

RIVER MOUNTAIN RANCH – WIMBERLEY

PROPERTY OWNERS ASSOCIATION

Subject: Minutes for August 2011

Final: August 11, 2011

Attendance: John Tanzillo, Fred Carney, Al Ohm, Ron Nielsen, Margaret Baker and Walter Schleyer were present. Wellborn Gregg was absent.

General: The meeting was called to order on August 11, 2011 at 6:03 p.m. by John Tanzillo who conducted the meeting. A copy of the agenda is attached as Exhibit A. Upon motion by Fred and seconded by John, the Board unanimously approved the minutes from the regular meeting of the Board on July 14, 2011.

President's Report: John made a motion to top off the POA water tank. The tank lacks about 1300 gallons from being full and that amount of water would cost about \$90. Fred seconded the motion and the Board unanimously approved.

Vice-President & Architectural Control Report: Margaret stated that two new plans had been submitted for swimming pools and that the plans had been approved.

Treasurer's Report: Fred stated that we have \$26,794 in the bank, which includes \$10,750 in construction deposits.

Secretary's Report: Nothing new to report.

Roads Report: Ron stated that River Mountain Road had been restriped with better quality paint.

Communications Report: Deferred until the next meeting.

Park Report: Walter stated there has been little, if any, activity in the Park due to the heat.

New Business:

Discussion of changes to Neighborhood Watch by Hays County – John reported that the county effort in this area is in transition and seems disorganized at present. The first informational meeting he attempted to attend was cancelled without notice. He noted that the RMR website has a link to the Sheriff's office that provides much information about criminal activity in Hays County. So far, RMR has avoided such activity. He stressed that NW needs contact persons to pass on information received from the county.

Discussion of new Texas Laws affecting POA/HOAs – David Junkin highlighted the 2011 Texas POA Reform Laws that had been passed during the 82nd Texas Legislative Session. Most of the meeting consisted of a general discussion of these laws. These changes include, but are not limited to, the following areas:

HOA MEMBERS ~ HOMEOWNERS

- | Open records & open board meetings
- | Guaranteed right to vote in HOA elections and on matters affecting the owner
- | Payments applied to "dues" first - delinquent and current
- | Payment plans when delinquent
- | Notices to protect active military
- | Okay to have flags, solar panels, roof shingles, rain barrels, and religious door markers

REAL ESTATE LAWYERS, TITLE COMPANIES & COUNTY CLERKS

- | To be enforceable, HOA's governing documents must be recorded
- | End of hard-to-amend Declarations - max of 67% of votes to amend
- | Notice must be recorded every 3 years to sustain a grandfathered private transfer fee

HOA ATTORNEYS

- | Limits on contingency fee agreements
- | New foreclosure procedures
- | Lien notices must be prepared by lawyer
- | HOA must apply payments from owners to assessments before attorneys fees
- | Authorizes JP court suit to enforce access to HOA records and award of prevailing party legal fees
- | New notice requirements for collections and enforcement
- | HOAs must adopt and record open records procedures, payment plan guidelines, and records retention policies

DEVELOPERS & HOME BUILDERS

- | Limits on length of "Declarant Control Period"
- | "Development Period" carve-out for open meetings, solar panels, board appointees, declaration amendments
- | Requirements to grandfather private transfer fees paid to developer or 501(c)s that don't "directly benefit"
- | New disclosures for home sales contracts

LENDERS

- | Junior lienholders get notice & 60 days to cure owner's default to HOA

HOA DIRECTORS

- | At least 72 hours notice of board meetings (regular & special) to all members
- | Limits on what board can do without prior notice to members or in executive session
- | Every owner may run for board - can't disqualify (except for "disclosed" felons & moral turps)
- | No secret ballots (must be signed), and access to ballots for inspection is limited
- | Board must call annual meeting to avoid call for elections by grass roots group
- | Limits on appointments to board (versus election)

HOA MANAGERS

- | Transfer fees paid to managers at closing are protected - no changes - business as usual
- | Resale certificates - longer to prepare, prepayment by buyer
- | Changes to content of resale certificates
- | If HOA or manager maintains publicly-accessible website for HOA, must post governing documents

The consensus of the Board was that these were major changes to the law governing POAs in Texas and that many, if not most, of the new provisions will impact the provisions found in the RMR POA By-laws. David cautioned that these were highlights and were not intended to replace the advice of a lawyer who is experienced and knowledgeable in laws applicable to Texas POAs. In addition, specialized legal knowledge may be required to implement many of the changes. In order to properly implement the changes with as much economy as possible, David suggested we look into whether or not there is an organization that advises POAs on changes in the law and other subjects on an ongoing basis.

If such an organization exists, it may have a staff attorney(s) who could provide RMR POA with information as to: (1) how the new laws specifically impact our bylaws and our covenants and restrictions, (2) what new procedures the POA needs to implement to come into compliance with the law, and (3) what actions the POA cannot take in the future.

The Board unanimously decided that each board member will look into the existence of such an organization and report as soon as possible.

Adjournment: The meeting adjourned at 8:04 p.m. The next regularly scheduled Board meeting: 6:00 p.m., Thursday, September 8, 2011 in the Cypress Room at the Wimberley Community Center.

Al Ohm

Secretary

Attachments: Exhibit A (Agenda for August meeting)