



*Laura Richard*  
Laura Richard, County Clerk  
Fort Bend County Texas  
Pages: 6 Fee: \$ 36.00

STATE OF TEXAS           §  
  §  
COUNTY OF FORT BEND   §

## Supplemental Recording of Dedicatory Instruments

Name of Property Owners Association:       FIRETHORNE COMMUNITY ASSOCIATION, INC. (the "Association")

Pursuant to §202.006, TEXAS PROPERTY CODE, the Association files the attached dedicatory instruments.

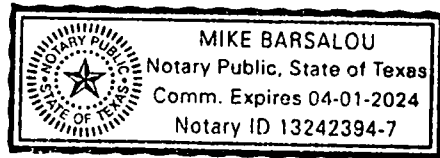
EXECUTED this 3rd day of December, 2020.

*W. Austin Barsalou*  
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W. AUSTIN BARSALOU  
Attorney in Fact

THE STATE OF TEXAS       §  
  §  
COUNTY OF HARRIS       §

This instrument was acknowledged before me on this day by W. Austin Barsalou, Attorney in Fact for FIRETHORNE COMMUNITY ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said corporation.

Given under my hand and seal of office this 3rd day of December, 2020.



*Mike Barsalou*  
\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

Amendment to the Bylaws of Firethorne Community Association, Inc.

WHEREAS, the Bylaws of Firethorne Community Association, Inc. (the "Bylaws") were filed and recorded in the Official Public Records of Fort Bend County, Texas, on May 22, 2006; and

WHEREAS, the Bylaws may be amended at any time by a majority vote of the Directors at a Directors meeting; and

WHEREAS, the Board desires to amend the Bylaws and such amendment is supported by a majority of the Board;

NOW THEREFORE, the Board adopts the following amendment of the Bylaws:

Article III, A. Section 3(b) is amended to read as follows:

(b) There shall be the following positions on the Board of Directors: Position 1 with a term expiring on December 31, 2021, Position 2 with a term expiring on December 31, 2022, Position 3 with a term expiring on December 31, 2023, Position 4 with a term expiring on December 31, 2024, and Position 5 with a term expiring on December 31, 2025. At each annual meeting thereafter, the Members shall elect a director for the expiring position, who will serve a five (5) year term.

Article VI, G is added to read as follows:

Article VI, G. Reserve Funds

(a) The Board of Directors of the Association shall do all of the following:

(1) Review a current reconciliation of the Association's operating accounts on at least a quarterly basis.

(2) Review a current reconciliation of the Association's reserve accounts on at least a quarterly basis.

(3) Review, on at least a quarterly basis, the current year's actual reserve revenues and expenses compared to the current year's budget and review the reserve fund calculations spreadsheet (defined below) to accurately reflect the Association's needs. Any changes to the spreadsheet shall be approved with a 4/5ths majority vote of the Board of Directors.

(4) Review the latest account statements prepared by the financial institutions where the Association has its operating and reserve accounts on at least a quarterly basis.

(5) Review an income and expense statement for the Association's operating and reserve accounts on at least a quarterly basis.

(b) The signatures of at least two persons, who shall be members of the Association's Board of Directors, shall be required for the withdrawal of moneys from the Association's reserve accounts.

(c) (1) The Board of Directors shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components that the Association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established, based on the reserve fund calculations spreadsheet. The spreadsheet will indicate the maximum allowed to be used for a given Association asset based on the column called "Possible Huge Loss/Future Expense/Improvement" calculation."

The Board of Directors must approve any expenditures with at least a 4/5ths approval vote.

Reserve funds shall not be used for general maintenance or ongoing and customary operations and are solely intended for the extraordinary repair or restoration of major components of the Association, as described above.

The Association shall pursue using insurance funds to restore any extraordinary repairs or restoration of major components. However, the Association can use reserve funds for a temporary payment of deductibles with the fund replenished as described in Paragraph (c) (2), below.

(2) Notwithstanding the foregoing limitations, the Board may authorize the temporary transfer of moneys from a reserve fund to the Association's general operating fund to meet short-term cash flow requirements or other expenses, if the Board has provided notice of the intent to consider the transfer in a Board meeting notice to members, which shall be provided as specified in Section 209.0051, Texas Property Code. The notice shall include the reasons the transfer is needed, some of the options for repayment, and whether a special assessment may be considered. If the Board authorizes the transfer, the Board shall issue a written finding, recorded in the Board's minutes, explaining the reasons that the transfer is needed, and describing when and how the moneys will be repaid to the reserve fund. The transferred funds shall be restored to the reserve fund within one year of the date of the initial transfer, except that the Board may, after giving the same notice required for considering a transfer, and, upon making a finding supported by documentation that a temporary delay would be in the best interests of the Association, temporarily delay the restoration. The Board shall exercise

prudent fiscal management in maintaining the integrity of the reserve account, and may, if necessary, levy a special assessment to recover the full amount of the expended funds within the time limits required by this section. The Board may, at its discretion, extend the date the payment on the special assessment is due. Any extension shall not prevent the Board from pursuing any legal remedy to enforce the collection of an unpaid special assessment.

The funds will be repaid to the reserve fund account, plus interest at an interest rate comparable to the current bank interest rates applicable to the fund. The Board of Directors shall establish a schedule of monthly repayments.

(d) At least once every three years, the Board of Directors shall cause to be conducted a reasonably competent and diligent visual inspection of the accessible areas of the major components that the Association is obligated to repair, replace, restore, or maintain as part of a study of the reserve account requirements of the common interest development, if the current replacement value of the major components is equal to or greater than one-half of the gross budget of the Association, excluding the Association's reserve account for that period. The Board shall review this study, or cause it to be reviewed, annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review.

The study required by this subdivision shall at a minimum include:

(1) Identification of the major components that the Association is obligated to repair, replace, restore, or maintain that, as of the date of the study, have a remaining useful life of less than 30 years.

(2) Identification of the probable remaining useful life of the components identified in paragraph (1) as of the date of the study.

(3) An estimate of the cost of repair, replacement, restoration, or maintenance of the components identified in paragraph (1).

(4) An estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain the components identified in paragraph (1) during and at the end of their useful life, after subtracting total reserve funds as of the date of the study.

(5) A reserve funding plan that indicates how the Association plans to fund the contribution identified in paragraph (4) to meet the Association's obligation for the repair and replacement of all major components with an expected remaining life of 30 years or less, not including those components

that the Board has determined will not be replaced or repaired. The plan shall include a schedule of the date and amount of any change in regular or special assessments that would be needed to sufficiently fund the reserve funding plan. The plan shall be adopted by the Board of Directors at an open meeting before the membership of the Association as described in Section 209.0051. If the Board of Directors determines that an assessment increase is necessary to fund the reserve funding plan, any increase shall be approved in a separate action of the Board that is consistent with the Association's governing documents.

(e) As used in this section, reserve accounts means both of the following:

(1) Moneys that the Association's Board of Directors has identified for use to defray the future repair or replacement of, or additions to, those major components that the Association is obligated to maintain.

(2) The funds received, and not yet expended or disposed of, from either a compensatory damage award or settlement to the Association from any person or entity for injuries to property, real or personal, arising from any construction or design defects. These funds shall be separately itemized from funds described in paragraph (1).

(f) As used in this section, reserve account requirements means the estimated funds that the Association's Board of Directors has determined are required to be available at a specified point in time to repair, replace, or restore those major components that the Association is obligated to maintain.

(g) As used in this section, the reserve fund calculations spreadsheet, or spreadsheet, means the itemized calculations used to compare projected possible funds needed against current reserve funds available, resulting in a determination of the amount of additional reserve funds needed.

(h) Any changes to this Article VI, G. Reserve Funds policy as described herein must be approved by a 2/3rds vote of the Members of the Association.

CERTIFICATION

As Secretary of the Firethorne Community Association, Inc., I certify that the foregoing amendment was approved by a majority of the Board of Directors of the Association at a duly called and held Board meeting on December 3, 2020.

Dated: December 3, 2020

DocuSigned by:  
*Steve Mullins*  
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Steve Mullins, Secretary

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