

Cumberland Ridge Homeowners Association, Inc.

Annual Meeting Minutes

May 9, 2020

Time: 10:00 AM

Location: Lloyd Grant Park

Attendees: Board Members: Don Jackson, Paul Trotter, Steve Ellis Linda Buess and Arturo Hernandez

Attendees: 33 Homeowners

The meeting was called to order at 10:00 AM by Don Jackson

The meeting agenda included:

- Quorum
- Approval of Minutes
- Review of Restrictive Covenant Change Votes
- Approval of 2020-2021 Budget

Quorum

Don Jackson shared that the Board had received 52 written proxies which was more than the required 10% of the members to hold the meeting.

Approval of Prior Minutes

The last Annual Meeting Minutes dated May 18, 2019 were reviewed. A motion to approve the minutes was offered by Gerald Blankenship and seconded by Sam Emond.

The Special Meeting Minutes dated May 30, 2019 were reviewed. A motion to approve the minutes was offered by Sam Emond and seconded by Dick McKelvey.

The Board Meeting Minutes dated October 29, 2019 were reviewed. A motion to approve the minutes was offered by Jerry Reeves and seconded by Gina Gilmore.

The Board Meeting Minutes dated January 20, 2020 were reviewed. A motion to approve the minutes was offered by Gerald Blankenship and seconded by Gina Gilmore.

Budget

Don Jackson presented reviewed the 2019-2020 budget.

Mr. Jackson provided comments regarding prior delinquencies and a Wait for Sale list. He stated that much hard work has brought the delinquencies down. One particular account for \$14,000 will be written off as the owner has passed away and the lot is not worth pursuing foreclosure.

Mr. Jackson presented the proposed 2020-2021 budget. A motion to approve was offered by Kim Baker and seconded by Dick McKelvey.

Covenant and Restriction Changes

Don Jackson revealed the voting totals for each Covenant Change. A total vote of 51% of 432 lot owners was required to pass each amendment:

1. In Paragraph One: "Owners of Real Property in Cumberland Ridge" replaces "Developer" as the amender of the Restrictive Covenants. Units 1-8 will all be governed by this one set of Covenants rather than each Unit having its own Restrictive Covenants. This will make community guidelines consistent and easier to administer. Approved 304 of 305 votes
2. Section 2.1 Annual Road Assessment that was approved in 2019 shall be placed in a reserve, and it may only be used to maintain roads and right of ways. Approved 302 of 305 votes
3. Section 2.2 Method of Assessment: The Annual HOA Assessment and Annual Road Assessments for (a) Lot with House (b) Vacant Lot (c) Additional Lots (d) ½ Lot are listed. Approved 290 of 305 votes.
4. Section 2.4 Lien: Assessments are listed as "Annual" rather than "Monthly". Approved 298 of 305 votes.
5. Section 2.10 Exempt Property: The legal names of the original developer and subsequent developers have been listed and updated. Approved 298 of 305 votes.
6. Section 2.12 Remedy for Violations of Restrictive Covenants: The \$10 per day fine for non-compliance that was established in 1971 has been updated to \$50 per day to better reflect current day costs of administration. Approved 232 of 303 votes
7. Section 2.13 Primitive Park and Marina Slip Fees: The fees for Marina Slip rentals are included. Primitive Park and Marina Slip Fees are not refundable. Approved 291 of 305 votes
8. Section 3.1 Architectural Control Committee: The HOA Board must have a representative on the ACC and the ACC shall participate in all Board Meetings. This will help ensure communications and coordination between the ACC and the HOA Board. Approved 299 of 305 votes.
9. Section 3.2.3 Minimum Building Area: The current Covenants list 1971 specifications (this was a recording error). These specifications allow for a house as small as 1000 SF and are out of date. A compromise of 2000 SF Living Area (Heated and Cooled) was reached for all Units with this 2020 revision. This splits the difference between 2300 SF (Units 1,2,4,6,7) and 1750 SF (Units 3,5,8) that was passed in 2004. Garages, porches and patios, and other structures are not considered part of the living area. Approved 294 of 305 votes.
10. Section 3.2.4 Roofs: The word "Wood" Shingles replaced with "Composite" Shingles. Approved 302 of 305 votes.

11. Section 4.1 Residential Usage: Wording was updated to read “Lots in Cumberland Ridge shall only be used for single-family residential purposes, which shall mean as a primary or secondary residence”. Approved 300 of 305 votes.
12. Section 4.4 Garage/Estate Sales/Events with increased traffic: Due to our very narrow roads the wording “ If any person conducts an event that is expected to draw 15 or more vehicles into the Subdivision, they should notify the Board in advance, and cooperate with the Board to minimize congestion and disruption” has been added. This advance planning will allow our residents to have these events by working with the Board to create a traffic and parking plan that won’t disrupt subdivision traffic. From the existing Covenants; Garage Sales are still not allowed unless approved by the Board. Approved 273 of 305 votes.
13. Section 4.5 Nuisances: The wording for this section has been modified to “No one may conduct any activity or allow any condition to occur in the subdivision that is obnoxious, offensive, annoying, dangerous, unhealthy, or which creates a nuisance or hazard to the residents or property owners in the subdivision”. Approved 287 of 305 votes.
14. Section 4.10 Boats, Trailers and Vehicles: The following wording has been added: Boats, trailers and vehicles that cannot be properly stored and screened must be moved to Primitive Park. Approved 287 of 305 votes.
15. Section 4.12 Inoperable Vehicles: The previous wording of “Unused” Vehicles has been changed to “Inoperable” Vehicles. Approved 293 of 305 votes.
16. Section 4.14 Signs: To be consistent with Texas Law, the following wording has been added to provide for political signs: “Each owner may display one sign no larger than 4’X6’ for each candidate or ballot item, but not more than 90 days before and not more than 10 days after each election”. Approved 284 of 305 votes.
17. Section 4.16 Leased Lots: The purpose of this section is to establish standards for leasing real property in any of the Units in the Cumberland Ridge Subdivision, to protect property values, encourage persons to reside there on a permanent basis, and preserve the peaceful, residential nature of the neighborhood. This section prohibits short term rentals that enable weekend rentals to multiple tenants such as Bed and Breakfasts, Air B&B, VRBO, and other short term rental platforms. These types of businesses have become a trend on Lakeside and Resort Communities. We have added this section to stay ahead of this trend for our subdivision. Long term rentals (6 months and longer) are still permitted. This Section includes 4.16.1 – 12. Approved 271 of 305 votes.
18. Section 5.3 Duration: The percentage of votes to amend the Covenants will remain at 51% of lot owners from the current Covenants. The wording for this section has been updated to be consistent with current Texas Real Estate Code: “This declaration may be amended or revoked at any time by vote of a majority of the votes entitled to be cast by the Owners in an election conducted by the Association in accordance with its Bylaws, on the express condition that the Board give proper notice of the specific amendment(s) in a proper notice issued according to the requirements of the Bylaws and state law. In such an election, the Association’s Board may allow the Owners to vote in person or by written and signed proxy at a regular or special meeting called wholly or in part for that purpose; by absentee ballot; and by electronic ballot; and by DocuSign or any other electronic method which meets the requirements of the Texas

Uniform Electronic Transactions Act or any successor statute. The election may be conducted using any combination of at least two of the above-referenced voting methods, but may not be conducted using a single method. Any amendment to this Declaration shall be effective only when it is signed and acknowledged by the President of the Association, and recorded with the real property records of Smith County, Texas.” Approved 300 of 303 votes.

19. There are other minor wording and description changes in Sections 1.1, 1.2, 2.7, 2.9, 2.10, 2.13, 4.15, 5.2, 5.4, 5.5, 5.7. To streamline the voting process as much as possible, you will vote on these minor wording changes with one vote. Approved 282 of 305 votes.

Don Jackson noted that the amended document had been filed in both Smith and Cherokee counties.

Recap of 2019-2020 Initiatives

Several projects were completed during the fiscal year. Included are:

- Road Reserve Increases in assessments increased the reserves
- Primitive Park was cleared to increase the size by 30%
- Marina Boat Launch Pier was completed
- Oak Hill Place and Bayside Drive road repair along with 15 other minor repairs and a number of Southern Utilities damages in streets,
- 4 new culverts
- leaf removal from ditches
- Wilson Park drainage improvements
- Entry Landscaping
- Restrictive Covenant changes
- Newsletters were transitioned from one single document to 74 emails updating the community on pertinent info
- Accounts Receivables down by \$20,000.00

New Initiatives

- New Board Transition
- Bylaw Changes
- Review of neighborhood to assess roads and drainage projects
- Fall drainage cleanup
- Edges of roads to be built up
- ACC will be lead by Don Jackson. Initiate a more streamline process where applications go directly to ACC. Rose City will still issue the building permit. New building projects will be issued a Storm Water Runoff Protection Permit prior to building.
- Parallel parking to be added at Wilson Park.

Committees

A number of homeowners volunteered for committees. A new committee for “future initiatives” will be formed.

New Board Candidates

Leslie Fight, Keith Roberts, and Kim Baker were introduced as new board members. A motion to approve the candidates was offered by Sam Emond and seconded by Gerald Blankenship.

Other Business

A homeowner inquired if a food truck would be allowed, upon invitation, to come into the development. The homeowners present voted overwhelmingly in favor. May 27th from 5PM to 8 PM will be the first food truck serving tacos.

A motion to adjourn the meeting by Gerald Blankenship was seconded by Steve Ellis. The meeting adjourned at 11:30 A.M.

Linda Buess

Treasurer