

Board Meeting

13 MAY 2024 / 5:00 PM

ATTENDEES

Kelly Baudat, Crystal Dietert, Larry Hope, LaRae Nelson and Linda Alves

NOTES

- **Treasurer's report: LN**
 - Bank balance \$59,414 as of 4/30/24
 - Fence painting remaining payable \$6,000
 - 2024 dues YTD = 19 unpaid / \$5,130 accounts receivable grand total
 - 2023 IRS form 1120-H (paper form) filed before 4-15-24 deadline.
 - RPOA charter has been reinstated with TX Secretary of State
 - Annual report filed to meet May 15 deadline
 - Common requirement by TX Sec of State
 - Annually - if requested
 - Includes information such as officers, agent (an unrecognized Houston address on file for RPOA - LN updated her address for contact).
 - Insurance for Officer & Director Errors and Omissions expires July 31 - three bids requested with broker for new coverage beginning August 1.
 - Generally, LN commented that she's confident that a good process is established now to keep up with financial compliance and all associated responsibilities as treasurer moving forward. KB shared that the previous treasurer did a good job in her opinion.
 - LN secured a 40% reduction in actual charges by Cantrell & Cantrell since she actually completed some of what they originally included in their scope of work.
- **Tree trimming: KB**
 - Drove all three lanes and recorded addresses where trees were blocking road: Riverwood (6), Pin Oak (9), Windmill (3).

- KB spoke with Marty Seets/Waller County Road & Bridge. List of trees given to Marty. Confirmed that chainsaws will be used for trees, long circular cutter for bushes and shrubs only.
- Picnic: KB – over 60 attended and seemed to be a huge success!
- Fence: KB – looks phenomenal and over halfway completed. Work continues.
 - Metal post guards needed to protect against weed wacker damage. KB researching the best price/product. Board all agrees on the importance of adding these guards. There's been such an effort to rebuild / prime and paint fence – protecting posts also needed.
- Bylaws / deed restrictions: KB, CD and LH reviewed in small committee on May 2. Minimal changes are needed and most of the questions are things already discussed (see list provided by KB – page 5 & 6, with board meeting comments / discussion added).
- HOA Lawyer selection for the RPOA
 - Discussed pros / cons between a short list of four firms: RMWBH, Winstead, Lambright & McKee and Weaver. No one expressed any strong opinions for one over another. RMWBH & Winstead are well-known in the industry and HUGE, big box firms. KB had a friend recommend RMWBH. Weaver and Winstead quoted \$685 & \$1000 respectively for a consultation. RMWBH just sent an engagement letter to start looking at our situation. Lambright & McKee is not a big box firm, quoted scope of work with budgetary price range, and once a client, RPOA would be kept up to date on any new HOA laws passed during Texas legislative sessions. No strong opinions expressed. Select Lambright & McKee? Board approves. LA will contact Shawn McKee for next steps. KB hopes that the lawyer can give us a list of items to fix and tell us what to do. Board will be updated with developments.
- General questions / comments / discussion:
 - KB – appearance of temporary stop signs on all lanes is a mystery. Called WC Road & Bridge, no answer. If anyone else would like to call to try to find out the reason, you are welcome to also call.
 - KB – Craig Paul is re-doing the poster board frames for the lane entrances to hold signage.
 - KB – Who is updating the directory? What is the process?
 - LA keeps one master spreadsheet on Google drive (Ref: 10/24/23 meeting minutes). As LN receives any communications

/ resale fee checks from title companies, change sent to LA for a master list update.

- LN will only be working on RPOA reports, etc. 1x per month – too much of a time drain otherwise.
- LA – Residents could take issue with such a large bank balance. Nearly 5x more than the operating budget? Might be an issue?
- LA – ref: resale certificates / statement of account for title companies. 23 email inquiries between Dec 2023 and April 2024 with over 100 emails exchanged.
- LN will mail third past due notices
 - LA inquired if we would be offering a payment plan? LN under the impression that residents had to ask for a payment plan. Ref: email to Board fm LA, 12/5/23 – Texas Property Code Section 209.0062.
 - LN will add payment plan offering to 3rd notice.
 - Then place liens? Board discussed before (Ref 1/29/24 & 2/5/24 meeting minutes). What is the benefit of a lien if payment is eventually collected upon sale of the property?
- LA – What is a charter? How long had it lapsed? Same as IRS delinquency from 2008?
- Along with our legal compliance, LA knows that we are also missing a management certificate filed with the county, a missing dedicatory instrument per Texas Property Code, (Ref: email to Board fm LA, 12/5/23 & handout at our 3/11/24 meeting). LN stated that the county appraisal district knows about the RPOA. They have a file for us.
- Keep the lot fee @ \$130 for next year? Brainstorming comments included: Add more social events to help bond the community? Add decorations at entrances (Christmas, etc.)? Add ditch mowing on lanes again? Tree trimming? Beautify the neighborhood more? More discussion needed.
- Continuity plan for the RPOA? Significant hours spent to bring RPOA up to speed and back into compliance. LH mentioned a management company in several previous meetings – LA researched pricing and various levels of management available, ranges from \$400 / \$625 / \$1000 per month (Board would only need to meet 1x per quarter, heavy administrative work offloaded to management company). HOA Software subscription ranges \$1000 to \$1500 per

year. Website hosting around \$300 per year. (Who will keep any eventual website up to date? Ref email to Board from LA, 12/5/23, Texas Property Code Section 207.006). How will the RPOA attract future volunteers? Board positions should not be life sentences. Significant amount of manual, time consuming and detailed administration is required now.

- Next meeting? TBD

RPOA - Sub-Committee review / Deed Restrictions & Bylaws

May 2, 2024

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Bylaw Questions/ Changes

1. Article I Organization #2 : What is our seal? Do we need one?
Where would we find it? *(Board meeting 13.05.24 discussion - LaRae can order seal if needed)*
2. Article II Purposes #1: Do the bylaws legally cover all 3 streets?
3. Article IV Members #1: Does the language of this allow membership to be an option vs. Article IX #2 "Fees shall be payable to the corporation on receipt of invoice
4. Article V Member's Meetings #3: Does this need to be updated?
Can we use website as our official tool for communication purposes?
5. Article VI Directors/Officers #2: If an officer on the board is not in good standing what is the process for removal from the board legally?
6. Article VI Directors/Officers #14C: Seal of corporation comes up again.
7. Article VIII Books, Records, and Annual Audit#1: How are we going to legally store the records? Electronically? Combination?
#2 Annual Audit: This is not something that I am aware of having done in the past. Do we need to name them officially in our meeting notes? *(Board meeting 13.05.24 discussion - LaRae is a HARD NO regarding audit. If not done correctly, carries a \$5k fine. The word 'audit' used here sends shivers up any accounting professional's spine.)*

If we want to update these bylaws it will need to be done at a meeting.... Will need Majority vote (51 percent).

Deed restrictions questions/changes

1. Are all 3 streets incorporated for the purposes of our deed restrictions?
2. Restrictions #1: We would like to ensure that renting and leasing are not allowed in the neighborhood.
3. Restrictions #2: All trailers if visible from the street must be parked in rear of home (do we want to request this change)? In this section, are modular homes included or do we need to update for legal purposes?
4. Restrictions #8: This is no longer relevant.
5. Restrictions #13: This is pertaining to the original road on Riverwood Lane. Does this now include the roads on both Pin Oak and Windmill? And does this need rewritten?

Board meeting 13.05.24 additional discussion -

Ref: KB's email about architectural review (email to Board on 2/21/24 with RMWBH article link)? Should we prepare some general language for guard rails without going to the extent of an architectural review board? Something to avoid purple houses and such only. Not super restrictive.

██████████ - long standing tree trunks / debris in front yard (from last Summer's drought?). KB approached the owner to volunteer assistance with clean-up but no response.

██████████ - Is this house foreclosed? Unoccupied? Status? CD to investigate ownership. ██████████ on current past due list. ██████████ is listed as owner on the old Dec 2023 list (not the current list). WC Appraisal District indicates ██████████ is the new owner. There was no resale / statement of account request last December / January, how did this change ownership?

Ref: Deed restriction #1 re: businesses prohibited, lots for residential purposes only - [REDACTED]

_____ - to what extent should this be enforced as well - sharpen up the language?