



Crystal Knoll Terrace HOA

Board Meeting Minutes

Annual Members Meeting- 8/22/2021

Opening: meeting was called to order at 3:00pm on August 22, 2021 by Kathy Gould

Present

Kathy Gould- President
William Holland- Treasurer
Christina Barnett- Secretary
Andrew Karaffa - Member at large

Agenda

- 1. Call to order**
- 2. Quick Introductions**
 - a. Introduction by Kathy, I am serving as president, another member Margaret who is not in the meeting due to a vacation**
 - b. Bill Holland, in the neighborhood for 16 years, part of the board for 4 years.**
 - c. Christina Barnett is new to the board and new to HOA.**
 - d. Andrew Karaffa Member at large, 2nd time on the board.**
- 3. Treasurer's report**

William Holland - Currently the balance in the bank is a little over 26 thousand dollars. Collection of HOA Assessments for half of last year and also the following year helps for this year's budget to keep up with the liability insurance, lawn maintenance, taxes, legal expenses.



We pay a little over 400 a month for lights and this is a huge safety factor. We worked with the utility company to drop the amount owed by the HOA. We closed the old bank account after we used that money to clear past balances debts.

We transferred the remaining money in the old account to the new account to help aid in the current bills that the HOA will incur.

Question : In the first year what happened to the money I paid for assessments when the HOA was not active, where did that money go? He still paid into an escrow account, where did it go?

A) Kathy Gould in 2017 we had an election in which the results were all new board members. We had a non communicative board that did not do anything for the HOA, and were negligent; because of this we, as all the homeowners, were able to conduct an election. We now have a more active board. We reached out to the old board members to get any documentation/information but did not get a response. Once we obtained access to the old bank account, we reviewed it to ensure that there was no misappropriation of funds. We did not want to mix any activities performed by the old board to the new board. Also from a legal standpoint we did not want the possibility of both accounts being frozen. We then prioritized the delinquent accounts, negotiated the amount due to make sure we were able to pay them.

During this period there were no deposits or withdrawals on the old bank account. Homeowners reached out to us about funds they paid into escrow for the HOA and gave us permission to talk to the escrow officer about their account. We learned the PO Box for the HOA was shut down and the payments were returned but the title companies held them. Also we found out that the fees were mismatched depending on what day of the week you called. Due to inconsistency on the fee amounts provided to escrow managers/title companies by the old board, we can not in good faith try to collect the correct amounts. (note inserted: the current board just accepted what the title company/escrow manager had obtained from the sale of the home.) We discussed if it would be worth pursuing this legally but is it going to cost more to pursue than we would get in return. (note inserted: considering the cost of legal representation)

Q) Concern that there is an HOA and then be informed that there is not an HOA, misinformation from the old board. Non consistency. Concerns on the invoice received, and who voted and why am I having to pay.

A) Kathy Gould, declaration filed with the county, this is an HOA that is good for 40 years. The HOA information is filed with the county clerk and on record. As a new board we did our due diligence and sent a letter to all the title companies and made sure they had all of our information that this is a valid HOA. The current board is trying to be as transparent as possible. This current board does not want the scenario of the board vs the homeowners. You provide the input on different things in the neighborhood, we want it to be an inclusive community. We are all homeowners. We also were concerned about what happened to the money from the old board. Also Kara was very productive in heading the election committee. We were able to reclaim our HOA. In the meantime mowing around the neighborhood (note inserted: mowing the common areas) we had people volunteer to mow the area; to name a few, Bill Holland, Keith Barnett, Joseph (don't remember the last name) and others.

Hopefully we can get into a mode that we all can get together to do what is right for the whole community.

Q) Kara asked for a P and L

A. Kathy Gould, we will include that with the upcoming newsletter.

We want constructive criticism so we can work together better. The HOA is not the police, please talk to your neighbors first before coming to the HOA board, we really do not know what is going on. We do not want to engage in disputes, we just do not have jurisdiction to handle certain issues.

Q) Clarification- Do we need a board

A. Kara Kelly headed the election committee and provided the numbers that they received on the community's response to the reinstatement of the board for the HOA.

C) Kathy mentioned that as soon as we get more funds we can focus on community engagements.

Q) Members expressed that they want to see the financial numbers from the last year.

Kathy Gould - We don't have the ability to provide that information other than the balance that was in the old account when we came on board; as that information is not available to us.

Q) Member mentioned that they live in an old board member's house, and have gotten taxes for retention ponds and paid some of them.

Kathy Gould mentioned that if they paid for any of the taxes on the retention pond please let us know and provide the receipt so we can reimburse them. Board

members Kathy Gould and Bill Holland used their personal funds to pay the taxes. When this was done Kathy had the address updated with the tax office but was unaware that the system from the tax office was not integrated with the appraisal office; once finding this out the address on file at the appraisal office was changed to reflect the HOA mailing address.

Andrew Karaffa As someone who used to work for the county, they do not talk to each other, so when we updated one system it did not update on another system. So some mailing addresses were not updated. Also it falls on title agencies and realtors to have done their due diligence to make sure that the HOA was still active.

William Holland mentioned that 67% of the neighborhood had to vote to abolish an HOA Board, and title companies knew that we had an active HOA. He has received money from title companies that were held when the board was inactive. Also the state has funds as well.

Q) The money that I did pay, if it has not been dispersed as of yet, is that money good for what I owe now. Too bad that was 2 years ago?

A) William Holland, I pulled deposit reports, nothing going out and very little going in. Money was not spent nefariously, we had an access of \$20k that was used to pay the outstanding utilities, lawyer bill and other delinquent accounts, after all that we had \$3k and transferred to the new account. This has been now included in revenue to help with the budget needed for the functioning of the expenses of the neighborhood and the HOA.

Andrew Karaffa mentioned that he was the treasurer for 2010.

Bill Holland mentioned that we have an actual mail box associated with the park address we could consider using instead of renewing (inserted note: renewal is March 2022) the PO Box we currently have.

Kathy Gould stated that this is something the board needs to discuss and vote on as there are pros and cons for this suggestion.

Q) One home owner mentioned that she did not get an invoice.

A) Kathy Gould mentioned that the invoice did indeed go out, one for \$50 and we did that amount since we did not feel it was fair to charge them for the whole year, and Kara was helpful in instituting this amount. (Will look into and get back with this homeowner) Not all homeowners have not paid their dues.

We have 15 that have not paid \$50; 95 have not paid both the invoices \$50 and \$85, which is now \$100.

William Holland mentioned the reason why you should pay your dues. We need the assessment fees.

4. Status of the Mowing

Kathy Gould: We did get bids, and the retention ponds are all addressed. We are looking to get a contract to mow the common areas, which would be the park, retention ponds, entrances, mailbox kiosks (those in sections 1,3 and 4. She apologized for us taking so long to work on this situation. . We are learning and making mistakes, but this is part of the transition, and Kara was instrumental in getting us established. We spent a lot of time playing catch up, building rapport and relationships with entities. Negotiations decreasing fees and up front charges.

Q) Member mentioned that the area of Jasmine trail is supposed to be included in the mowing. It was addressed when that home owner moved into the house that it would be taken care of.

A) William Holland mentioned that the county is responsible for that area. That area is not the HOA responsibility.

Andrew Karaffa mentioned that US lawns had a verbal agreement and they would do more than we paid them for, and always mowed that area that was not in the contract and was not paid for. So we are working with them and it will be addressed again.

5. Review of Bylaws and CCRs

A) Kathy Gould- I am not a facebook person per se, and I look at some of the chatter on the page. We noticed that there are concerns regarding cars parked on the street with expired tags. .We want to be a pleasant place to live and not a policing board.

Some of the violations we are going to start looking into are:

- a. Cars with expired tags parked on the street.**
 - i. Since we on the board have concerns about the board looking at car tags parked in personal driveways to see if they are expired, we will not be doing this as it could be considered trespassing.**
- b. Campers and boats on driveways.**
 - i. We will start sending violation letters to the homeowners and to the address of the property.**
 - ii. In the letter to the homeowner it will include a statement that the tenet was also provided a copy of this letter. The letter will include reference to the governing document and if appropriate the Texas State Statute or code and respective sections will be included in the letter.**
 - iii. Also we do not have any financial repercussions on the violations of the governing documents.**

- iv. What we can do is have the county come out and write a ticket for cars with expired tags parked on the street.
 - c. Kathy gave an example, where she spoke to the homeowner and that it was resolved by how you approach the homeowner.
 - d. Anything we address we want to see a positive outcome.
 - e. We will review and address storage and building materials.
 - i. An example was brought up: the 'playground' was used as a staging area by a contractor doing work for a homeowner. Although a board member did approach the contractor (while the work was occurring) and was told they would clean up, it did not happen. We can either bill the homeowner or the homeowner can clean up the area themselves, but we do not have any way to enforce a bill if sent to the homeowner in the governing documents, so it's a catch 22.
6. **Senate Bill 1588 - The need for a architectural committee**
- a. We have our Bylaws and CCRS, if there is a state statute it will take precedence. We may not have to update some of the items to align with the state statute since state statutes override our governing documents
 - b. We have filed a new management certification to be in compliance with the SB1588. Also Sept 21st the management companies have to have a way for us to file this electronically.
 - c. Stipulations regarding the architecture committee is also a change by this law; before the board reviewed new architectural changes. Now the board member or any of their family members cannot be on the architecture committee. We will be soliciting volunteers for this committee.
 - i. The HOA can not give approvals or disapproval but we can give guidance
 - ii. The board can not comment on past updates, but certain items that are cut clear violations, such as
 - 1. Fence heights
 - 2. Structures in the back yard that can disrupt the flow of water.

7. **Creation of Committees**

Playground - Kathy Gould addressed how the playground came about, where one day it appeared on the communicable property. Also the maintenance of the structure was neglected. So we closed it down due to safety concerns. Also we solicited bids to get it removed. Now it is a empty lot again.

We have heard a lot of suggestions for the use of the area. So we want to create a committee to help decide what to do with the area. The space belongs to the HOA, so we want to get this committee to help research what to put on the area.

The HOA board can give assistance and guidance to the committee on the parameters once the decision is made on what to put in the area.

Kara Kelly and Wendy Randell volunteered to head up the playground committee.

8. Notice of interest to be applied to delinquent hoa assessment fees
 - a. Kathy Gould - situation where we are having difficulties on getting assessment fees. We know there are unique situations of why we have not gotten paid, so we can work with you.
 - b. We are not going to put liens on homes.
9. We can start charging an 18% APR on invoices going forward. It will be included in the newsletter. It will be implemented Sep 1, 2021 .
10. The invoice will also include the \$100 fee for the current fiscal year since the date for the discount has passed.
 - a. If we do not get your payment by the date or postmarked on or before the date, we will apply the 18% APR on the balance due.
 - b. All this information and more clarification will be included on the invoice and in the newsletter to come out at a later date.

11. Open floor

3 questions per person so we stay within the allotted time we have the room and give everyone an opportunity to speak.

Kathy wants suggestions and helpful feedback on how the board is doing and wants to make sure when this information is shared with new board members. We are working on a transition document to make this easier for incoming new boards so they will not have to experience the same struggles we went through.

Andrew Karaffa - Wanted to follow up with a question about the guarantee that our board will not fail again. WE are all responsible for ourselves, I stand by that the board is only as good as who is on it. We are still homeowners and have invested interest in our neighborhood to be successful. I have seen power trips happen; the guarantee I can give you is that the board here, if I had felt that any of us here would go rogue, I would not have signed up to the board. The guarantee is that I have no authority to make any decisions by myself. If you want the board to be successful make sure the right people are on the board, as homeowners you have that power. We are only as good as who is on our board and who is in our neighborhood.

These HOA Board positions are all voluntary.

Kathy Gould : We have created avenues of ways to communicate with the board: We have a PO BOX, we have a website, we have a newsletter and we have a phone number. We are trying to be good stewards over the funds. We make sure we have receipts for everything we spend money on. Everything we put forth is an accumulation of all the board members' input. Any suggestions ?

Can the board make a call to the county roads and bridges regarding the lower half of Jasmine trail and Caladium drive, it appears to be sinking ? Residents tried to put in work orders, and did not get any call backs.

Response-- William Holland to review the issue and will follow up with the county. It was also noted that the entrance on Crystal Knoll becomes the city of the "lake" when it rains and William Holland has submitted a work order with the city to address this.

Can we stop the u-turns of cars, on Crystal Knoll and Jasmine, coming and going to the school across the street from the neighborhood?

Response - Kathy Gould we are not police officers. We can't stop the behaviors of the drivers. She mentioned this to the school, and they would also look into it.

Adjournment

The meeting was adjourned at 4:45pm on August 22, 2021 . Andrew Karrafe 2nd the motion.

Minutes Submitted by : Christina Barnett

Minutes approved by : Kathy Gould , August 23, 2021

Time stamp of approval