping-61913

Lagoon			
Schematic Design- Grenadier Planting Plans	TBG	\$15,000	Misc. Admin- 579
Schematic Design- Butterfly Garden	TBG	\$7,500	Additional Landscaping- 61913
Schematic Design- Food Truck Plaza	TBG	\$5,000	Capital Expense- 881
Custom painted chair at 3D park	Woodlake	\$5,901.54	Misc. repairs -699
Wax Myrtle Replacement from Woodbine to Peppergrass on Windsong	WSR Grounds	\$2,561.76	Additional Landscaping- 61913
Replacing a large bed of dead Mexican feather grass with Love grass	WSR Grounds	\$13,292.45	Additional Landscaping- 61913
Lagoon Entrance East/West and along front side plant replacement	WSR Grounds	\$3,788.37	Additional Landscaping- 61913
Mill branch and Windsong Entrance plant replacement	WSR Grounds	\$6,992.25	Additional Landscaping- 61913
Peppergrass/Windsong plant replacement	WSR Grounds	\$6,346.02	Additional Landscaping- 61913
Color Change at The Lagoon, The Commons, Roundabout and Porosa Park for Spring and Summer	WSR Grounds	\$21,849.53	Additional Landscaping- 61913
Mountain Laurel/First street plant replacement	WSR Grounds	\$2,548.37	Additional Landscaping- 61913
Copper Canyon/First Street Plant replacement	WSR Grounds	\$3,135.94	Additional Landscaping- 61913
Villas Tree Replacement	WSR Grounds	\$10,076.33	Additional Landscaping (Villas)- 61913
Jamison Park plant replacement	WSR Grounds	\$5,299.32	Additional Landscaping- 61913
Windsong/ Coopwood Tree replacements	WSR Grounds	\$26,084.09	Additional Landscaping- 61913
Celebration Sod at the Commons	WSR Grounds	\$6,415.63	Additional Landscaping-61913
Crosswater pond grade and re-sod bare areas	WSR Grounds	\$23,731.79	Additional Landscaping- 61913
Plant replacement around the Commons lower deck pool	WSR Grounds	\$10,734.90	Additional Landscaping- 61913
Replaced failed plant material at Windsong and Crosswater	WSR Grounds	\$12,534.86	Additional Landscaping-61913
Replacing Wax Myrtles	WSR Grounds	\$6,089.06	Additional Landscaping-61913
Plant replacement at Triangle Park	WSR Grounds	\$5,381.92	Additional Landscaping-61913
Tree Replacement along Windsong/Teel and 4B pond	WSR Grounds	\$14,999.27	Additional Landscaping-61913

Adding DG to Crosswater park	WSR Grounds	\$5,141.88	Additional Landscaping-61913
Plant replacement at Acacia/Windsong	WSR Grounds	\$11,009.19	Additional Landscaping-61913
Mulch Replacement throughout Common Areas	WSR Grounds	\$92,174.88	Additional Landscaping-61913
Mulch replacement in The Villas and Townhomes	WSR Grounds	\$32,718.56	Additional Landscaping (Villas)-61913

Recommendation:

That the expense approval to be identified individually in the minutes, is hereby ratified.



Board Meeting Memo



Windsong Ranch Community Association

MEMO OF RECOMMENDATION

Patrol Service Contract

1. Request for Proposal for Unarmed, Non-arresting authority Security Services
2. Proposals from 3 separate Security Companies
 - a. International Guard Services (IGS)
 - b. Allied Universal Security Services
 - c. St. Moritz Security Services, Inc.
3. Bid Matrix and Pricing Comparison

Recommendation: After reviewing each proposal and the services provided, Management recommends that Windsong Ranch Community Association proceed securing a security solutions contract with International Guard Services (IGS). I have worked with IGS at a previous community that I managed and sat with them during their interview process and candidate selection. I was included in some of their on-site training practices and worked with the dedicated guards for each amenity location. Their staff understands the importance of taking direction from management as well as expectations with regards to service to the community and reporting guidelines to management.

- ☐ IGS is the most cost-effective provider while still offering the same level of technological services with "Live" checkpoints for their guards and daily/weekly/monthly reporting to management.
- ☐ Additionally, IGS is currently serving another CCMC managed master-planned community in the DFW metroplex.
- ☐ The level of training that they provide to their staff appears to be a high level that focuses not only on diffusing escalated situations, securing sites and thwarting potential illegal and unwanted incidents, but also very customer services oriented.
- ☐ Total annual contract cost with marked vehicle patrol **\$108,972.18**

**Windsong Ranch Community Association
1001 Windsong Parkway South
Prosper, Texas 75078**

**REQUEST FOR PROPOSAL
FOR
SECURITY PATROL CONTRACT**

May 2023

PROPOSAL OF BIDDERS

The following Request for Proposal (RFP) is made for Windsong Ranch Community Association (herein referred to as WRCA). The term bid and RFP are used interchangeably in this document.

The undersigned declares that the amount and nature of the materials/services to be furnished is understood and that the nature of this bid is in strict accordance with the conditions set forth and is a part of this bid, and that there will at no time be a misunderstanding as to the intent of the specifications or conditions to be overcome or pleaded after the bids are opened.

The undersigned, in submitting this bid, represents that they are an equal opportunity employer, and will not discriminate with regard to race, religion, color, national origin, age or sex in the performance of this contract.

The undersigned hereby proposes to furnish the items at the prices quoted herein after notice of bid award.

The undersigned affirms that they are duly authorized to execute this contract that this company, corporation, firm, partnership or individual and has not prepared this bid in collusion with any other bidder, and that the contents of this bid as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this type of business prior to the official opening of this bid.

Respectfully Submitted,

Federal Tax D Number: _____

SIGNATURE

DATE

PRINTED NAME

TITLE

COMPANY NAME

CONTACT PERSON (Must have knowledge of Bid)

BILLING ADDRESS

STREET

CITY

STATE

ZIP

MAILING ADDRESS

STREET

CITY

STATE

ZIP

PHONE NUMBER (metro/toll free)

FAX NUMBER

E-MAIL ADDRESS

LOCATIONS OF SERVICE

THE COMMONS
(1001 Windsong Parkway) Site 1
THE LAGOON
(4000 Peppergrass Lane) Site 2
Jamison Park
(4793 Summerville Lane) Site 3
Prosper, Texas 78254

NOTICE TO BIDDERS

Bids will be received by WRCA to the attention of Bob Harvey, Community Manager, and will be accepted via email to bharvey@ccmcnet.com until 5:00PM on Friday June 2, 2023.

REQUEST FOR PROPOSAL FOR SECURITY PATROL SERVICES

Information on the bid specifications and process/procedures may be obtained from bharvey@ccmcnet.com, Operations Coordinator, 972-347-9270.

Until the final bid is awarded, WRCA reserves the right to reject any and/or all bids, to waive technicalities, to re-advertise, to proceed otherwise when the best interests of the Association.

GENERAL CONDITIONS

ASSIGNMENT OF BID/CONTRACT

The successful bidder may not assign their rights and duties under and award without the written consent of the Owner. Such consent shall not relieve the assignor of liability in event of default by their assignee.

BID CONSIDERATION / TABULATION

After bids are received, the bids will be tabulated for comparison based on the bid prices or by the best value method shown in the Proposal. The following items will be considered when an award is based on best value:

- The purchase price;
- The reputation of the bidder and of the bidder's goods or services;
- The quality of the bidders' goods or services;
- The extent to which the goods or services meet the Owner's needs;
- The bidder's past relationship with the Owner;
- The total long-term cost to the Owner to acquire the bidder's goods or services; and
- Any relevant criteria specifically listed in the request for bids or proposals.

BID SUBMISSION

- Submit bids via email to bharvey@ccmcnet.com

COMPLETING INFORMATION

Bidder must fill in all information asked for in the blanks provided under each item. Failure to comply may result in rejection of the Bid at the Owner's option.

CONTRACT CLAUSE All bidders understand and agree that the vendors bid response will become a legally binding contract upon acceptance in writing by the Owner. This contract may be superseded only if replaced with a more extensive contract that is agreed to by both parties.

INDEMNIFICATION

CCMC (Managing Agent), WRCA, AND THE DECLARANT, AND IT'S DIRECTORS, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, FROM ANY LIABILITY RELATING TO THE PERFORMANCE OF THE PROJECT WITHIN THE SCOPE OF THE TERMS WITHIN THIS RFP AND AGREES TO INDEMNIFY THOSE LISTED, HARMLESS, FROM AND AGAINST ANY AND ALL CLAIMS, SUITS, DEMANDS, LOSSES, CAUSES OF ACTION, AND DAMAGES IN ANY WAY RELATING TO THE SCOPE OF WORK WITHIN THE PROJECT.

PAYMENT TERMS & CONDITIONS

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. The Owner's processing procedures ordinarily require thirty (30) days after receipt of invoice, materials or service.

SALES TAX

Sales tax shall be included with your bid.

SPECIAL CONDITIONS

1. The Owner reserves the right to cancel this agreement upon thirty (30) days written notice without cause.
- 2 Insurance Certificate must be submitted and issued with the Owner listed as the certificate holder and additional insured under all liability policies within 10 days of notice of award. See detailed insurance requirement further below.

BID SPECIFICATIONS_POST ORDERS

THE COMMONS

Patrol all grounds in and around the Welcome Center (during business hours) and Pool Area.
Check the Basketball court hourly for ID cards.
Check the tennis courts hourly for ID cards.
Check fitness center for ID cards hourly.
Insure that all facilities rules followed per the written policy.

THE LAGOON

Check in with Pool Monitors during operating hours (when staffed) at a minimum once every two hours.
Patrol grounds by vehicle at a minimum once every two hours
Insure that all facilities rules followed per the written policy.

Jamison Park

Patrol park grounds and make a full inspection of all areas once per hour.
Insure that all facilities rules followed per the written policy.

Annual Calendar/Schedule

May 15 – August 15 11am-11pm 7 days per week 12hr per day 84 weekly hours
August 16 - October 15 3pm-11pm 7 days per week 8hr per day 56 weekly hours
October 16 –April 15 6pm-11pm 7 days per week 5hr per day 35 weekly hours
April 16-May 14 3pm-11pm 7days per week 8hr per day- 56 weekly hours

CELL PHONE USE

Shall be limited to business use.

SECURITY OFFICER CUSTOMER SERVICE

Security Patrol Officers shall at all times possess a professional demeanor with emphasis placed on Customer Service. While a Customer Service demeanor is always emphasized, this demeanor is critical during daytime and early evening hours when interaction with residents of Windsong Ranch is likely. Furthermore, the ability for Patrol Officer's to develop friendly professional relationships with residents of Windsong Ranch is essential to their success.

SECURITY PATROL UNIFORMS

Uniforms are required to be clean, neat, and wrinkle free.

CHECK POINTS

Contractor shall supply WRCA with electronic check points for the On Duty Patrol Officer to scan into at agreed upon times. Check Point Reports shall be made available to WRCA on a daily basis or as otherwise agreed upon. In the event contractor identifies check points not being scanned by the Patrol Officer at agreed upon times, in addition to the Check Point Report, Contractor shall notify Owner within 24 hours.

ATTENDANCE – PUNCTUALITY

If an Officer will be either absent or late, or a no show. Contractor will provide a replacement within 2 Hours.

REPORTING

In addition to the Check Point Report above, Contractor's reporting shall consist of a Daily Report to be emailed to Owner each day no later than 10:00 a.m., as well as an Incident Report to be emailed to the Owner at the end of an incident, prior to resuming regular routine post orders.

Reports shall be legible and contain all pertinent facts related to the incident such as time, date, names of witnesses, names and addresses of involved parties, and a description of the incident, etc.

Reports shall be made via telephone to the Owner in cases when fire, ambulance or law enforcement is notified. Make these reports as soon as possible after the incident is controlled.

CONFIDENTIALITY

All communications, to include but not limited to, Post orders, email communications, phone calls, and personal discussions between Owner and the Contractor and the Contractor's representatives, shall at all times remain strictly confidential. While Confidentiality is always emphasized, Confidentiality is critical as it relates to the Patrol Officer's interaction with residents of WRCA.

GENERAL SERVICES CONDITIONS**ASSIGNMENT AND SUBCONTRACTING**

The Contractor shall not assign or subcontract the work or any part thereof.

ORAL STATEMENTS

It is understood and agreed that the written terms and provisions of this agreement shall supersede all oral statements of representatives of the Owner, and oral statements shall not be effective or be construed as being a part of the contract.

REFERENCE STANDARDS AND LAWS AND REGULATIONS

Reference to the standards of any technical society, organization, or association, or to codes of local or state authorities, shall mean the latest standard, code, specification, or tentative standard adopted and published at the date of taking bids, unless specifically stated otherwise.

The Contractor shall keep itself fully informed of, and shall observe and comply with, all laws, ordinances, and regulations which, in any manner, affect those engaged or employed on any work, or the materials and equipment used in any work or in any way affect the performance of any work, and of all orders and decrees of bodies or tribunals having jurisdiction or authority over work performed under the contract. If any discrepancy or inconsistency should be discovered between the contract and any such law, ordinance, regulation, order or decree, the Contractor shall immediately report the same in writing to the Association. The Contractor shall be responsible for the compliance with the above provisions by subcontractors of all tiers.

This contract shall be governed by the laws of the State of Texas and by such federal laws as may be applicable.

The parties agree that all claims, disputes, and other matters in question between the Contractor and the Owner arising out of or pertaining to the contract documents or the breach thereof, shall, except as otherwise expressly provided, be decided solely in the Courts of the State of Texas in the County of Bexar.

Interest, if any, allowable on the claims of either party shall be at the current rate for judgments in the Courts of the State of Texas.

TERMINATION FOR CONVENIENCE

All parties reserve the right to terminate this Agreement upon 30 days written notice without cause.

SAFETY

The Contractor shall at all times conduct all operations in a manner to avoid the risk of bodily harm to persons or risk of damage to any property. The Contractor shall promptly take all precautions, which are necessary and adequate against any conditions, which involve a risk of bodily harm to persons or a risk of damage to any property.

The Contractor shall instruct its personnel on safety practices. The Contractor shall furnish safety equipment and enforce the use of such equipment by its employees.

TAXES, PERMITS AND LICENSES

The Contractor shall obtain and pay for all licenses, permits, and inspections required for the work.

INSURANCE

The Contractor shall secure and maintain throughout the duration of this contract insurance of such types and in such amount as may be necessary to protect himself and the interest of the Owner against all hazards or risks of loss as hereinafter specified. The form and limits of such insurance, together with the underwriter thereof in each case, shall be acceptable to the Owner but regardless of such acceptance, it shall be the responsibility of the Contractor to maintain adequate insurance coverage at all times. Failure of the Contractor to maintain adequate coverage shall not relieve him of any contractual responsibility or obligation.

Satisfactory certificates of insurance shall be filed with the Association prior to starting services. The certificates shall state that 10 days advance written notice will be given to the Owner before any policy covered thereby is changed or canceled.

The Contractor shall comply with all Federal, State and local laws and ordinances relating to Social Security, Unemployment Insurance, Pensions, etc.

The Contractor or any Subcontractor performing work in WRCA shall at all times maintain the following insurance:

1. Workers Compensation Insurance in accordance with the laws of the State of Texas.
2. Commercial General Liability Insurance covering the contractor's legal liability for bodily injuries, with limits not less than \$1,000,000 combined single limit bodily injury and property damage liability, with a liability general aggregate limit of \$5,000,000, and covering at least the following hazards;
 - * Independent Contractor's Coverage for bodily injury and property damage, in connection with subcontractors' operation.
3. Employer's Liability Coverage with limits of at least \$1,000,000 per accident or disease.
4. Automobile Liability Insurance for bodily injuries in limits not less than \$1,000,000 combined single limit bodily injury and for property damage, providing coverage for any accident arising out of or resulting from the operation, maintenance, or use by the Contractor of any owned, non owned, or hired automobiles, trailers, or other equipment required to be licensed.

WRCA will be required to be listed as an additional insureds.

DEFENSE OF SUITS

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the Contractor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the Contractor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the Contractor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgements, or decrees arising out of such action.

INDEMNITY AND RELEASE

The Contractor is solely responsible for and shall defend, indemnify, and hold Owner (or any of Owner's representatives or employees), free and harmless from and against any and all claims, liabilities, demands, losses, damages, costs or expense to all persons (including but not limited to reasonable attorneys' fees) arising out of resulting from or occurring in connection with the performance of the work that is (i) attributable to any bodily or personal injury, sickness, diseases or death of any person or any damage or injury to or destruction of real or personal property (other than the work itself) including the loss of use thereof, and (ii) caused in whole or in part by any negligent, strict liability or other act or omission of contractor, any subcontractor or supplier, their respective agents or employees or any other party for whom any of them may be liable regardless of whether such is caused in part by the negligent, strict liability or other act or omission of a party or parties indemnified hereunder.

Said indemnity and hold harmless agreement shall also apply to claims arising from accidents to contractor, its agents or employees, whether occasioned by contractor or its employees, the owner or his employees, or by any other person or persons.

The foregoing indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

PAYMENTS

Contractor shall invoice the owner for agreed amounts no later than the 10th day for the preceding month's service. Owner shall make payment no later than thirty days after an invoice is received.

RFP TERMS

All terms and conditions in this Request for Proposal are subject to change prior to entering into a formal written agreement.

REFERENCES

Please list three residential associations, in order of proximity to WRCA, that have used your security services in the last year. Emphasis added to Master Planned Communities managed by CCMC

1.

COMMUNITY NAME

STREET ADDRESS

CITY

STATE

ZIP

CONTACT PERSON

EMAIL ADDRESS

TELEPHONE NUMBER

PRODUCTS/SERVICES USED

2.

COMMUNITY NAME

STREET ADDRESS

CITY

STATE

ZIP

CONTACT PERSON

EMAIL ADDRESS

TELEPHONE NUMBER

PRODUCTS/SERVICES USED

3.

COMMUNITY NAME

STREET ADDRESS

CITY

STATE

ZIP

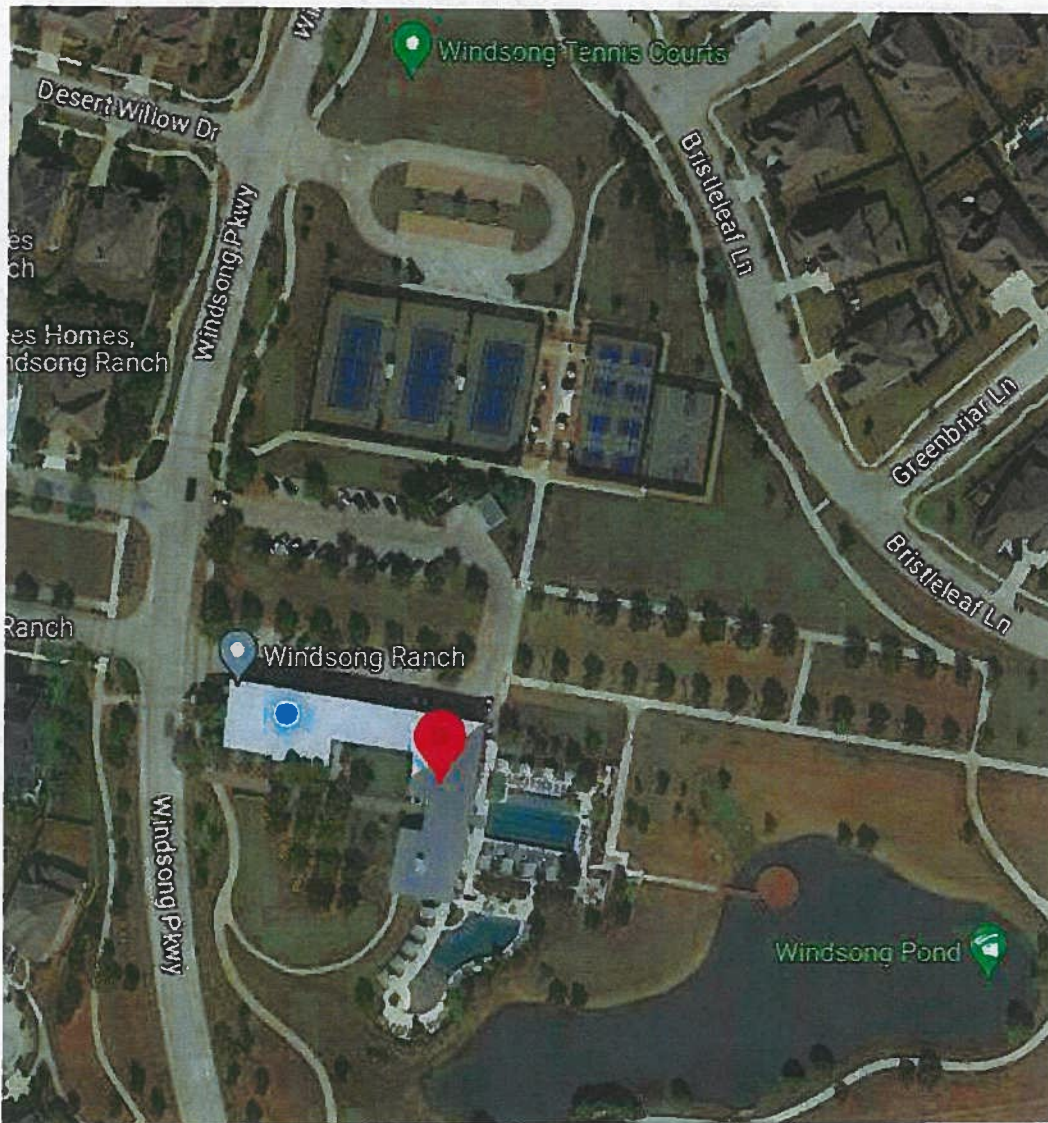
CONTACT PERSON

EMAIL ADDRESS

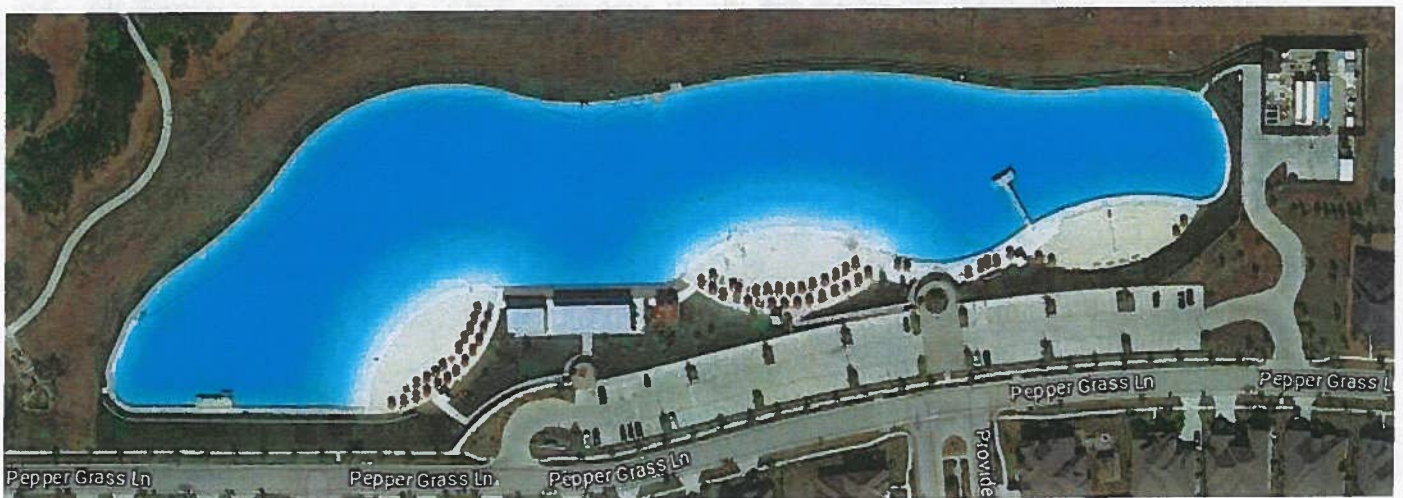
TELEPHONE NUMBER

PRODUCTS/SERVICES USED

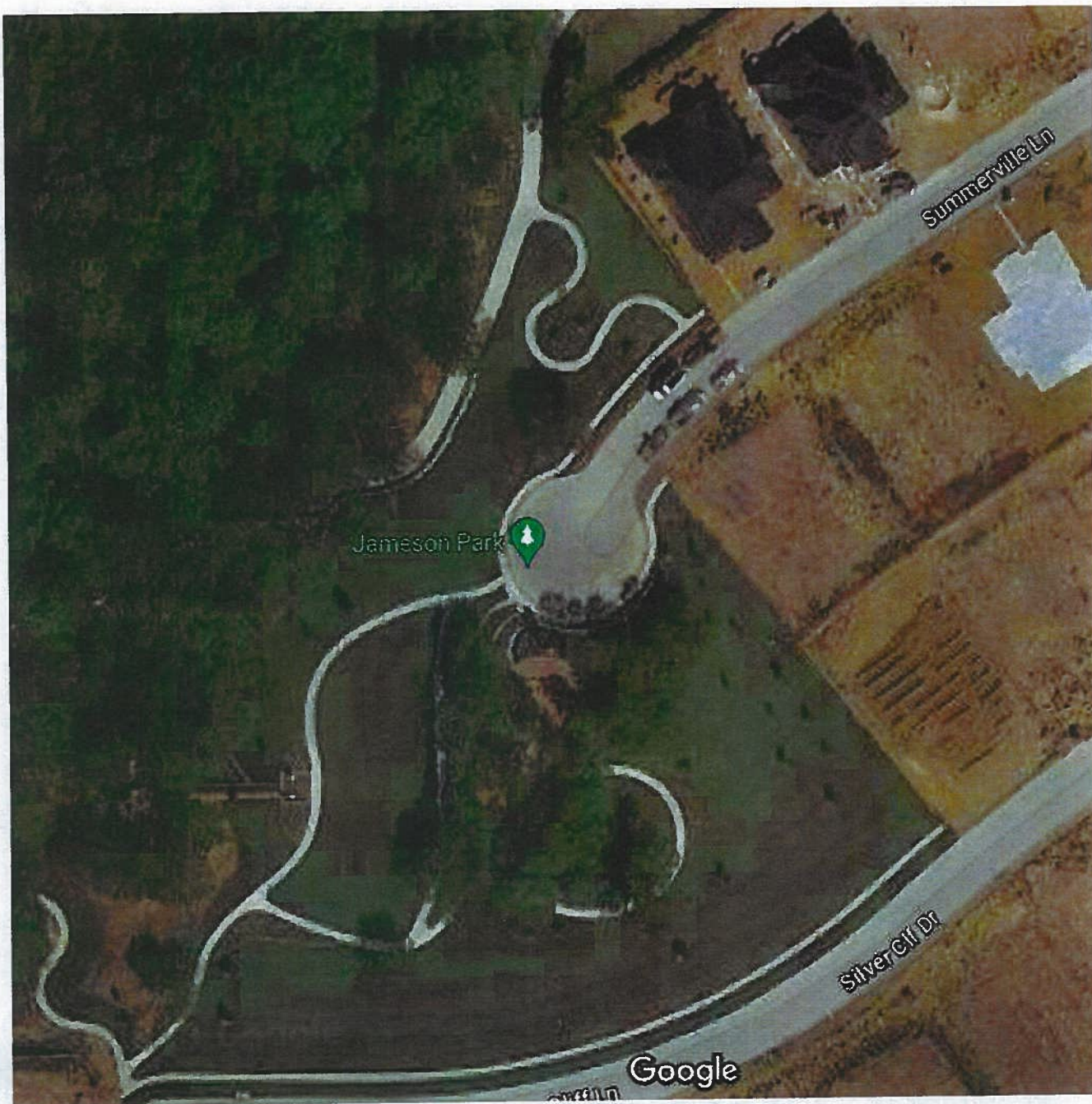
THE COMMONS



THE LAGOON



Jamison Park



International Guard Services

DFW Branch: 8113 Ridgepoint Drive, 208, Irving, TX 75063

Headquarters – 5201 Mitchelldale B4, Houston, TX 77092

(281) 822-6700



Pricing:

All pricing is based on individual site evaluations, duties, and responsibilities. While our office is able to start most accounts immediately, we recommend 2-4 weeks after the service agreement is executed to start the account. This will allow the proper time to create your account with IGS's software, install checkpoints and patrol tours, draft post orders, recruit and to make sure patrol vehicles are ready for service. Our goal is to have smooth transition or implementation of security services.

Pricing – Windsong Ranch Community Association -1001 Windsong Parkway S., Prosper, Texas 75078

Forecast 1 (Unarmed)

Windsong Ranch Community Association						
	Wage Rate	Bill Rate	OT/Holiday Rate	Total Hours per Day	Days	Yearly Costs
May 15 - August 15	\$17.00	\$27.23	\$40.85	12	92	\$30,061.92
August 16-October 15	\$17.00	\$27.23	\$40.85	8	60	\$13,070.40
October 16 - April 15	\$17.00	\$28.83	\$43.25	5	182	\$26,235.30
April 16 - May 14	\$17.00	\$27.23	\$40.85	8	28	\$6,099.52
Marked Patrol Vehicle		\$1,950.00				\$23,400.00
Real-Time Guard Management and Checkpoint System (Site Phone - Patrol Officer)		\$150.00				\$1,800.00
						Estimated Yearly Sales Tax
						\$8,305.04
						Estimated Yearly Total
						\$108,972.18

Explanation of Forecast

The bill rate for a Non-Commissioned Officer (Unarmed) - Security Officer is \$27.23/Hour for months with more than 8 daily hours. Bill rate for a Non-Commissioned Officer (Unarmed) – Security Officer is \$28.83/Hour for months with less than 8 daily hours (Additional recruiting efforts will be utilized due to expected turnover due to the reduced hours). We will also include a real-time guard management device and patrol checkpoint system for \$150.00/Month and **Marked Patrol Vehicle with GPS Tracking and Dash Camera** for \$1,950.00/month including fuel. The days and hours will follow the schedule provided in the RFP.

Pricing

Schedule: May 15 – Aug 15 11 am – 11 pm 7 days week – 84 HPW

Position	HPW	Wage Rate	Bill Rate
Security Officers	84	\$21.00	\$31.63
Estimated Labor			\$34,539.99

Schedule: Aug 16 – Oct 15 3 pm – 11 pm 7 days week – 56 HPW

Position	HPW	Wage Rate	Bill Rate
Security Officers	56	\$21.00	\$31.63
Estimated Labor			\$15,351.08

****Schedule: Oct 16 – April 15 3 pm – 11 pm 7 days week – 56 HPW**

Position	HPW	Wage Rate	Bill Rate
Security Officers	56	\$21.00	\$31.63
Estimated Labor			\$46,053.24

Schedule: Oct 16 – April 15 3 pm – 11 pm 7 days week – 56 HPW

Position	HPW	Wage Rate	Bill Rate
Security Officers	56	\$21.00	\$31.63
Estimated Labor			\$7,675.54

****Note due to challenging labor market in order to provide premiere level personnel, we respectfully request to make all shifts a minimum of 8 hour shift, having an 8 hour shift will go a long way in allowing for a more successful security program, having a 5 hour shift is very challenging to fill, support and staff.**

Bill Rate includes payroll taxes, insurance, workers comp, medical benefits, training, vacation, uniforms, Branch Management includes: General Manager, Client Manager, Operations Manager, HR Manager, Trainers, Recruiters, Field Supervisors, Flex Officers and Administration support.

Direct Bill HELIAUS optional \$179 per unit, per month, includes smart phone, data plan, set up, workforce management system, DAR, incident reports, post orders, emergency procedures, reporting, access with GPS and geo fencing tracking with remote log in access. Customized by site.

Direct Bill Patrol Vehicle \$1620 per vehicle, per month, includes lease, insurance, maintenance, fuel (Chevrolet Equinox) or similar with light bar and security decals.

PRICING - YOUR SECURITY INVESTMENT

UNARMED POSITION	HRS/WEEK	HOURLY PAY RATE	HOURLY BILL RATE	OT / HOLIDAY RATE	Labor Weekly	Labor Annual	Seasonal	Location
Patrol Security Professional	84	\$24.00	\$36.00	\$54.00	\$3,024.00	\$40,824.00	May 15-Aug. 15 3 Mo.	The Commons, The Lagoon Jamison Park
Patrol Security Professional	56	\$24.00	\$36.00	\$54.00	\$2,072.00	\$18,648.00	Aug. 16-Oct. 15 2 Mo.	The Commons, The Lagoon Jamison Park
Patrol Security Professional	35	\$24.00	\$36.00	\$54.00	\$1,295.00	\$34,965.00	Oct. 16-April 15 6 Mo.	The Commons, The Lagoon Jamison Park
Patrol Security Professional	56	\$24.00	\$36.00	\$54.00	\$2,072.00	\$9,324.00	April 16-May 14 1 Mo.	The Commons, The Lagoon Jamison Park
LABOR TOTAL (excluding Vacation and Holiday)							\$103,761.00	

Your Investment Includes:

Seven (7) paid holidays at time-and-a-half which are billed as incurred, all labor, payroll & wage taxes, 24/7 access to SMSSI Security Operations Center (SOC). Special coverage available upon Request

Asterisked Notes, if applicable:

- Equipment costs are billed as a straight through charge.
- Overtime is billed as incurred.

Labor	\$103,761.00
Vehicle Option Includes: Wrapped with St. Moritz logo, light bar, fuel, and insurance	\$1,250.00/Mo
Golf Cart Option Includes: Enclosure, light bar, and all maintenance	\$475.00/ Mo
Phone Cost/Technology	\$1,440.00

ESTIMATED ANNUAL INVESTMENT

\$105,201.00 (Includes labor and phone only)

**Windsong Ranch Community Association
2023 Patrol Service Bid Matrix**

		Allied Universal	International Guard Services		St. Moritz		
Base Services:							
Unarmed Guard (1) Vehicle Technology		\$ 103,619.85	\$	83,772.18	\$	103,761.00	Median \$ 97,051.01
		\$ 19,440.00	\$	23,400.00	\$	15,000.00	\$ 19,280.00
		\$ 2,148.00	\$	1,800.00	\$	1,440.00	\$ 1,796.00
Total Yearly		\$ 123,059.85	\$	107,172.18	\$	118,761.00	\$ 116,331.01
Monthly (avg.)		\$ 10,254.99	\$	8,931.02	\$	9,896.75	\$ 9,694.25
Notes		8 hour min. shifts					
Guard Pay Rate/hr.		\$ 21.00	\$	17.00	\$	24.00	\$ 20.67
Guard Bill Rate/hr.		\$ 31.63	\$	27.23	\$	36.00	\$ 31.62

Base Services (Annual):							
Armed Guard (1)	\$	119,508.48	\$	93,187.33	\$	113,400.00	Median \$ 108,698.60
Vehicle	\$	19,440.00	\$	23,400.00	\$	15,000.00	\$ 19,280.00
Technology	\$	2,148.00	\$	1,800.00	\$	1,440.00	\$ 1,796.00
Total Annual	\$	141,096.48	\$	118,387.33	\$	129,840.00	\$ 129,774.60
Monthly (avg.)	\$	11,758.04	\$	9,865.61	\$	10,820.00	\$ 10,814.55
Notes							
Guard Pay Rate	\$	24.00	\$	19.00	\$	27.00	\$ 23.33
Guard Bill Rate	\$	36.48	\$	30.43	\$	40.00	\$ 35.64



Board Meeting Memo



Windsong Ranch Community Association

MEMO OF RECOMMENDATION

The Villas – Building Maintenance

1. Request for Proposal
2. Proposals from 5 separate Vendors
 - a. Classic Construction & Restoration, Inc.
 - b. Entrust One Facility Services
 - c. J3 Construction and Services, LLC
 - d. Masix Construction, LLC
 - e. Albright Services, LLC
2. Bid Matrix and Pricing Comparison

Recommendation: After reviewing each proposal and the services provided, in addition to the current financials for The Villas, Management recommends further discussion regarding this project.

**Windsong Ranch Community Association
1001 Windsong Parkway South
Prosper, Texas 75078**

REQUEST FOR PROPOSAL

FOR

**CLEANING AND RE-STAINING OF CEDAR WOOD ELEMENTS
AT THE VILLAS**

June 2023

PROPOSAL OF BIDDERS

The following Request for Proposal (RFP) is made for Windsong Ranch Community Association (herein referred to as WRCA). The term bid and RFP are used interchangeably in this document.

The undersigned declares that the amount and nature of the materials/services to be furnished is understood and that the nature of this bid is in strict accordance with the conditions set forth and is a part of this bid, and that there will at no time be a misunderstanding as to the intent of the specifications or conditions to be overcome or pleaded after the bids are opened.

The undersigned, in submitting this bid, represents that they are an equal opportunity employer, and will not discriminate regarding race, religion, color, national origin, age or sex in the performance of this contract.

The undersigned hereby proposes to furnish the items at the prices quoted herein after notice of bid award.

The undersigned affirms that they are duly authorized to execute this contract that this company, corporation, firm, partnership or individual and has not prepared this bid in collusion with any other bidder, and that the contents of this bid as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this type of business prior to the official opening of this bid.

Respectfully Submitted,

Federal Tax D Number: _____

SIGNATURE

DATE

PRINTED NAME

TITLE

COMPANY NAME

CONTACT PERSON (Must have knowledge of Bid)

BILLING ADDRESS

STREET

CITY

STATE

ZIP

MAILING ADDRESS

STREET

CITY

STATE

ZIP

PHONE NUMBER (metro/toll free)

FAX NUMBER

E-MAIL ADDRESS

LOCATIONS OF SERVICE

The Villas

Pavonia Lane, Pequin, Dalea, Foxglove, Copper Canyon, Silverbell, Marygold, White Clover, Firewheel

NOTICE TO BIDDERS

Bids will be received by WRCA to the attention of Javona Jones, Assistant Community Manager, and will be accepted via email to jjones@ccmcnet.com until 5:00PM on Friday June 2, 2023.

REQUEST FOR PROPOSAL FOR SECURITY PATROL SERVICES

Information on the bid specifications and process/procedures may be obtained from jjones@ccmcnet.com, Operations Coordinator, 972-347-9270.

Until the final bid is awarded, WRCA reserves the right to reject any and/or all bids, to waive technicalities, to re-advertise, to proceed otherwise when the best interests of the Association.

GENERAL CONDITIONS

ASSIGNMENT OF BID/CONTRACT

The successful bidder may not assign their rights and duties under and award without the written consent of the Owner. Such consent shall not relieve the assignor of liability in event of default by their assignee.

BID CONSIDERATION / TABULATION

After bids are received, the bids will be tabulated for comparison based on the bid prices or by the best value method shown in the Proposal. The following items will be considered when an award is based on best value:

- The purchase price.
- The reputation of the bidder and of the bidder's goods or services.
- The quality of the bidders' goods or services.
- The extent to which the goods or services meet the Owner's needs.
- The bidder's past relationship with the Owner.
- The total long-term cost to the Owner to acquire the bidder's goods or services; and
- Any relevant criteria are specifically listed in the request for bids or proposals.

BID SUBMISSION

- Submit bids via email to jjones@ccmcnet.com

COMPLETING INFORMATION

Bidder must fill in all information asked for in the blanks provided under each item. Failure to comply may result in rejection of the Bid at the Owner's option.

CONTRACT CLAUSE All bidders understand and agree that the vendors' bid response will become a legally binding contract upon acceptance in writing by the Owner. This contract may be superseded only if replaced with a more extensive contract that is agreed to by both parties.

INDEMNIFICATION

CCMC (Managing Agent), WRCA, AND THE DECLARANT, AND IT'S DIRECTORS, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, FROM ANY LIABILITY RELATING TO THE PERFORMANCE OF THE PROJECT WITHIN THE SCOPE OF THE TERMS WITHIN THIS RFP AND AGREES TO INDEMNIFY THOSE LISTED, HARMLESS, FROM AND AGAINST ANY AND ALL CLAIMS, SUITS, DEMANDS, LOSSES, CAUSES OF ACTION, AND DAMAGES IN ANY WAY RELATING TO THE SCOPE OF WORK WITHIN THE PROJECT.

PAYMENT TERMS & CONDITIONS

All bids shall specify terms and conditions of payment, which will be considered as part of, but not control, the award of bid. The Owner's processing procedures ordinarily require thirty (30) days after receipt of invoice, materials, or service.

SALES TAX

Sales tax shall be included with your bid.

SPECIAL CONDITIONS

1. The Owner reserves the right to cancel this agreement upon thirty (30) days written notice without cause.
- 2 Insurance Certificate must be submitted and issued with the Owner listed as the certificate holder and additional insured under all liability policies within 10 days of notice of award. See detailed insurance requirement further below.

BID SPECIFICATIONS_POST ORDERS

Cleaning and Re-staining of Cedar Wood Elements with Association Provided color to match the property standard.

Cedar elements include but not limited to pergolas, garbage screens, trim boards, corbels and shutters. Buildings 1-35, specifically 154 individual units within The Villas.

Mask and protect all surfaces not intended to be coated/stained.

All surfaces that will be re-stained must first be power washed on low pressure with a fan tip nozzle.

Any and all loose boards must be re-secured as best as possible.

Application of one liberal coat of PPG Flood line semi-transparent stain as per Association supplied coating scheme to match the property standard as best as possible.

Timely clean up around each area of work throughout the day and paint and stain splatters to be cleaned up immediately.

GENERAL SERVICES CONDITIONS

ASSIGNMENT AND SUBCONTRACTING

The Contractor shall not assign or subcontract the work or any part thereof.

ORAL STATEMENTS

It is understood and agreed that the written terms and provisions of this agreement shall supersede all oral statements of representatives of the Owner, and oral statements shall not be effective or be construed as being a part of the contract.

REFERENCE STANDARDS AND LAWS AND REGULATIONS

Reference to the standards of any technical society, organization, or association, or to codes of local or state authorities, shall mean the latest standard, code, specification, or tentative standard adopted and published at the date of taking bids, unless specifically stated otherwise.

The Contractor shall keep itself fully informed of, and shall observe and comply with, all laws, ordinances, and regulations which, in any manner, affect those engaged or employed on any work, or the materials and equipment used in any work or in any way affect the performance of any work, and of all orders and decrees of bodies or tribunals having jurisdiction or authority over work performed under the contract. If any discrepancy or inconsistency should be discovered between the contract and any such law, ordinance, regulation, order or decree, the Contractor shall immediately report the same in writing to the Association. The Contractor shall be responsible for the compliance with the above provisions by subcontractors of all tiers.

This contract shall be governed by the laws of the State of Texas and by such federal laws as may be applicable.

The parties agree that all claims, disputes, and other matters in question between the Contractor and the Owner arising out of or pertaining to the contract documents or the breach thereof, shall, except as otherwise expressly provided, be decided solely in the Courts of the State of Texas.

Interest, if any, allowable on the claims of either party shall be at the current rate for judgments in the Courts of the State of Texas.

TERMINATION FOR CONVENIENCE

All parties reserve the right to terminate this Agreement upon 30 days written notice without cause.

SAFETY

The Contractor shall at all times conduct all operations in a manner to avoid the risk of bodily harm to persons or risk of damage to any property. The Contractor shall promptly take all precautions, which are necessary and adequate against any conditions, which involve a risk of bodily harm to persons or a risk of damage to any property.

The Contractor shall instruct its personnel on safety practices. The Contractor shall furnish safety equipment and enforce the use of such equipment by its employees.

TAXES, PERMITS AND LICENSES

The Contractor shall obtain and pay for all licenses, permits, and inspections required for the work.

INSURANCE

The Contractor shall secure and maintain throughout the duration of this contract insurance of such types and in such amount as may be necessary to protect himself and the interest of the Owner against all hazards or risks of loss as hereinafter specified. The form and limits of such insurance, together with the underwriter thereof in each case, shall be acceptable to the Owner but regardless of such acceptance, it shall be the responsibility of the Contractor to always maintain adequate insurance coverage. Failure of the Contractor to maintain adequate coverage shall not relieve him of any contractual responsibility or obligation.

Satisfactory certificates of insurance shall be filed with the Association prior to starting services. The certificates state that 10 days advance written notice will be given to the Owner before any policy covered thereby is changed or canceled.

The Contractor shall comply with all Federal, State and local laws and ordinances relating to Social Security, Unemployment Insurance, Pensions, etc.

The Contractor or any Subcontractor performing work in WRCA shall always maintain the following insurance:

1. Workers Compensation Insurance in accordance with the laws of the State of Texas.
2. Commercial General Liability Insurance covering the contractor's legal liability for bodily injuries, with limits not less than \$1,000,000 combined single limit bodily injury and property damage liability, with a liability general aggregate limit of \$5,000,000, and covering at least the following hazards.
 - * Independent Contractor's Coverage for bodily injury and property damage, in connection with subcontractors' operation.
3. Employer's Liability Coverage with limits of at least \$1,000,000 per accident or disease.
4. Automobile Liability Insurance for bodily injuries in limits not less than \$1,000,000 combined single limit bodily injury and for property damage, providing coverage for any accident arising out of or resulting from the operation, maintenance, or use by the Contractor of any owned, non owned, or hired automobiles, trailers, or other equipment required to be licensed.

WRCA will be required to be listed as an additional insured.

DEFENSE OF SUITS

In case any action in court is brought against the Owner, or any officer or agent of the Owner, for the failure, omission, or neglect of the Contractor to perform any of the covenants, acts, matters, or things by this contract undertaken; or for injury or damage caused by the alleged negligence of the Contractor or his subcontractors or his or their agents, or in connection with any claim based on lawful demands of subcontractors, workmen, materialmen, or suppliers the Contractor shall indemnify and save harmless the Owner and his officers and agents, from all losses, damages, costs, expenses, judgements, or decrees arising out of such action.

INDEMNITY AND RELEASE

The Contractor is solely responsible for and shall defend, indemnify, and hold Owner (or any of Owner's representatives or employees), free and harmless from and against any and all claims, liabilities, demands, losses, damages, costs or expense to all persons (including but not limited to reasonable attorneys' fees) arising out of resulting from or occurring in connection with the performance of the work that is (i) attributable to any bodily or personal injury, sickness, diseases or death of any person or any damage or injury to or destruction of real or personal property (other than the work itself) including the loss of use thereof, and (ii) caused in whole or in part by any negligent, strict liability or other act or omission of contractor, any subcontractor or supplier, their respective agents or employees or any other party for whom any of them may be liable regardless of whether such is caused in part by the negligent, strict liability or other act or omission of a party or parties indemnified hereunder.

Said indemnity and hold harmless agreement shall also apply to claims arising from accidents to contractor, its agents or employees, whether occasioned by contractor or its employees, the owner or his employees, or by any other person or persons.

The foregoing indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

PAYMENTS

Contractor shall invoice the owner for agreed amounts no later than the 10th day for the preceding month's service. The owner shall make payment no later than thirty days after an invoice is received.

RFP TERMS

All terms and conditions in this Request for Proposal are subject to change prior to entering into a formal written agreement.

REFERENCES

Please list three residential associations, in order of proximity to WRCA, that have used your services in the last year. Emphasis added to Master Planned Communities managed by CCMC

1.	<hr/>			
	COMMUNITY NAME			
	<hr/>			
	STREET ADDRESS	CITY	STATE	ZIP
	<hr/>			
	CONTACT PERSON	EMAIL ADDRESS	TELEPHONE NUMBER	
	<hr/>			
	PRODUCTS/SERVICES USED			
	<hr/>			
2.	<hr/>			
	COMMUNITY NAME			
	<hr/>			
	STREET ADDRESS	CITY	STATE	ZIP
	<hr/>			
	CONTACT PERSON	EMAIL ADDRESS	TELEPHONE NUMBER	
	<hr/>			
	PRODUCTS/SERVICES USED			
	<hr/>			
3.	<hr/>			
	COMMUNITY NAME			
	<hr/>			
	STREET ADDRESS	CITY	STATE	ZIP
	<hr/>			
	CONTACT PERSON	EMAIL ADDRESS	TELEPHONE NUMBER	
	<hr/>			
	PRODUCTS/SERVICES USED			
	<hr/>			



is pleased to provide the following Proposal for
Clean and Re-stain The Cedar Wood Elements
57234

Proposal Prepared for:
Windsong Ranch

1001 Windsong Pkwy
ProsperTX75078

Presented by:
Geary Free

geary@classicconstruction.com
06 / 02 / 2023



Project Summary.

This proposal is to clean and re-stain the cedar wood elements as per your provided color scheme to match the property standard.

Our scope includes 154 individual units for buildings 1-35, including 111 Pergolas, and 154 garbage screens.

For clarification: "wood elements" include any previously stained cedar trim boards, corbels, and shutters.

Proposed Scope Of Work:

- Mask and protect surfaces not intended to be coated. Please note; we request the homeowners remove any of their personal belongings off the patio and porches best possible.
- **We will cover any items remaining on the patio or porch; but, we can not assume responsibility for any possible damages.**
- All surfaces to be re-stained to be power washed on low pressure with fan tip nozzle.
- We humbly request to have a local water source provided near each building.
- Lose boards to be re-secured as best as possible.
- Apply one liberal coat of PPG Flood line semi-transparent stain as per your supplied coating scheme to match the property standard best as possible.
- Our scope includes timely clean up around each area we are working throughout the day, and paint/stain splatters to be cleaned up immediately.
-

Terms: TBD; however, a deposit, and progression payments will be needed.

Please note:

during the cleaning and prep process, we may identify wood elements that may require replacement. If encountered, we will supply you with the supplemental estimate for your consideration. No additional work will commence without your written authorization.

Please note:

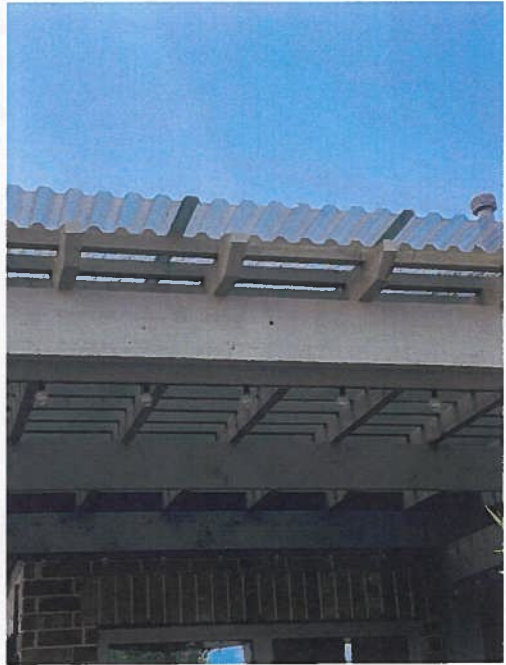
we humbly request any trees or shrubs within 2' ft of any surface to be coated be cut back prior to our arrival. We will be glad to walk each building with you, or your landscaper to assist in identifying those areas.

Duration: we anticipate the project to be approximately 4 months with reasonably good weather.

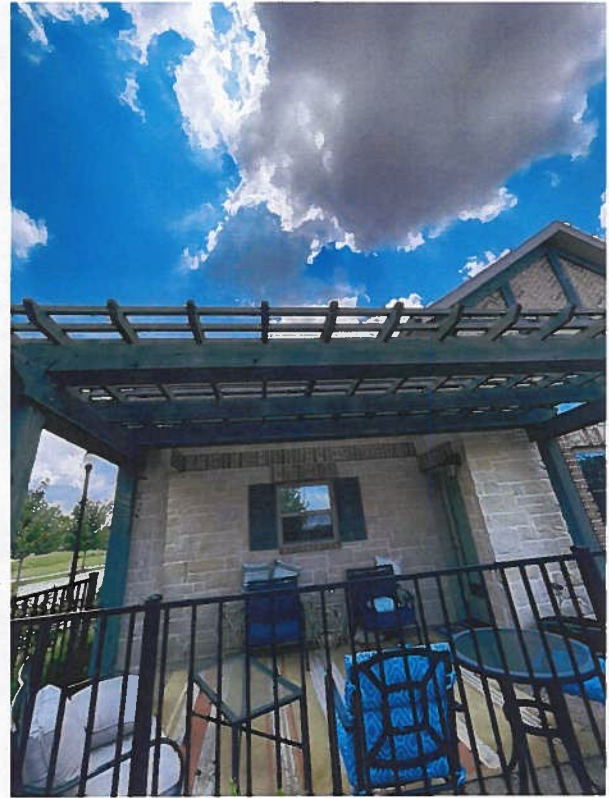
Labor and Materials per unit: \$2,520.00
Total Labor and Materials for 154 units: \$388,080.00

G.F.

Total \$388,080.00







Terms & Conditions.

This proposal, executed on this _____ day of _____, _____ by and between Classic Construction & Restoration, Inc. ("Classic" or "Contractor") and _____ on behalf of Windsong Ranch ("Client") constitutes as the complete agreement for Contractor to furnish all necessary materials and perform all work necessary to complete Project # 57234 Clean and Re-stain The Cedar Wood Elements, located at 1001 Windsong Pkwy Prosper TX 75078 (the "Property"). All attachments referenced herein and any subsequent amendment, change order, or modification of the Contract, if any, are deemed part of this Contract and are incorporated herein by reference.

1. All work to be performed hereunder will be performed by the Contractor and/or the Contractor's bona-fide subcontractors. All work performed will be the responsibility of the Contractor (including the Contractor's guarantee as set forth herein) as fully as though the said work had been performed by the Contractor. Client agrees not to contract directly with any of Classic's employees or subcontractors. In addition, the Client will have such remedies as may be permitted by law against such subcontractor or other person.

2. Liability/Indemnification. The Contractor hereby agrees to indemnify and hold Client harmless against any and all claims by any person for work performed or materials or equipment supplied in connection with the services which are the subject matter of this Contract unless such claim(s) are a result of Client's actions and/or inactions (including but not limited to nonpayment, interference with the performance of the work, performing a portion of the work independently, making a side agreement with a subcontractor, etc.). Contractor agrees to use due care, skill, and diligence in the performance of its obligations under this Contract and all work performed or to be performed by the Contractor or hereunder will be performed in a good and workmanlike manner, free from all defects.

3. Relationship of Client and Contractor. All work performed by Contractor pursuant to this Contract will be as an independent contractor. Neither Contractor nor any of its employees, agents, or subcontractors shall be considered

12. Schedule. Contractor agrees to begin such work as per agreed upon start date and to complete it as soon as reasonably possible in the regular and customary course of business, given any limitations imposed by inclement weather. Classic does not make any guarantee of, and this Contract does not require or imply, any completion date; Completion date to be determined after settlement of claim and schedule can be put in place. Upon discovery of hidden defects or damage NOT reflected on the scope of work, Classic has the right to submit change orders, including any corresponding change in fees, completion date, etc., for approval. Client acknowledges that, for the work to be completed in a timely manner, the activities of Contractor and the

subcontractor(s) may cause substantial interference and disruption to the Client and any occupant's use of the Property. So long as Contractor's actions are consistent with the terms of this Contract, Contractor shall have no liability for, and Client shall indemnify, defend, and hold Contractor harmless from, any claims by Clients and occupants of dwelling units within the Property or by Client arising out of any such interference or disruption, and there shall not be any reduction in the payments due hereunder to Contractor or the subcontractor(s) based on any such interference or disruption.

Contractor agrees to schedule all work in a manner to minimize disturbance. Except for emergencies, work hours will be between 8:00 a.m. and 5:00 p.m., on Monday - Friday days of the week. Contractor agrees to abide by any Property bylaws regarding hours of work which may prohibit work on certain days and/or times.

a. Staging area will be identified and secured from vehicles and other property; as agreed to with Client.

13. Payment Earned. For the work to be performed under this Contract, Client agrees to pay the Contractor the total sum of THREE HUNDRED, EIGHTY-EIGHT THOUSAND AND EIGHTY DOLLARS (\$388,080.00). This amount is subject to change based on additions and supplemental(s) as per agreed change order addendums. Any item on scope performed separately, could be subject to price increase. Payment is due upon receipt unless otherwise noted, and considered late after 15 days. Classic accepts the following payment methods: paper checks via mail or in person, electronic checks, & credit cards. Please contact the accounting department directly at payments@classicconstruction.com to request the electronic check link or credit card processing link with updated invoice. Note: A processing fee of 3% will be added to invoices if Client is paying by credit card.

The contract price for this project has been calculated based on the current prices for the component building materials. However, the market for the building materials that are previously specified is volatile, and sudden price increases could occur. Classic Construction & Restoration agrees to use its best efforts to obtain the lowest possible prices from available building material suppliers, but should there be an increase in the prices of these specified materials that are purchased after execution of contract for use in this project and that increase is more than ten percent (10%) of the current price, Client agrees to pay that cost increase to Classic Construction & Restoration. Any claim by Classic Construction & Restoration for payment of a cost increase, as provided above, shall require written notice delivered by Classic Construction & Restoration to you stating the increased cost, the building material or materials in question, and the source of supply, supported by invoices or bills of sale.

This amount will be paid in draws in accordance with the draw schedule. Contractor will deliver duly-executed material and labor lien waivers at the time of Request for Payment made under this Contract.

Invoice Date	Stage / Percent Completion	Draw Amount	Due Date
Upon Signed Contract	40% Start-Up Draw	\$ 155,232.00	Due Upon Receipt
Upon Substantial Completion	30% Progress Draw	\$ 116,424.00	Due Upon Receipt
Upon 100% Completion	30% Retainage Final Invoice	\$ 116,424.00	Due Upon Receipt

All unpaid amounts shall bear interest at the maximum lawful rate from the due date until paid in full. If it becomes necessary to employ an attorney to collect, or take legal action, for any amount that may become due hereunder, the attorney fees will be added to the contract amount.

Disclaimers. Please note this proposal does not include any line items not mentioned in the scope of work or any hidden/unseen damage. These additional damage(s) will be considered as a supplemental, submitted for approval, and billed accordingly. If material has to be reordered or restocked due to cancellation by the Client there could be a restocking fee equal to fifteen percent(15%) of the contract price. ***Estimate is based on visible inspection, unless otherwise noted on the estimate. Unforeseen damage is not included in this estimate. Unforeseen damages can include but are not limited to: decking, framing, uneven slope issues, etc. It is understood that Contractor is not responsible for any defects warranted by manufacturers of material(s) used on in the completion of this contract. It is understood that this proposal does not cover damages that are a reasonably unavoidable consequence of performing the above described work, including but not limited to the exterior or interior cause by excavation or lifting: including but not limited to carpentry, plumbing, sheetrock, underground utilities, air conditioning, landscaping, sprinkler systems, masonry, or concrete. No guarantee can be given that the rigid materials such as plaster, concrete, or brick will not crack. Contractor can assume no responsibility for the survival of plants. Contractor reserves the right to interpret warranty exclusions as per scope of repairs and existing conditions. Contractor does not warranty against general "wear & tear" or "aging" of construction materials. Contractor does not warranty the performance or longevity of any construction materials. Contractor will use due diligence to complete all work in a timely fashion. However, we will not be responsible for delays due to weather conditions beyond our control.

Exclusions. Contractor notes the following situations that will void this warranty:

If anyone works on, walks on, or makes changes to Contractor's work, including but not limited to satellite dishes.

Weather: storm damage, wind damage, rain, hail and "Acts of God."

Damage caused by Trees such as scraping limbs, falling limbs, broken tiles, dislodged tiles, etc.

Expansion and Contraction of any kind, which may cause mortar or stucco cracks, shrinking materials, cracking, and rotting wood (trim, siding, underlayment, lath) sealant failure, rubber seals rotted, etc.

Building shifting or movement that causes tile to dislodge, tears in roofing material, cracks in stucco, etc.

Rodent or animal damage such as dislodged lead, metal, or tiles; chewing of lead or wood, etc.

Contractor will not be liable or responsible for: Damage to a/c lines due to improper placement; Any damage to the interior of the building, any falling objects, or "nail pops" which may occur due to exterior work; Indirect damage caused by the scope of work; Any temperature extremes- cold or hot which can have negative effects on sealants, roof coatings, and other materials; Architectural Defects, including any hidden and preexisting structural defects, existing original construction defects; Repairs not fully addressed or completed by others; Dissimilar material transitions and intersections.

Contractor will do all that it can to match existing materials, however due to age and location of the existing materials, this may not be 100% possible.

Warranty does not include ground expansion/contraction, vandalism, or any other outside influences. Contractor will not be responsible for ground shifting which may cause trip hazards.

This property was not built before 1978 and as such does not fall under the RRP Rule.

Prices are guaranteed for 30 days. This proposal may be considered voided if not accepted within 30 days from the submission date above.

By signing this estimate, all parties agree to the warranty statement and exclusions.

Texas law requires a person insured under a property insurance policy to pay any deductible applicable to a claim made under this policy. It is a violation of Texas law for a seller of goods or services who reasonably expects to be

paid wholly or partly from the proceeds of a property insurance claim to knowingly allow the insured person to fail to pay, or assist the insured person's failure to pay, the applicable insurance deductible.

This Contract is subject to Chapter 27, Property Code. The provisions of that chapter may affect your right to recover damages arising from the performance of this Contract. If you have a complaint concerning a construction defect arising from the performance of this Contract and that the defect has not been corrected through normal warranty service, you may provide notice regarding the defect to the Contractor by certified mail, return receipt requested, no later than the 60th day before the date you file suit to recover damages in a court of law. The notice must refer to Chapter 27, Property Code, and must describe the construction defect. If requested by the Contractor, you must provide the Contractor an opportunity to inspect and cure the defect as provided by Section 27.004, Property Code.

CLIENT:

CONTRACTOR:

Brandy Painter

06 / 02 / 2023

Brandy Painter-COO

The person(s) signing above hereby certifies that he or she is fully authorized and empowered to execute this instrument and to bind the person or entity named hereto and does in fact so execute this instrument.

STATE OF TEXAS COUNTY OF _____ BEFORE ME, the undersigned authority on this day personally appeared or is known to me by their email _____ Brandy Painter _____, who proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on

NOTARY PUBLIC

I, Client, request that Contractor use an alternative method of installation and/or use materials in a manner that may not conform to industry standards and/or manufacturer's specifications. I: (a) understand the risk associated with that; (b) realize that this decision may void any manufacturers' warranty; and (c) do not hold Classic responsible for any deficiency related to work performed or materials utilized as requested.

_____ *Initials*



Allbright Services, LLC.

Building Solutions for You

Done right with Allbright!

(469)367-0990

www.myallbright.com

6/5/2023

Customer: Windsong Ranch

Address: 1001 Windsong Pkwy., Prosper, Texas, 75078

Re: WRS The Villas staining project

We are offering the scope of work and cost for the staining of the 154 units cedar exterior trim, pergolas, shutters, arches, and shutters. Our scope of work will include: all labor, material, taxes, inspections, and hauling off debris for this project. Please note that all repairs or services listed below in our scopes of work will be completed by Allbright Services employees, with properly vetted sub-contractors. All employees are covered under workers compensation insurance as required from most HOA communities.

Allbright Services Personal Present At Inspection:

Noe Pena

Director of Operations

Allbright Services, LLC

15+ years of HOA construction, specializing in: carpentry, fencing, painting, property maintenance, project management, inspections, drainage, community common areas, and safety inspections.

Onsite Inspection Date: 4/14/2023

Findings and Recommendations:

We were asked to provide a quote to stain the cedar of 154 units at The Villas subdivision. At The Villas, all 154 units have cedar trim and trash enclosures, along with 111 multi-sized pergolas. There are also units with cedar archways and shutters. All these areas will be power washed, and stained per the specifications of the community with PPG Flood Stain. All buildings 1-41 will have different color stains, which the community has provided stain codes for the current cedar colors.

Scope of work for 154 units trim, 154 trash enclosures, 111 pergolas, arches, and shutters

1. All cedar areas will be power washed prior to work to remove debris off cedar.
2. Perimeter of work areas will be tarped and/or covered to prevent overspray.
3. Cedar areas will be checked for rotted areas and will be reported if found.
4. Cedar areas that are in need of sealant will be reported if found.
5. Any areas that are reported, will need to be approved by maintenance manager to allow for a change order to be placed for labor and materials.

6. Approved community colored stain will have 2 coats of PPG Flood Solid Stain, on all cedar structures.
7. Structures include all exterior cedar trim, archways, shutters, pergolas, and trash enclosures.
8. Clean worksite areas of all debris.
9. 1-year workmanship & materials warranty.

Total- \$357,580

General conditions and additional notes:

Note: Cost for scope of work listed above is firm for only 30 days. This is based on the price of building materials and is subject to change after the 30-day period. Prices for buildings materials have gone up exponentially due to Covid-19 and delays in accessing quality materials may be expected.

- Community has asked for Mid-November for full completion of scopes of work listed above, weather dependent.
- A contractor staging area will be required to perform the work listed in the scopes above and agreed upon before work begins.
- This proposal is for completing the project as described above in the scopes of work. It is based on our evaluation and does not include additional labor and materials which could be required should unforeseen problems arise after work as started. All unforeseen issues that may be found, will be agreed upon with pricing and schedules before work proceeds, unless it is deemed a safety concern or to prevent imminent water intrusion.
- Construction times are Monday – Friday from 7:00am till dusk, not to exceed 7:00pm.
- Care will be taken to cover and protect the exterior during all projects.
- Upon completion and payments in full, warranties per each specific item take effect from the completion date of repairs or replacement.
- All materials will be installed per manufactures guidelines.
- This proposal does not include any permits or engineered drawings in the event they are required. Any permits or engineered drawings will be at an additional charge.
- Allbright Services is not responsible for the removal of any personal items, of the homeowner, in the work areas.
- Allbright Services is not responsible for any aftermarket roofs, fans, or lights. These items will need to be removed by homeowner
- Prices include all labor, materials, hauling off trash and debris, and taxes.
- The customer grants Allbright Services full access to entire exterior of building or areas specified and to use electricity from the home for staging and execution of work unless otherwise agreed.
- Warranty does not cover damage created by future storms or damage that may occur after cedar has been stained.

ALLBRIGHT SERVICES, LLC CARRIES A \$1,000,000.00 GENERAL LIABILITY INSURANCE POLICY ON ALL OF OUR PROJECTS AND WORKERS COMPENSATION ON ALL EMPLOYEES. THANK YOU FOR THE OPPORTUNITY TO BID THIS PROJECT. IF I CAN BE OF FURTHER ASSISTANCE, PLEASE FEEL FREE TO CALL ME ANYTIME AT 214-878-8959.

RESPECTFULLY SUBMITTED,

Noe Pena
General Maintenance Superintendent

Allbright Services, LLC
(214)733-3851- Cell Phone
(469)367-0990- Office Phone

UPON SIGNING THIS ACCEPTANCE OF PROPOSAL, I FULLY AGREE TO THE FOLLOWING TERMS LISTED BELOW AND AGREE TO THE GENERAL CONDITIONS AND NOTES ABOVE. YOU ARE AUTHORIZED TO DO THE WORK AS PROPOSED.

*A HALF DOWN PAYMENT WILL BE NEEDED FOR MATERIALS AND MOBILIZATION PER PHASE.

*PAYMENT DUE IN FULL AFTER COMPLETION OF PHASE.

* INSPECTIONS WILL BE DONE WITH MAINTANANCE DIRECTOR BEFORE MOVING ONTO NEXT PHASE.

PAYMENTS ARE AS FOLLOWED-

Phase 1	Phase 2	Phase 3	Phase 4
Buidings 1-10	Buildings 11-20	Buildings 21-30	Buildings 31-41
50% M&M-\$44,697.50	50% M&M-\$44,697.50	50% M&M-\$44,697.50	50% M&M-\$44,697.50
50% complete phase 1- \$44,697.50	50% complete phase 2- \$44,697.50	50% complete phase 2- \$44,697.50	50% complete phase 2- \$44,697.50
Total Payment- \$89,395	Total Payment- \$89,395	Total Payment- \$89,395	Total Payment- \$89,395
	Grand Total- \$357,580		

AUTHORIZED SIGNATURE

DATE

2702 Industrial Lane Suite K Garland TX 75041



June 1, 2023

RE: Windsong Ranch, Prosper, TX

Troy Hines

J3 Construction and Services proposes to furnish material, labor, and equipment needed to complete the scope of work, to paint 36 buildings per the PPG paint codes listed below at the above mentioned project. We will mobilize one to two crews within 30 days upon acceptance of this proposal. All J3 Construction and Services employee's have been properly trained and follow safety guidelines at all times.

All fans, lighting, outdoor furniture to be removed off Pergola's before painting. J3 Construction and Services will protect all landscaping and exterior walls as needed from overspray.

Proposal

Scope of Work:

Building 1 - Scheme F

Trim Paint - PPG Sharkskin 1025-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Storm Gray

Building 2 - Scheme C

Trim Paint - PPG Desert Dune 1023-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Light Mocha

Building 3 - Scheme B

Trim Paint - PPG Diversion 1021-4
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Dark Oak

Building 4 - Scheme D

Trim Paint - PPG El Capitan 1020-4
Shutter Paint - PPG Afternoon Tea 1023-7

Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Tobacco

Building 5 - Scheme E

Trim Paint - PPG Gray by Me 1008-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Blue Ridge

Building 6 - Scheme A

Trim Paint - PPG Summer Suade 14-14
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Ginger

Building 7 - Scheme C

Trim Paint - PPG Desert Dune 1023-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Light Mocha

Building 8 - Scheme A

Trim Paint - PPG Summer Suade 14-14
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Ginger

Building 9 - Scheme F

Trim Paint - PPG Sharkskin 1025-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Storm Gray

Building 10 - Scheme D

Trim Paint - PPG El Capitan 1020-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Tobacco

Building 11 - Scheme F

Trim Paint - PPG Sharkskin 1025-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Storm Gray

Building 12 - Scheme B

Trim Paint - PPG Diversion 1021-4
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Dark Oak

Building 13 - Scheme C

Trim Paint - PPG Desert Dune 1023-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Light Mocha

Building 14 - Scheme A

Trim Paint - PPG Summer Suade 14-14
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Ginger

Building 15 - Scheme D

Trim Paint - PPG El Capitan 1020-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Tobacco

Building 16 - Scheme F

Trim Paint - PPG Sharkskin 1025-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Storm Gray

Building 17 - Scheme B

Trim Paint - PPG Diversion 1021-4
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Dark Oak

Building 18 - Scheme C

Trim Paint - PPG Desert Dune 1023-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Light Mocha

Building 19 - Scheme E

Trim Paint - PPG Gray by Me 1008-4
Shutter Paint - PPG Quicksilver 1041-5

Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Blue Ridge

Building 20 - Scheme A

Trim Paint - PPG Summer Suade 14-14
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Ginger

Building 21 - Scheme D

Trim Paint - PPG El Capitan 1020-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Tobacco

Building 22 - Scheme F

Trim Paint - PPG Sharkskin 1025-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Storm Gray

Building 23 - Scheme A

Trim Paint - PPG Summer Suade 14-14
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Ginger

Building 24 - Scheme D

Trim Paint - PPG El Capitan 1020-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Tobacco

Building 25 - Scheme E

Trim Paint - PPG Gray by Me 1008-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Blue Ridge

Building 26 - Scheme B

Trim Paint - PPG Diversion 1021-4
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Dark Oak

Building 27 A - Scheme E

Trim Paint - PPG Gray by Me 1008-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Blue Ridge

Building 27 B - Scheme E

Trim Paint - PPG Gray by Me 1008-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Blue Ridge

Building 28 - Scheme A

Trim Paint - PPG Summer Suade 14-14
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Ginger

Building 29 - Scheme C

Trim Paint - PPG Desert Dune 1023-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Light Mocha

Building 30 - Scheme D

Trim Paint - PPG El Capitan 1020-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Tobacco

Building 31 - Scheme B

Trim Paint - PPG Diversion 1021-4
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Dark Oak

Building 32 - Scheme C

Trim Paint - PPG Desert Dune 1023-4
Shutter Paint - PPG Afternoon Tea 1023-7
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Light Mocha

Building 33 - Scheme F

Trim Paint - PPG Sharkskin 1025-4
Shutter Paint - PPG Quicksilver 1041-5

Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Storm Gray

Building 34 - Scheme B

Trim Paint - PPG Diversion 1021-4
Shutter Paint - PPG Restoration 1031-4
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Dark Oak

Building 35 - Scheme E

Trim Paint - PPG Gray by Me 1008-4
Shutter Paint - PPG Quicksilver 1041-5
Trash Bin Stain - Ready Seal - Pecan
Pergola - PPG Flood Stain Blue Ridge

Proposed Pricing for Material and Labor:

\$190,750.00

Manufacture warranty will comply upon project completion. J3 Construction and Services offers a 2 year workmanship warranty on all services.

All general liability insurance is included.

A deposit of 25% is required before work may begin.

This proposal only pertains to those items listed above. Any unforeseen items or issues that arise during construction will result in a change order.

By signing below, you acknowledge that you have completely read and fully understand the above proposal provided by J3 Construction and Services, LLC. Please sign, date, and return a copy to us for our records. This proposal is void if not accepted within thirty days of the date hereon. Upon acceptance of the above proposal, J3 Construction and Services will send Windsong Ranch a contract outlining payment terms.

J3 Construction and Services, LLC is pleased to provide services on this project. Should you have any questions regarding this proposal, please contact me at (972)809-6285.

Respectfully Submitted,

J3 Construction and Services, LLC.

James Minyard
President/Owner

Signature: _____ Date: _____

Contact: _____

Estimated Start Date: _____



RFP Comparison Matrix

SCOPE OF WORK TO BE PERFORMED:

Please refer to scope of services listed in the RFP.

VENDOR NAME:

	<u>CLASSIC CONSTRUC.</u>	<u>ALBRIGHT</u>	<u>J3 CONSTRUC.</u>
Project Total Cost:	\$ 388,080.00	\$ 357,580.00	\$ 190,750.00
2023 Current Cash Reserve Fund Balance (Villas):	\$ 249,569.20	\$ 249,569.20	\$ 249,569.20
2023 Current Reserve Fund Balance (Less Cost):	\$ (138,510.80)	\$ (108,010.80)	\$ 58,819.20
Project Total Cost:	\$ 388,080.00	\$ 357,580.00	\$ 190,750.00
2023 Estimated YE Reserve. Balance (Less Projected):	\$ 464,524.00	\$ 464,524.00	\$ 464,524.00
2023 Estiamted YE Reserve Fund Balance (Villas):	\$ 76,444.00	\$ 106,944.00	\$ 273,774.00

NOTES:

Reqeusts landscape within 2 feet of areas to be trimmed back.		
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ESTIMATED DATE OF COMPLETION

4 Months

LENGTH OF WARRANTY

1 Year

2 Years

MEETS EXSITING INSURANCE REQUIREMENTS

Yes

Yes

MISC. NOTES:

The figures provided above are based on the projected funding plan according to the 2022 reserve study. However, the 2023 budget projects a funded amount of \$201,600.00, with \$67,200.00 being funded YTD. **Note:** WSR Master Assocaition Reserve Balance - \$996,763.30. **Notes:** Villas cash operating balance \$126.023.78.



Board Meeting Memo



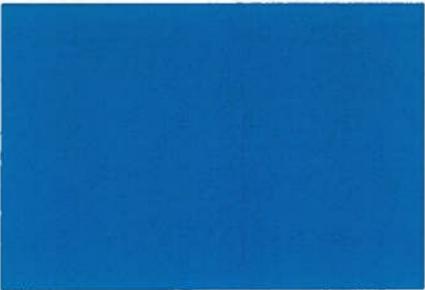
Windsong Ranch Community Association

MEMO OF RECOMMENDATION

Audit Approval – Butler Hansen PLC


Enclosed for Board approval is the 2020 Audit Draft compiled by Butler Hansen, PLC.

Recommendation: Management recommends that the Board approve the Audit Draft prepared by Butler Hansen, PLC.



**WINDSONG RANCH COMMUNITY
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2020
AND FOR THE YEAR THEN ENDED**



www.ButlerHansen.com

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 – 2
FINANCIAL STATEMENTS	
Balance Sheet	3
Statement of Revenues, Expenses and Changes in Fund Balances	4
Statement of Cash Flows	5
Notes to Financial Statements	6 – 12
SUPPLEMENTARY INFORMATION	
Required Supplementary Information on Future Major Repairs and Replacements	13
Supplementary Schedule of Revenues, Expenses and Changes in Fund Balances	14 – 17

In accordance with our Firm's policy and US auditing standards, the Independent Auditor's Report, found on pages 1 and 2, have been omitted from the draft copy of the audited financial statements. For your information, we will issue an unmodified opinion with the final draft.

DRAFT

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
BALANCE SHEET
DECEMBER 31, 2020

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
ASSETS			
Cash and Cash Equivalents	\$ 211,394	\$ 469,524	\$ 680,918
Cash and Cash Equivalents - Community Enhancement	322,804	-	322,804
Accounts Receivable, Net of Allowance of \$27,733	231,385	-	231,385
Property and Equipment, Net of Accumulated Depreciation of \$82,289	36,698	-	36,698
Prepaid Expenses	49,874	-	49,874
Deposits	2,798	-	2,798
Interfund Balances	(4,634)	4,634	-
TOTAL ASSETS	<u>\$ 850,319</u>	<u>\$ 474,158</u>	<u>\$ 1,324,477</u>
LIABILITIES AND FUND BALANCES			
<u>LIABILITIES</u>			
Accounts Payable	\$ 171,436	\$ -	\$ 171,436
Accrued Expenses	108,593	-	108,593
Prepaid Assessments	211,161	-	211,161
Due to Prosper - Community Enhancement	369,176	-	369,176
Unclaimed Funds	294	-	294
Deposits	11,000	-	11,000
Prepaid Declarant Contribution	29,621	-	29,621
Promissory Note - Declarant	2,673,551	-	2,673,551
TOTAL LIABILITIES	<u>3,574,832</u>	<u>-</u>	<u>3,574,832</u>
<u>FUND BALANCES</u>	<u>(2,724,513)</u>	<u>474,158</u>	<u>(2,250,355)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 850,319</u>	<u>\$ 474,158</u>	<u>\$ 1,324,477</u>

See accompanying notes to the financial statements.

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUES			
Homeowner Assessment Income	\$ 1,904,822	\$ -	\$ 1,904,822
Builder Assessment Income	692,414	-	692,414
Crystal Lagoon Fee	327,000	-	327,000
Working Capital Income	99,592	-	99,592
Community Enhancement Fee (Homeowners)	531,755	-	531,755
Community Enhancement Fee (Developer to Builder)	147,411	-	147,411
Legal Fee Income	140	-	140
Owner/Builder Fines	500	-	500
Late Charges	1,875	-	1,875
Collection Fee Income	2,495	-	2,495
Rental Income	16,825	-	16,825
Miscellaneous Income	16,965	-	16,965
Recreation Events Income	3,696	-	3,696
Interest Income	578	2,104	2,682
Social Events Income	45	-	45
TOTAL REVENUES	<u>3,746,113</u>	<u>2,104</u>	<u>3,748,217</u>
EXPENSES			
Administrative and General	1,563,695	-	1,563,695
Contract Services	2,192,970	-	2,192,970
Repairs and Maintenance	232,332	-	232,332
Parts and Supplies	57,255	-	57,255
Utilities	676,758	-	676,758
Insurance	190,037	-	190,037
Other Expenses	27,597	-	27,597
Replacement Fund Expenses	-	137,478	137,478
TOTAL EXPENSES	<u>4,940,644</u>	<u>137,478</u>	<u>5,078,122</u>
EXCESS REVENUES (EXPENSES)	(1,194,531)	(135,374)	(1,329,905)
FUND BALANCES			
BEGINNING OF YEAR	(1,295,365)	374,915	(920,450)
TRANSFERS BETWEEN FUNDS	<u>(234,617)</u>	<u>234,617</u>	<u>-</u>
FUND BALANCES			
END OF YEAR	<u>\$ (2,724,513)</u>	<u>\$ 474,158</u>	<u>\$ (2,250,355)</u>

See accompanying notes to the financial statements.

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Excess Revenues (Expenses)	\$ (1,194,531)	\$ (135,374)	\$ (1,329,905)
Adjustments to Reconcile Excess Revenues (Expenses) to Cash Provided (Used) by Operating Activities			
Bad Debt Expense	(4,510)	-	(4,510)
Depreciation Expense	5,340	-	5,340
(Increase)/Decrease In			
Accounts Receivable	(35,410)	-	(35,410)
Prepaid Expenses	47,149	-	47,149
Deposits	900	-	900
Increase/(Decrease) In			
Accounts Payable	(48,438)	-	(48,438)
Accrued Expenses	(126,772)	-	(126,772)
Prepaid Assessments	(24,532)	-	(24,532)
Due to Prosper - Community Enhancement	81,755	-	81,755
ARC Deposits	(7,000)	-	(7,000)
Income Taxes Payable	(599)	-	(599)
Net Cash Provided (Used) by Operating Activities	<u>(1,306,648)</u>	<u>(135,374)</u>	<u>(1,442,022)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchases of Property and Equipment	(24,655)	-	(24,655)
Net Cash Provided (Used) by Investing Activities	<u>(24,655)</u>	<u>-</u>	<u>(24,655)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Change in Interfund Balances	(10,907)	10,907	-
Transfers Between Funds	(234,617)	234,617	-
Proceeds from Promissory Note	1,540,620	-	1,540,620
Net Cash Provided (Used) by Financing Activities	<u>1,295,096</u>	<u>245,524</u>	<u>1,540,620</u>
NET INCREASE (DECREASE) IN CASH	(36,207)	110,150	73,943
CASH BALANCE, BEGINNING OF YEAR	<u>570,405</u>	<u>359,374</u>	<u>929,779</u>
CASH BALANCE, END OF YEAR	<u>\$ 534,198</u>	<u>\$ 469,524</u>	<u>\$ 1,003,722</u>
<u>SUPPLEMENTARY INFORMATION</u>			
Income Taxes Paid	\$ 599		
Interest Paid	\$ -		

See accompanying notes to the financial statements.

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 – NATURE OF THE ORGANIZATION

Windsong Ranch Community Association, Inc. ("the Association"), a non-stock homeowners association, was incorporated on February 27, 2014, under the general non-profit laws of the State of Texas. The Association was established to provide maintenance and preservation of the common areas associated with the community. The Association is located in Prosper, Texas, and is planned to include approximately 2,984 residential units, of which, 1,154 residential units had been completed and purchased by homeowners as of December 31, 2020. The current Board of Directors has been appointed by the Declarant, until such time as the governing documents require an election of the Association's membership, and has engaged Capital Consultants Management Corporation (CCMC), as the managing agent for the Association.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting. Financial resources are classified, for accounting and reporting purposes, using the following funds established according to their nature and purpose:

Operating Fund

The Operating Fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund

The Replacement Fund is used to account for the accumulation of funds for future major repairs and replacements.

Cash and Cash Equivalents

For statement of cash flows purposes, the Association considers cash in operating bank accounts, money market accounts, cash on hand, and certificates of deposit, purchased with original maturity dates of three months or less, as cash and cash equivalents. Certificates of deposit and financial instruments, with original maturities, at date of purchase, of more than three months, are classified as certificates of deposit.

Accounts Receivable

The annual budget and member assessments are approved by the Board of Directors. Association members are subject to quarterly assessments, to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and future replacements. Assessments receivable at December 31, 2020, represent fees due from unit owners. The Association accounts for receivables on the cost basis. Receivables are considered delinquent after 30 days, at which time the Association pursues collection. Receivables are reviewed regularly and the Association establishes an allowance for doubtful accounts on receivables based on an estimate of accounts which will not be fully collected. Accounts are written-off when a homeowner enters bankruptcy or foreclosure. Any excess assessments at year end are retained by the Association for use in the succeeding year.

Prepaid Assessments and Revenue Recognition

Payments received by the Association prior to the assessment due date are properly not recognized as revenue until the corresponding assessment is made by the Association and are classified as Prepaid Assessments. Revenue from assessments, allocated to either the operating or reserve fund, is recognized as the performance obligation to maintain the community and to provide ongoing services is considered completed, generally on a monthly basis.

**WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Property and Equipment

The Association capitalizes all common real property to which it has title or other evidence of ownership and either:

- (1) can dispose of the property, at the discretion of its Board of Directors, for cash or claims to cash, and it can retain the proceeds, or
- (2) the property is used to generate significant cash flows from members on the basis of usage. Property and equipment are stated at cost and depreciated utilizing the straight-line method over their useful lives.

The Association capitalizes all personal property it acquires with a value greater than or equal to \$5,000, and a useful life of greater than one year. Purchased property and equipment is recorded at cost and depreciated utilizing various acceptable methods over the useful lives of the property and equipment.

Common Property

Certain land areas were contributed by the developer, at no cost to the Association, which are not reflected in the financial statements. The contributed areas consist of tennis courts, a lake, two pools, amenity center, landscape and landscape rights-of-way, which can never be sold or subdivided. The Association has not placed a value on these assets.

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities, which represent financial instruments (none of which are held for trading purposes), approximate the carrying values of such amounts.

Income Taxes

The Association has received from the State of Texas an exemption from franchise taxes.

Date of Management's Review

Subsequent events have been evaluated through May 26, 2023, which is the date the financial statements were available to be issued.

NOTE 3 – INCOME TAXES

The Association files its income tax return as a homeowners association, in accordance with Internal Revenue Code Section 528. Under that Section, the Association is not taxed on uniform assessments to members and other income received from Association members solely as a function of their membership in the Association. The Association is taxed on its investment income and other non-exempt function income. The Association had a federal income tax liability of \$0 for the year ended December 31, 2020. Federal income taxes disbursed in the current year for the prior year were \$599.

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 – UNCERTAIN TAX POSITIONS

The Association accounts for uncertain tax positions, if any, in accordance with FASB Accounting Standards Codification Section 740. In accordance with these professional standards, the Association recognizes tax positions only to the extent that Management believes it is "more likely than not" that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax position for the year ending December 31, 2020.

The Association believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Association's financial condition net income or cash flows. Accordingly, the Association has not recorded any reserves, or related accruals for interest and penalties for uncertain tax provisions at December 31, 2020.

The Association is subject to routine audits by taxing jurisdictions; however, there are no audits currently in progress for any tax periods. The Association believes it is no longer subject to income tax examinations by U.S. federal tax authorities for years before 2018.

NOTE 5 – ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at December 31, 2020:

	Total Due	Over 90 Days
Residential Assessments	\$ 45,674	\$ 45,674
Builder Assessments	13,546	13,421
Community Enhancement Fees	2,037	-
Fines and Reimbursements	18,563	6,231
Other Accounts Receivable	179,298	-
Total Gross Receivables	259,118	65,326
Less: Allowance for Bad Debt	(27,733)	(27,733)
Total Net Receivables	<u>\$ 231,385</u>	<u>\$ 37,593</u>

Bad debt expense for the year ended December 31, 2020, was (\$4,510). An allowance for bad debt using the Allowance Method has been made in the amount of \$27,733.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2020:

Fitness Equipment	\$ 75,947
Vehicle	15,030
Video Equipment	28,010
Accumulated Depreciation	(82,289)
Total	<u>\$ 36,698</u>

Depreciation expense for the year ended December 31, 2020 was \$5,340.

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 7 – MEMBER ASSESSMENTS

Association members are subject to annual assessments, billed on a periodic basis, to provide funds for the Association's operating expenses and major repairs and replacements. During 2020, the combined annual assessment was \$1,608, payable in quarterly installments of \$402.

All home builders within the Association are independent of the Declarant and are assessed the full rate of the homeowner assessment described above, payable on a quarterly basis. At December 31, 2020, builders owned 423 lots. For the year ended December 31, 2020, the Association assessed builders \$692,414, representing approximately 18% of the Association's total revenue.

Villa homeowners and builders are subject to additional annual assessments to provide funds for the Association's operating expenses and future major repairs and replacements of the benefited parcel. For the year ended December 31, 2020, the annual Villas Assessment was \$2,280, payable in monthly installments of \$190. Any excess assessments at year end are retained for use in future periods. At December 31, 2020, builders owned 4 Villa lots.

Assessment revenue allocated to the operating and reserve funds is recognized as the related performance obligation is satisfied at transaction amounts expected to be collected. The Association's performance obligation related to its annual assessments billed on a periodic basis is satisfied over time on a daily pro-rata basis using the input method. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from homeowners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are thirty days or more delinquent. Any excess assessments at year end are retained by the Association for use in the succeeding year. There is no maximum annual assessment defined in the Association's governing documents.

At December 31, 2020, the Association had delinquent assessments of \$59,220. It is the opinion of the Board of Directors that the Association will ultimately prevail against the majority of the homeowners with delinquent assessments.

The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control. The balances of assessments receivable as of the beginning and end of the year are \$150,420 and \$59,220, respectively.

NOTE 8 – CONCENTRATION OF RISK

The Association's primary source of revenue is member assessments, which are earned on assessable lots or parcels located within a small geographic area. Member assessments and related receivables are subject to significant concentration of credit risk, given that they are primarily from a small geographical area, which can be impacted by similar economic conditions. Member assessments may be secured by liens upon a member's property or legal judgements. The Association monitors the collectability of these receivables and pursues collection as needed. Should the Association's collection efforts be unsuccessful, the Association could incur losses up to the full amount due. Management routinely assesses the collectability of these receivables and provides for an allowance for doubtful accounts.

The Association places its cash deposits and investments with financial institutions that have Federal Deposit Insurance Corporation (FDIC) coverage. At various times, deposits with these financial institutions, designated as cash and cash equivalents and investments, may exceed insurance coverage provided by the Federal Deposit Insurance Corporation (FDIC).

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 9 – COMMUNITY ENHANCEMENT FEE AND DESIGNATED FUNDS

The Association collects Community Enhancement Fees pursuant to the Amended and Restated Community Enhancement Covenant filed with Denton County, Texas, on February 18, 2015. In accordance with FASB ASC 606, Revenue from Contracts with Customers, the Association recognizes related revenue when its performance obligation for these related services is satisfied. The performance obligation is satisfied at the conveyance of a lot within the Association. The Community Enhancement Fee charged is in the amount of 0.3% of the price paid for the Lot or Condominium Unit. The Community Enhancement Fee Covenant states that through the collection of the Community Enhancement Fee, the Board may organize, fund, and administer such community-enhancing activities, services, and programs as the Board deems necessary, desirable, and appropriate to serve and enhance the community, support and fund Community-related programs, fund charitable, educational, cultural and political activities benefiting the interest to the Community.

The Association has entered into an agreement with Prosper Independent School District, dated January 14, 2014. Pursuant to this agreement, the Association will remit 0.3% of the contract sales price for each residential home closing in the Association. The Community Enhancement Fees collected for builder to homeowner sales, and homeowner to homeowner sales are applicable to this agreement and subject to remittance to the Prosper Independent School District. The agreement provides that the Prosper Independent School District will permit owners of lots within the Association to attend schools within the district on a permanent basis.

During the year ended December 31, 2020, the Association executed a new agreement between the Association, the Prosper Independent School District (the "District"), CP Windsong Operations LLC, VP Windsong Investments LLC and Prosper Education Foundation ("PEF"), which was executed in June 2020 and is titled Education Fund Agreement (the "Agreement"). The Education Fund Agreement memorializes and updates the term of the original agreement between the Association and the District. The original provisions requiring the Association to remit 0.3% of the price of residential home sales to the District, and the District allowing owners of lots within the Association the right to attend schools within the District on a permanent basis, are still in effect. Additional provisions are provided in the Agreement, including a clarified term, which will begin on the effective date of the new agreement and will continue until all obligations of the Developer, the Association, PEF and the District under this agreement have been fulfilled.

The Community Enhancement Fees collected for Declarant to builder sales is not applicable to the agreement with Prosper Independent School District and can be used for the purposes stated in the Community Enhancement Fee Covenant.

During the year ended December 31, 2020, the Association recorded \$531,755 of Community Enhancement Fees (Homeowners), of which, \$450,000 was paid to the Prosper Education Foundation to serve the intended purpose of the fees collected. Community Enhancement Fee receivables at December 31, 2020, were \$80,269. At December 31, 2020, the Association maintained funds in the amount of \$322,804, in a separate bank account designated for Community Enhancement Fee collections and disbursements, and a corresponding liability has been recorded in the amount of \$369,176, which is due to the Prosper Education Foundation for Community Enhancement Fee disbursements.

During the year ended December 31, 2020, the Association recorded \$147,411 of Community Enhancement Fees (Developer to Builder), which have been retained in the operating fund.

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 10 – CRYSTAL LAGOON FEE PERFORMANCE OBLIGATIONS

The Association receives funds collected at the initial sale of lots from the Declarant to a builder, and classifies this income as Crystal Lagoon Fee income in the financial statements. The purpose of these funds is to pay for the maintenance of the Crystal Lagoon. In accordance with FASB ASC 606, Revenue from Contracts with Customers, the Association recognizes related revenue when its performance obligation for these related services is satisfied. The performance obligation is satisfied when the contract to purchase lots by a builder from the Declarant is executed. For the year ended December 31, 2020, the Association recognized \$327,000 in Crystal Lagoon Fee income.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

The Association enters into various contracts for management, landscape and other services. Generally, all contracts are for one year terms and can be canceled by either party with 30 to 90 day notifications.

NOTE 12 – COVID-19 PANDEMIC

During the year ended December 31, 2020, a pandemic caused by the coronavirus (COVID-19) has had a significant detrimental impact on the United States economy. As a result, economic uncertainties have arisen which could negatively impact revenue for the Association. Other financial impacts such as bad debt losses, contract modifications, inadequate reserve funding, or other unforeseen circumstances could occur.

NOTE 13 – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association accumulates funds for future major repairs and replacements. At December 31, 2020, funds accumulated for this purpose are \$474,158 and are held in separate accounts and are generally not available for operating purposes.

In 2016, the Association's Board of Directors engaged a firm to conduct a study to estimate the remaining useful lives and replacement costs of the common property components. The reserve study was completed on June 28, 2016. The Association is funding future major repairs and replacements based on the study's estimates of current replacement costs. Funding considerations include amounts previously designated for future major repairs and replacements. Actual expenditures, when incurred, may vary from the estimated amounts and the variations may be material. Accordingly, amounts designated for future major repairs and replacements may not be adequate to meet future needs. If additional funds are needed, however, the Association may increase regular assessments, up to the maximum annual assessment, levy special assessments, subject to member approval, or may delay major repairs and replacements until funds are available.

NOTE 14 – DECLARANT SUBSIDY

According to Article 5.1.3 of the CC&R's, the "Declarant may, but is not obligated to, reduce Assessments which would otherwise be levied against Lots and Condominium Units for any fiscal year by the payment of a subsidy to the Association. Any subsidy paid to the Association by Declarant may be treated as a contribution or a loan, in Declarant's sole and absolute discretion." Additionally, "The payment of a subsidy in any given year shall not obligate Declarant to continue payment of a subsidy to the Association in future years." The Association's Declarant has elected to loan funds to the Association. Further information regarding the loan agreement is described in Note 15.

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 15 – RELATED PARTY TRANSACTIONS AND PROMISSORY NOTE

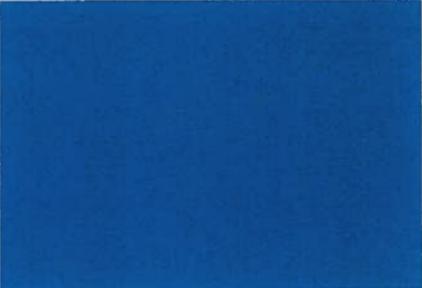
The Association presents its transactions with related parties and affiliated entities in accordance with FASB ASC 850, Related Party Disclosures. As identified within FASB ASC 850, related parties could include, but are not limited to, owners of more than ten percent of the voting interests of the Association, management of the Association, or other parties with significant influence over the management and/or operating policies of the Association.

On November 12, 2020, the Association signed promissory note with the Declarant, VP Windsong Operations, LLC, for 2019 and subsequent Declarant contributions. The original principal amount of the note was \$2,148,073.04, and a provision in the note allows the exact amount of the debt to be updated from time to time by an amendment executed by the Association and the Declarant. An amendment to the note, dated February 23, 2021, states that the indebted amount is \$2,824,521, of which \$1,132,931 pertains to 2019 Declarant contributions, and \$1,691,590 pertains Declarant contributions provided to the Association subsequent to the year ended December 31, 2019. As of December 31, 2020, the Association has recorded a Declarant Loan Liability in the amount of \$2,673,551, for funds loaned to the Association through the year then ended.

The note bears interest at "the rate equal to the lesser of (i) the Maximum Lawful Rate or (ii) zero percent (0.00%) per annum," with an expected payoff date of November 2025. Per the note agreement, "If a default shall occur under this Note, then Lender may, at its option, declare the unpaid principal balance of, and the accrued but unpaid interest on, this Note immediately due and payable, foreclose all liens and security interests securing payment hereof, pursue any and all other rights, remedies and recourses available to Lender hereunder and/or at law or in equity or pursue any combination of the foregoing."


The payment terms under Article II of the promissory note indicate that the outstanding principal balance of the note, and any and all accrued but unpaid interest, will be payable in full on the maturity date, which is November 12, 2025.

In addition to the Promissory Note payable to the Declarant, at December 31, 2020, the Association has recorded prepaid Developer contributions in the amount of \$29,621.



**WINDSONG RANCH COMMUNITY
ASSOCIATION, INC.**

**SUPPLEMENTARY
INFORMATION**



www.ButlerHansen.com

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
REQUIRED SUPPLEMENTARY INFORMATION ON FUTURE MAJOR
REPAIRS AND REPLACEMENTS
DECEMBER 31, 2020

The Association's Board of Directors engaged a firm to conduct a study to estimate the replacement costs of certain common property components. The study was completed on June 28, 2016. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs have not been revised since that date and do not take into account the effects of inflation between the date of the study and the date that the components will require repair or replacement.

The following table is based on the study and presents significant information about the components of common property.

Component	Remaining Life (Years)	Estimated Current Replacement Cost	Replacement Fund Balance December 31, 2020
General Common Areas	4 to 27	\$ 702,250	\$ -
Building Exteriors	1 to 27	59,500	-
Building Interiors	2 to 37	308,805	-
Pool Areas	1 to 32	591,550	-
Mechanical	17	33,700	-
Unallocated		-	474,158
Total		<u>\$ 1,695,805</u>	<u>\$ 474,158</u>

See independent auditor's report.

**WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020**

MASTER

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUES			
Homeowner Assessment Income	\$ 1,658,661	\$ -	\$ 1,658,661
Builder Assessment Income	674,539	-	674,539
Crystal Lagoon Fee	327,000	-	327,000
Working Capital Income	82,912	-	82,912
Community Enhancement Fee (Homeowners)	531,755	-	531,755
Community Enhancement Fee (Developer to Builder)	147,411	-	147,411
Legal Fee Income	140	-	140
Owner/Builder Fines	500	-	500
Late Charges	1,875	-	1,875
Collection Fee Income	2,495	-	2,495
Rental Income	16,825	-	16,825
Miscellaneous Income	16,965	-	16,965
Recreation Events Income	3,696	-	3,696
Interest Income	578	2,066	2,644
Social Events Income	45	-	45
TOTAL REVENUES	3,465,397	2,066	3,467,463
EXPENSES			
ADMINISTRATIVE AND GENERAL			
Bad Debt Expense	(4,510)	-	(4,510)
Prosper Contribution	531,755	-	531,755
Salaries and Benefits	622,310	-	622,310
Audit/Tax Preparation Expense	8,325	-	8,325
Dues and Subscriptions	10,154	-	10,154
Legal Fees	3,340	-	3,340
Collections	2,860	-	2,860
Legal - Collection Expenses	140	-	140
Licenses and Permits	5,202	-	5,202
Management Fees	42,320	-	42,320
Meeting Expense	4,067	-	4,067
Office Supplies	26,893	-	26,893
Printing	256	-	256
Office Equipment	17,920	-	17,920
Recreation Events	134,939	-	134,939
Holiday Lighting/Decorations	35,140	-	35,140
Postage	825	-	825
Social Events	72,905	-	72,905
Miscellaneous Expense	3,162	-	3,162
Mileage Reimbursement	612	-	612
Café Operations	45,080	-	45,080
TOTAL ADMINISTRATIVE AND GENERAL	1,563,695	-	1,563,695

(CONTINUED)

See independent auditor's report.

**WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020**

MASTER

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
UTILITIES			
Electricity	76.892	-	76.892
Gas	4.676	-	4.676
Internet/Cable/Phone	49.512	-	49.512
Water/Sewer	510,247	-	510,247
TOTAL UTILITIES	641,327	-	641,327
CONTRACT SERVICES			
Cleaning/Janitorial	141,043	-	141,043
Janitorial - Events	275	-	275
Miscellaneous Amenity Expense	14,997	-	14,997
Garbage Removal	10,077	-	10,077
HVAC Contract	3,600	-	3,600
Landscape Maintenance	678,700	-	678,700
Additional Landscape Expenses	350,159	-	350,159
Lake/Pond Management	26,252	-	26,252
Well Pump Maintenance	7,620	-	7,620
Pest Control	4,925	-	4,925
Pool Monitor	276,726	-	276,726
Pool Cleaning	47,379	-	47,379
Alarm Monitoring	1,855	-	1,855
Reserve Study	1,930	-	1,930
CL VP Operations	433,750	-	433,750
TOTAL CONTRACT SERVICES	1,999,288	-	1,999,288
PARTS AND SUPPLIES			
General Supplies	36,044	-	36,044
Electrical/Lighting	1,097	-	1,097
Pool Supplies	11,780	-	11,780
Lake Chemicals	6,242	-	6,242
Miscellaneous Parts and Supplies	2,092	-	2,092
TOTAL PARTS AND SUPPLIES	57,255	-	57,255

(CONTINUED)

See independent auditor's report.

WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

MASTER

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
REPAIRS AND MAINTENANCE			
Electrical Repairs	9,598	-	9,598
Signage	476	-	476
Fitness Equipment Repair	4,649	-	4,649
Clubhouse Supplies	42	-	42
Café Repairs and Maintenance	5,466	-	5,466
General Building Repairs	26,506	-	26,506
Irrigation System Repairs	80,768	-	80,768
Carport Repairs	158	-	158
Painting	110	-	110
Parking Lot Repairs	79	-	79
Plumbing Repairs	3,085	-	3,085
Pool Repairs	10,641	-	10,641
Miscellaneous Repairs and Maintenance	61,167	-	61,167
TOTAL REPAIRS AND MAINTENANCE	<u>202,745</u>	<u>-</u>	<u>202,745</u>
INSURANCE			
Directors and Officers Insurance	4,738	-	4,738
Excess Liability	33,078	-	33,078
Property Insurance	51,644	-	51,644
TOTAL INSURANCE	<u>89,460</u>	<u>-</u>	<u>89,460</u>
OTHER EXPENSES			
Depreciation Expense	5,340	-	5,340
Capital Expense (Non-Capitalized)	22,257	-	22,257
TOTAL OTHER EXPENSES	<u>27,597</u>	<u>-</u>	<u>27,597</u>
REPLACEMENT FUND EXPENSES			
Common Area Repairs and Refurbishment	-	137,478	137,478
TOTAL REPLACEMENT FUND EXPENSES	<u>-</u>	<u>137,478</u>	<u>137,478</u>
TOTAL EXPENSES	<u>4,581,367</u>	<u>137,478</u>	<u>4,718,845</u>
EXCESS REVENUES (EXPENSES)	(1,115,970)	(135,412)	(1,251,382)
FUND BALANCES			
BEGINNING OF YEAR	(1,354,908)	331,139	(1,023,769)
TRANSFERS BETWEEN FUNDS	<u>(195,012)</u>	<u>195,012</u>	<u>-</u>
FUND BALANCES			
END OF YEAR	<u>\$ (2,665,890)</u>	<u>\$ 390,739</u>	<u>\$ (2,275,151)</u>

See independent auditor's report.

**WINDSONG RANCH COMMUNITY ASSOCIATION, INC.
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020**

VILLAS

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
REVENUES			
Homeowner Assessment Income	\$ 246,161	\$ -	\$ 246,161
Builder Assessment Income	17,875	-	17,875
Working Capital Income	16,680	-	16,680
Interest Income	-	38	38
TOTAL REVENUES	<u>280,716</u>	<u>38</u>	<u>280,754</u>
EXPENSES			
CONTRACT SERVICES			
Landscape Maintenance	116,789	-	116,789
Additional Landscaping	70,430	-	70,430
Pest Control	6,463	-	6,463
TOTAL CONTRACT SERVICES	<u>193,682</u>	<u>-</u>	<u>193,682</u>
REPAIRS AND MAINTENANCE			
Irrigation System Repairs	25,212	-	25,212
General Repairs and Maintenance	4,375	-	4,375
TOTAL REPAIRS AND MAINTENANCE	<u>29,587</u>	<u>-</u>	<u>29,587</u>
UTILITIES			
Electricity	724	-	724
Water/Sewer	34,707	-	34,707
TOTAL INSURANCE	<u>35,431</u>	<u>-</u>	<u>35,431</u>
INSURANCE			
Property Insurance	100,577	-	100,577
TOTAL INSURANCE	<u>100,577</u>	<u>-</u>	<u>100,577</u>
TOTAL EXPENSES	<u>359,277</u>	<u>-</u>	<u>359,277</u>
EXCESS REVENUES (EXPENSES)	(78,561)	38	(78,523)
FUND BALANCES BEGINNING OF YEAR	59,543	43,776	103,319
TRANSFERS BETWEEN FUNDS	<u>(39,605)</u>	<u>39,605</u>	<u>-</u>
FUND BALANCES END OF YEAR	<u>\$ (58,623)</u>	<u>\$ 83,419</u>	<u>\$ 24,796</u>

See independent auditor's report.



Board Meeting Memo



Windsong Ranch Community Association

MEMO OF RECOMMENDATION

Prosper Education Foundation Contribution

1. Current balance in Community Enhancement Fees Account is **\$1,104,813.88**
2. Previous payments
 - a. \$400K was made on 12/27/2022
 - b. \$200K was made on 6/24/2022
 - c. \$400K was made on 3/28/2022
 - d. \$300K was made on 9/3/2021
3. PEF currently showing a negative balance, asking for contribution prior to end of fiscal year which is 6/30/2023
 - a. Windsong Elementary - \$54,400
 - b. Bryant Elementary - \$34,560
4. Supplemental Breakdown of Contributions

Recommendation: There are adequate funds in the Community Enhancement Fees Account to cover an initial contribution for 2023 in the amount of \$400K, leaving room for additional contributions in the remainder of the year that coincides with the previous year's contributions.

Windsong Elementary (Anthony Dunnington)

Outdoor Classroom - (estimated by me)	\$ 10,000.00
Benches in rectangular formation with central planted area for learning	
Professional Conference - Solution Tree in San Antonio	\$ 14,400.00
18 teachers at \$800/ per teacher (as many as we can budget)	
Sensory Classroom	\$ 2,000.00
Additional materials for kids with learning disabilities	
Lego wall	
Die cutting machine	\$ 5,000.00
cuts letters and objects to decorate the halls	
Decodable Books	\$ 1,000.00
Special books for the library	
Teacher Appreciation	\$ 10,000.00
100 teachers x \$100.00	
Price can be adjusted per budget	
Assemblies	\$ 12,000.00
Guest speakers, authors, artist, etc.	
	\$ 54,400.00

Bryant Elementary (Kim Newman)

Ron Clark House System set up	\$ 6,000.00
Dynamic system for teachers and students to interact	
reahousesystem.com	
Staff Appreciation (allowance)	\$ 8,000.00
Purposeful Play materials	\$ 3,000.00
For kindergarten	
Library	\$ 2,000.00
Overdrive Marketplace- interactive books	
Audio and Ebooks for children with Dyslexia	
Music (Quote)	\$ 2,100.00
Additional instruments	
Physical Education (Quote)	\$ 910.00
Hockey Stick set	
Parachute	
School rain gear	\$ 750.00
Would stay at the school for carline teachers	
Build up classroom libraries	\$ 3,000.00
PLC conference (Quote)	\$ 2,500.00
Interactive Read Alouds (Quote)	\$ 3,300.00
Flexible learning space furniture	\$ 3,000.00
Any amount would help	
	\$ 34,560.00