

Volunteers Needed for Bylaw Committee

The Texas Legislature frequently promulgates laws impacting homeowners associations that sometimes put their governing documents in conflict with the new law. HOA's then develop policies to comply with the mandatory changes. We are now to the point we need to merge our numerous new policies with our existing Bylaws to create a single Restated Bylaw Document. We are looking for Homeowners to volunteer to help on this project. The intention is to create a basic Restated Bylaw Document that must be voted on by the Membership that needs to be accepted. We would like the Bylaw Committee to also review Bylaw document from surrounding communities to see if there are any provisions that might be beneficial to include in our new document. These suggested provisions, after being reviewed by legal, will be offered separately as a separate line item for a vote to see if the Membership would like them included in the Restated Bylaws. Presenting the document for vote in this manor avoids an all or nothing vote. Should the Membership not like any of the suggested additions they can vote the provision down but still vote in favor of the mandatory changes.

Examples of new items that might be considered:

1. State law allows an HOA to levy fines for noncompliance with deed restrictions but an HOA cannot levy fines if their governing documents do not give them permission to do so. It is becoming increasingly difficult to enforce certain deed restrictions. If the committee thinks fines might help achieve compliance the item can be offered to the Membership for vote.
2. Our governing documents provide procedures for the Membership to remove the entire Board of Directors and allows the Board to replace a Director who is no longer actively participating in the management of the Association. However, our governing documents do not have a procedure to remove a single Director who remains active but is not acting in the best interest of the Association. Would our membership like to have that option?
3. For the most part, Homeowners who volunteer to serve on the board have their own ideas about how the Board and the Association is supposed to function. After the 2014 election the Board began requiring that all new Directors attend a "Directors training class". In that class the new Director receives information on where the Board gets it's authority, Association liability issues, how to conduct a meeting, how to read the financial statements, collections, confidentiality issues, how to set up a reserve account and the importance of a reserve study and funding plan. Would our Membership like to include a provisions requiring such training the make certain the new Director is armed with the information he needs to perform his duties? If the new Director refuses to take the training over a specified period of time should he be removed from his position?
4. Over the past 8 years your Board has managed to keep increases in expenses relatively flat and has been able to significantly increased cash on hand and at the same time has spent over \$377,000 on capital improvements to Association assets. Financial information is available to any Homeowner through the Sterling web site for any Homeowner that would like to review this information. OWG's approved annual budget, monthly financial statements and the accountant's annual financial reviews are available to all. You can also find the original Reserve Study, most current Reserve Study and the club house engineering report on the Sterling web site. A reserve study is conducted by engineers who look at all assets and determine when each

asset will need maintenance, repair and replacement over a 30 year period. They then calculate the cost of the activity and provide a funding plan so the HOA will have the funds available when each action is proposed. The Board believes we were on track to be able to meet those projected goals. Current economic trends make us less certain. While we have been able to dramatically increase the cash in our reserve account over the past 8 years we are hampered by the previous decades of Boards not properly funding the reserve. There simply should have been more money in the reserve account. We are also limited to a 3% assessment increase by our governing documents. Most surrounding communities are allowed at least a 10% increase. With the 3% limitation the Board has no choice but to increase assessment by 3% every year in hopes that we are not hit by multiple years of inflation exceeding 3%. Should the Board have a higher limit it could look at the inflation rate each year and only take the increase needed. What would our Homeowners like to do on this issue?

5. We have had multiple discussions during Board Meetings and have held a town hall meeting to discuss the possibility of installing Flock License plate readers on our entrances. The Board continues to research different ways to economically participate in this program. We do not want to oversell the Flock Cameras. They will not provide any assistance in catching the kids that are walking the neighborhood late at night checking for unlocked cars. However, if the kids can be associated with a vehicle and a time frame the cameras may well end up providing the information needed to lead to their arrest. The cameras will also flag any vehicle where the plate is associated with a warrant, amber alert or silver alert and will notify the Sheriff Dept. when it passes. We believe that the installation of the cameras will also serve as a deterrent. Flock makes no attempt to hide the cameras. We believe that "most" criminals will avoid areas where they know they are being watched. Harris County Sheriff Office District 1 (our district) just received a federal grant for 25 Flock cameras. Four Flock cameras have been installed at this point and one camera has already been directly responsible for the arrest of a murder suspect. Should Oakwood Glen move forward with no participation from surrounding communities we would need 9 cameras. 4 for the main entrances to OWG and 5 for the common streets connecting OWG with Spring Creek Forrest. The cameras cost \$2,400 per year so for 9 cameras the cost would be \$21,600 per year. We have approached several Directors from Spring Creek Forrest about the possibility that they install Flock cameras on their exits where we could both avoid the cost of the 5 connecting streets with varying interest on their part. Should something be worked out in this manner we would only need 4 cameras and the cost would be \$9,600 per year. We have attended a total of 6 Mud 24 Board meeting in an attempt to get the MUD to participate in the cost of the cameras. The initial response was positive but when they decided they had too many different subdivisions in the district to participate we gave up on that approach. We currently have an inquiry with Valery Swanson's office to see if any state or federal grant money was available to HOAs that could be used for the Flock cameras. If you read the financial information in item 4 above you will understand why the Board is reluctant to move forward at this time. If the Board were to have the authority to increase assessment up to 10% we could move forward without concerns of risking future commitments. An alternative might be to increase assessments by the cost of the Flock cameras. We have 903 homes in OWG. For the 9 cameras that would be needed without outside participation it would increase each Homeowners assessment by \$23.92 per year. What would our Homeowners like to do on this issue?

We would like to point out that our Homeowners “are” the HOA. Oakwood Glen Association is not a municipality or government entity. It is a nonprofit corporation and each Homeowner is a stockholder owning one share of stock. The Homeowners elect a voluntary Board of Directors at the Annual Members Meeting to manage the business of the Association in accordance with the governing documents. This is an opportunity for Homeowners to have direct input into the documents used to govern the Association. Our hope is that we can put together a committee that can accomplish these goals with limited input from the Board. Once the committee has completed the project their work product will be distributed to our Membership for review and comment. Should the comments indicate a town hall is necessary one will be scheduled before the document is offered for a vote of the Membership.

Any Homeowner wanting to serve on the committee should contact Gina Keller at gina@sterlingasi.com