



MINUTES
SPOA BOARD MEETING
September 19, 2016

Open Forum 6:30 PM

There were no Open Forum issues, but our new Neighborhood Watch Coordinator (Sheryl Martin) stopped by to meet the Board and talk about her new role in Saddleridge.

Board Meeting 7:00 PM

- **Review and Approval of Minutes** – George Graham submitted the previous month's Meeting Minutes for approval. There was no discussion, and the Minutes were approved as submitted.
- **Treasurer's Report** – Steve Amos submitted the Treasurer's Report for approval. There was no discussion, and the Treasurer's Report was approved as submitted.
- **Committee Activity Reports** - George Graham submitted the Committee Report. The Board accepted the report as submitted.
- **Old Business:**
 - Wanted: Neighborhood Watch Coordinator & Block Captain, ACC (and other) Committee Members, etc. – The SPOA is still (as we have been for some time!!) in need of volunteers for various positions. Research is ongoing to see if any of the current committees are no longer needed (such as the Nomination Committee). This item will remain open until some more volunteers step up.
 - Revising Section 8.02 (Amendments) of the Saddleridge Covenants to correspond to the Texas HOA law standard (Sec. 209.0041 of the Texas Residential Property Owners Protection Act), and to clarify the confusing language currently within this Section – Due to numerous comments and concerns from residents regarding the small number of votes required to amend the Saddleridge Covenants & Restrictions document (currently only a simple majority of those who actually vote on a change proposal), the Board is researching a possible revision to the Covenants to go back to the widely-accepted norm of requiring a minimum of a 67% voter turnout for any change proposal vote to be valid. This is a very common rule for HOA's, corporations, government entities, and others that rely on a set of governing documents. We are not considering a 67% super-majority (like would be required to amend the U.S. Constitution); but rather a 67% simple majority to ensure that

any proposed change will be well-thought-out, discussed, and debated thoroughly before any vote is authorized.

This proposal will of course require a vote of Saddleridge property owners.

Update: The ballot packages were mailed out on September 23rd. Residents have until October 25 to return their completed ballots. This item will remain open.

- Rocks at the End of Mission Trail Have Been Moved Again – The barriers at the end of Mission Trail have been moved once again, allowing access to Fulton Ranch Road; but this time only enough for motorcycles to pass. This of course results in strangers cutting through Saddleridge on their way to wherever. The Board purchased 4 large stone blocks to shore up the rock blockades already there. However, this turned out to be only a short-term remedy; as the perpetrators then moved down a few feet and made a new path by cutting the fence and clearing the cedar scrub. This new path was plugged with more rocks thanks to resident John Koenreich, his tractor, and his large supply of yard rocks. The perps then did it again a few feet down from the previous incursion. The two people doing this were identified, and a complaint was filed with the Hays County Sheriff. Note that even after intervention by the Deputies, one of the previous trespassers is still cutting through the area, only this time through a resident's private property.

Update: We are still waiting on the County to install a guardrail at the end of the cul-de-sac as soon as a crew is available. This blockade should hopefully slow down the cut-through traffic. We ask residents to keep an eye out, and call the Deputies if you see anyone coming from that area that doesn't look "Saddleridge" (so far, it has been ratty small motorbikes without any license tags). This item will remain open.

- **New Business:**

- 2016 National Night Out Planning – The 18th Annual National Night Out will be held on Tuesday October 4th from 6PM to 8PM at the Clubhouse. As usual, there will be free food and drinks for residents. Due to feedback from previous efforts, food will again be those wonderful huge Nathan's Hot Dogs from Sam's Club, along with chili, chips, beans, and desserts. Come and meet your new Neighborhood Watch Coordinator, Sheryl Martin (who has really jumped in and taken charge!!). She has an interesting surprise for us (on top of the usual first responders who stop by); a flag ceremony by local Scouts! Should be a fun event.

The meeting was adjourned at 7:30 PM.

09/02/16
Cash Basis

SPOA
Balance Sheet
As of August 31, 2016

	<u>Aug 31, 16</u>	<u>Aug 31, 15</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Ozona CD #305501	25,326.33	25,275.58	50.75
Ozona CD #305552	25,305.58	25,254.89	50.69
Ozona Checking	11,105.93	11,525.01	-419.08
Ozona Money Market	41,536.30	41,494.66	41.64
Total Checking/Savings	103,274.14	103,550.14	-276.00
Accounts Receivable			
Accounts Receivable	-200.00	0.00	-200.00
Total Accounts Receivable	-200.00	0.00	-200.00
Total Current Assets	103,074.14	103,550.14	-476.00
Other Assets			
Saddleridge Property	80,500.00	80,500.00	0.00
Total Other Assets	80,500.00	80,500.00	0.00
TOTAL ASSETS	<u>183,574.14</u>	<u>184,050.14</u>	<u>-476.00</u>
LIABILITIES & EQUITY			
Equity			
Opening Balance Equity	110,823.40	110,823.40	0.00
Retained Earnings	79,463.24	71,601.85	7,861.39
Net Income	-6,712.50	1,624.89	-8,337.39
Total Equity	183,574.14	184,050.14	-476.00
TOTAL LIABILITIES & EQUITY	<u>183,574.14</u>	<u>184,050.14</u>	<u>-476.00</u>

3:58 PM

09/02/16

Cash Basis

Saddleridge Property Owners Association
Profit & Loss Budget vs. Actual
 January through August 2016

	Jan - Aug 16	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Clubhouse Usage Fee	400.00	275.00	125.00
HOA Dues Collected	11,232.00	192.00	11,040.00
Interest Assessed Fees	61.72	8.00	53.72
Interest Income	102.58	96.00	6.58
Resale Cert. Fee	250.00	300.00	-50.00
Transfer Fees	250.00	250.00	0.00
Total Income	12,296.30	1,121.00	11,175.30
Expense			
Accounting			
Accounting-Bookkeeper	1,225.00	1,400.00	-175.00
Total Accounting	1,225.00	1,400.00	-175.00
Annual Septic Contract	0.00	245.00	-245.00
Bank Charges			
Safe Deposit Box	40.00	40.00	0.00
Service Charges	5.00		
Total Bank Charges	45.00	40.00	5.00
Clubhouse Expenses			
Cleaning	350.00	400.00	-50.00
Cleaning Supplies	12.10	25.00	-12.90
Heating and AC	0.00	500.00	-500.00
Lighting	14.05		
Misc	287.41		
Pest Control	205.68	308.52	-102.84
Septic Cleaning and Service	245.00	485.00	-240.00
Trash	265.28	258.72	6.56
Clubhouse Expenses - Other	4,200.00		
Total Clubhouse Expenses	5,579.52	1,977.24	3,602.28
Food for Saddleridge Meetings			
Food for Annual BBQ	468.53	450.00	18.53
Total Food for Saddleridge Meetings	468.53	450.00	18.53
Improvements			
Landscaping			
Lighting	103.88		
Landscaping - Other	3,943.20		
Total Landscaping	4,047.08		
Other	0.00	100.00	-100.00
Total Improvements	4,047.08	100.00	3,947.08
Insurance-HOA Liability	727.00	730.00	-3.00
Insurance, D&O	3,057.00	2,445.00	612.00
Lawn Maintenance	974.28	1,786.16	-811.88
Legal-Attorney Fees	0.00	325.00	-325.00
Mailings	0.00	300.00	-300.00
Miscellaneous			
Legal Records	0.00	60.00	-60.00
Office Supplies	0.00	210.00	-210.00
Printer Cart.	0.00	60.00	-60.00
Website Domain	0.00	60.00	-60.00
Website Hosting Fee	0.00	180.00	-180.00
Total Miscellaneous	0.00	570.00	-570.00
PEC Electricity	914.13	1,304.49	-390.36
Reconciliation Discrepancies	0.00	0.00	0.00
Taxes	1,971.26	2,000.00	-28.74
Total Expense	19,008.80	13,672.89	5,335.91
Net Ordinary Income	-6,712.50	-12,551.89	5,839.39

3:58 PM
09/02/16
Cash Basis

Saddleridge Property Owners Association
Profit & Loss Budget vs. Actual
January through August 2016

	<u>Jan - Aug 16</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Net Income	<u>-6,712.50</u>	<u>-12,551.89</u>	<u>5,839.39</u>



COMMITTEE ACTIVITY REPORT

Date: September 2016

Architectural Committee

Chairperson: Rick Cardenas 847-7363

- Henry Hicks, 121 Mission Trail: Wooden fence with gate.
- Alan and Valerie Nies, 400 Packsaddle Pass: Stone fence at west property line.
- Rich and Addie Compeau, 201 Mission Trail: Barn.

Maintenance Committee

Chairperson: Bo Garrett 512-496-8358

Nothing to report.

Landscape / Firewise Committee

Chairperson: John Savage 432-352-5031

Nothing to report.

Clubhouse Committee

Chairperson: Brenda Musselwhite 512-722-3404

Clubhouse rented once in August.

Neighborhood Watch Committee

Chairperson: Sheryl Martin 559-779-5510

Block Captains needed for Blocks 1 & 3. Backup Watch Coordinator also needed. Quarterly Block captain meetings are being set up. NNO planning in progress.

Website Committee

Chairperson: Joe Williams 847 0390

Nothing to report.

Nomination Committee

Chairperson: Open

Did not report.

Property Owners Committee

Chairperson: Francis Savage 847 0955

Did not report.

From: [R Eastlake](#)
To: [Eastlake Ventures](#)
Subject: SPOA Notice - Saddleridge Covenant Change Vote - Please Read I
Date: Saturday, September 24, 2016 1:56:54 PM

From: George Graham [mailto:jensenguy@austin.rr.com]
Sent: Saturday, September 24, 2016 7:08 PM
To: 'R Eastlake'
Subject: SPOA Notice - Saddleridge Covenant Change Vote - Please Read

Bob, please send to the Saddleridge distribution list at your convenience. Thanks,
George G.

This e-mail notice is sent in compliance with Sec. 209.0056 of the Texas Property Code.

September 23, 2016

Dear Saddleridge Property Owners:

Over the last year, SPOA Board members have received comments and concerns from residents regarding both the confusing language and the content of Section 8.02 (“Amendments”) of the current Saddleridge Covenants & Restrictions document.

The concern about the confusing language is obvious; it is highly-confusing, even to our SPOA lawyer!

The concern about the content is regarding the small number of votes required to change any part of the Saddleridge Covenants & Restrictions document. The current requirement for a valid covenant-change proposal vote is only a simple majority of those who actually take time to vote on a change proposal. There is no current requirement regarding a minimum number of votes needed to approve a covenant-change proposal. Please note that the original Saddleridge Covenants did include a 67% minimum vote requirement.

The great majority of HOA covenant documents across Texas demand that at least a 67% voter turnout must occur for a covenant change proposal vote to be valid. Some HOA’s state an even higher percentage; but the percentage is actually capped at 67% per the 2011 Texas Property Owner Protection Act. This 67% number is a very common rule for HOA’s, corporations, government entities, and others that rely on a set of governing documents. We are not considering a 67% super-majority (as would be required to amend the U.S. Constitution); but rather a 67% simple majority. This will help ensure that any

covenant change proposal will be well-thought-out, and discussed and debated thoroughly before any vote is authorized. This minimum turnout will also ensure that any covenant change vote outcome will reflect the views of a statistically-significant cross-section of Saddleridge residents.

Two options for Section 8.02 are being put to a vote:

Option 1 is to clarify the current confusing language (keeping the legal intent the same as it is currently), but add back a 67% minimum vote requirement for any covenant change proxy vote to be valid.

Option 2 is to clarify the current confusing language (keeping the legal intent the same as it is currently); while maintaining the current zero minimum vote requirement for any covenant change proxy vote to be valid.

The ballot packages were mailed out today. Once you receive your ballot package, please read the detailed materials *carefully*, understand how it may affect you, **and vote**; as this change could affect all property owners in Saddleridge. Weekly voting reminders will also be sent via email and on NextDoor.

Please note that this is a **secret ballot**. However, per Texas HOA Statutes, to be a valid ballot the ballot must be signed by the property owner. Only the ballot counter, who by law cannot divulge to anyone how a particular resident voted, will have access to the completed ballots.

The voting cut-off date is October 25, 2016 (the return envelope must be postmarked by that date). All property owners should vote on this issue, so the outcome accurately reflects the wishes of the majority of the entire neighborhood.

Please direct any questions to a Board member. Thanks in advance to all who will take the time to vote! Your timely action on this matter is greatly appreciated.

The Saddleridge Board of Directors

September 25, 2016

Dear Saddleridge Property Owners:

Over the last year, SPOA Board members have received comments and concerns from residents regarding both the confusing language and the content of Section 8.02 (“Amendments”) of the current Saddleridge Covenants & Restrictions document.

The concern about the confusing language is obvious; it is highly-confusing, even to our SPOA lawyer!

The concern about the content is regarding the small number of votes required to change any part of the Saddleridge Covenants & Restrictions document. The current requirement for a valid covenant-change proposal vote is only a simple majority of those who actually take time to vote on a change proposal. There is no current requirement regarding a minimum number of votes needed to approve a covenant-change proposal.

The great majority of HOA covenant documents across Texas demand that at least a 67% voter turnout must occur for a covenant change proposal vote to be valid. Some HOA’s state an even higher percentage; but the percentage is actually capped at 67% per the 2011 Texas Property Owner Protection Act. This 67% number is a very common rule for HOA’s, corporations, government entities, and others that rely on a set of governing documents. We are not considering a 67% super-majority (as would be required to amend the U.S. Constitution); but rather a 67% simple majority. This will help ensure that any covenant change proposal will be well-thought-out, and discussed and debated thoroughly before any vote is authorized. This minimum turnout will also ensure that any covenant change vote outcome will reflect the views of a statistically-significant cross-section of Saddleridge residents.

Two options are being proposed for Section 8.02:

Option 1 is to clarify the current confusing language (keeping the legal intent the same as it is currently), but adding a 67% minimum vote requirement for any covenant change proxy vote to be valid.

Option 2 is to clarify the current confusing language (keeping the legal intent the same as it is currently); while maintaining the current zero minimum vote requirement for any covenant change proxy vote to be valid.

Please read this proposal *carefully*, understand how it may affect you, **and vote**; as this change could affect all property owners in Saddleridge. The proposal is to change Section 8.02 (“Amendments”) of the Saddleridge DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS document to read as follows:

PROPOSED AMENDMENT LANGUAGE FOR SECTION 8.02:

Option 1:

Proposed Language with a 67% Minimum Proxy Vote Requirement:

Section 8.02 Amendments. This Declaration may be amended or changed in whole or in part at any time by either a written instrument signed by Owners representing not less than sixty-seven percent (67%) of the Tracts, or by signed ballots representing a majority of not less than sixty-seven percent (67%) of the total votes allocated to property owners entitled to vote on the amendment of the Declaration. There shall be one vote per Tract. Owners owning more than one Tract shall have one vote for each Tract owned. If the Declaration is amended by a written instrument signed by those Owners representing not less than sixty-seven percent (67%) of the Tracts, such amendment must be approved by said Owners within three hundred sixty-five (365) days of the date the first Owner executes such amendment. The date an Owner's signature is acknowledged shall constitute prima facia evidence of the date of execution of said amendment by such Owner. Those Owners entitled to cast votes of the Association may also vote to amend this Declaration, in person or by proxy, at a meeting of the Owners duly called for such purpose, written notice of which shall be given to all Owners at least ten (10) days and not more than sixty (60) days in advance, and which shall set forth the purpose of such meeting. Notwithstanding any provision contained in the Bylaws to the contrary, a quorum, for purposes of such meeting, shall consist of not less than sixty-seven percent (67%) of the Owners (in person or by proxy) entitled to vote. Any such amendment shall become effective when an instrument is filed for record in the Official Public Records of Hays County, Texas, accompanied by a certificate signed by a majority of the Board of Directors, stating that the required number of Owners executed the instrument amending this Declaration or cast a written vote, in person or by proxy, in favor of said amendment at the meeting called for such purpose. Copies of the written ballots pertaining to such amendment shall be retained by the Association for a period of not less than three (3) years after the date of filing of the amendment.

Option 2:

Proposed Language with No Minimum Proxy Vote Requirement:

Section 8.02 Amendments. This Declaration may be amended or changed in whole or in part at any time by either a written instrument signed by Owners of the Tracts representing not less than sixty-seven percent (67%) of the Tracts, or

by signed ballots representing a majority of the Owners of the Tracts responding to a written request and entitled to vote on the amendment of the Declaration. There shall be one vote per Tract. Owners owning more than one Tract shall have one vote for each Tract owned. If the Declaration is amended by a written instrument signed by those Owners representing not less than sixty-seven percent (67%) of the Tracts, such amendment must be approved by said Owners within three hundred sixty-five (365) days of the date the first Owner executes such amendment. The date an Owner's signature is acknowledged shall constitute prima facia evidence of the date of execution of said amendment by such Owner. Those Owners entitled to cast votes of the Association may also vote to amend this Declaration, in person or by proxy, at a meeting of the Owners duly called for such purpose, written notice of which shall be given to all Owners at least ten (10) days and not more than sixty (60) days in advance, and which shall set forth the purpose of such meeting. Notwithstanding any provision contained in the Bylaws to the contrary, a quorum, for purposes of such meeting, shall consist of not less than sixty-seven percent (67%) of the Owners (in person or by proxy) entitled to vote. Any such amendment shall become effective when an instrument is filed for record in the Official Public Records of Hays County, Texas, accompanied by a certificate signed by a majority of the Board of Directors, stating that the required number of Owners executed the instrument amending this Declaration or cast a written vote, in person or by proxy, in favor of said amendment at the meeting called for such purpose. Copies of the written ballots pertaining to such amendment shall be retained by the Association for a period of not less than three (3) years after the date of filing of the amendment.

Summary:

For the democratic process to work properly, *every* property owner should make their views known by casting a vote on this proposal. Please note that **this is a secret vote**; the votes will be tallied by a paid record keeper, who by law can only release the number of votes for each Option, but not if or how any particular resident voted. The Board would appreciate receiving your vote on this issue no later than **October 25, 2016** (the cut-off date). The SPOA Board hopes that you will give this proposal the consideration it deserves, and voice your opinion by voting before the deadline. Should any questions arise, please contact any Board member. Thank you in advance for your input.

Please return the completed ballot in the enclosed stamped addressed envelope ASAP. Thank you for taking an active part in your neighborhood.

The Saddleridge Board of Directors

BALLOT FOR PROPOSED AMENDMENT TO SECTION 8.02

Names as they appear on the Deed of Ownership:

Name: _____

Address: _____

Lot Number(s): _____

Signature: _____

Please check the box next to your choice:

I vote for **Option 1**, Proposed Language with a 67% Minimum Proxy Vote

I vote for **Option 2**, Proposed Language with No Minimum Proxy Vote

The following paragraph must be included within any HOA ballot per Section 209.00592 of the Texas Residential Property Owners Protection Act:

By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail.