

SWEETWATER RANCH HOA
BOARD MINUTES
April 18, 2023

Call Meeting to Order:

Wes Jackson called the meeting to order at 6:02 p.m. The board meeting took place by conference call. Present were board members Wes Jackson, Victor Delgado, Cathy Reed and Mary Wright. Linda Denning, Pat and Laura Kennemore, and Bob Kirby also joined the call. A quorum was established for a board meeting to take place.

Approve minutes of 02-21-23 Board Meeting:

Cathy Reed made a motion to approve the minutes, and Wes Jackson seconded the motion.

Treasurer's Report:

SWEETWATER RANCH HOMEOWNERS' ASSOCIATION
Treasurer's Report as of April 14, 2023 for April 18th Board Meeting

BEGINNING BALANCE 12/31/2022:	\$ 61,708.42
DEPOSITS since 12/31/2021	\$ 33,705.00
EXPENSES 01/01/2023-03/31/2023 (Utilities, USPO, insurance, Annual HOA Meeting Library usage)	<u>\$ 3,401.96</u>
Checking Account Balance	\$92,011.46

Income since 12/31/2022 - I have received and deposited \$33,705.00 in dues since Dec 18 2022. Total 2023 dues collected to date are \$32,520.00 For 2021 and 2022 dues collected so far in 2023 \$500.00 and \$380.00, respectively. Lot 54 had a credit of 420.00 received in 2022 and applied to their 2023 dues.

Total dues billed for 2023 \$39,075.00 and as of 04/14/23 unpaid dues for 2023 are \$5,830.00

Total delinquent dues for 2020, 2021 and 2022 are \$1,275.00, \$1,700.00 and \$2,170.00, respectively. Each of these two years include \$1,275 for the lots which have liens from multiple years. It appears that only the lots with the liens are still outstanding for 2020.

Fee notices from prior years (2021 and 2022) were included in the annual 2023 fee notice letters for those lots that are still outstanding. Accrued Fees and Penalties are being added to all delinquent dues.

Expenses since last board meeting on Feb 21,2023 - The following expenses cleared; Chatfield Water 14.00, Navarro County Elec 79.00, stop sign cost 598.05,TMC Insurance 376.03 Outstanding expenses as of 04/14/23 \$1,025.00

Dana Ousley HOA Treasure 2022 noted a preliminary budget has been created using the actual and budgeted items from the 2022 budget. She increased the budget for the road to \$41,650 using the amount for roads not spent of \$19,806 in the 2022 budget. The expenses for 2023 will be larger than the receipts by \$25,280 but there is a surplus of \$30,212 from 2022 from liens collected and from road expenses not used. The estimated ending cash for 2023 would be \$36,330.

The annual federal tax return has been filed.
Texas franchise tax return still needs to be completed.

Lien letters were updated and filed with Navarro County 04/14/23
Lots 89 \$2,735.39, Lot 97 \$5,697.43, Lot 104 \$11,265.58

Delinquent Due letters will be sent to the following;
Lots 6, 53, 1, 88, 67, 5, 4, 19, 42 and 94 They will have a late fee applied.

Sincerely,

Cathy Reed
Treasurer

During the report, Cathy added that she will file the franchise taxes next week. Mary Wright made a motion to approve the Treasurer's report, and Victor Delgado seconded the motion.

Architectural Control Committee Report

Linda Denning reported that the ACC had approved a boat dock on March 10th for Lot 71, Jesse and Mary Wright. The house construction on Lot 93 for the LaFrenz' is ongoing and is about 70% complete. The builder is estimating full completion in July. The house construction on Lot 47 appears to be complete, Wes will contact the Robbins and ask that they confirm completion with Linda, and she will take it off the ACC list for reporting.

Road Committee Report

Victor Delgado reported that he will start road repairs in May. He was going to borrow a trailer to pick up a pallet of bags of asphalt. Wes suggested that we pay to have the asphalt delivered to save time and effort. Victor will check on the delivery fee and agreed on the delivery. Victor installed 6 stop signs in the subdivision. He also smoothed the gravel at the corner of Sweetwater Trail and Jackson Circle. Victor requested to purchase dirt fill to fill the ruts for easier mowing and to add dirt to the landscaping at the front of the subdivision to improve water flow when it rains. Wes mentioned calling NextLink to fill the ruts they caused. Victor said very little came from NextLink and he will take care of the ruts. Cathy will fund the dirt from the road budget once Victor quotes the cost. Wes mentioned finding a spot to store the asphalt and renting the plate compactor again because it really worked well on holding the road patching. He confirmed with Cathy that funds will be available from the bank account for the necessary purchases.

Other Business – Change banks for the HOA

Cathy Reed reviewed the actions taken to change the signors on the HOA checking account from Barbara Long and Dana Ousley to Cathy Reed (Treasurer) and Mary Wright (Secretary). Wes, Mary and Cathy met together at Chase Bank on two separate occasions with considerable time spent to change signors and the staff at Chase Bank could not get it done. After a month and a half of follow up by Cathy, she finally has signature authority on the checking account.

Because of the difficulty we experienced, Cathy suggested that we change to Vera Bank, a local bank, because her experience there has been much better for changing signors and managing accounts. She will not close the Chase Bank account until we are all set up with Vera Bank and have checks available, etc... We all agreed that this was the best action to take and Cathy asked for board action to formalize the decision. Mary Wright made a motion to move the bank account from Chase Bank to Vera Bank, and Victor Delgado seconded the motion.

The board agreed to have Cathy Reed (Treasurer) and Mary Wright (Secretary) as signors on the new account at Vera Bank. Victor Delgado made a motion to have Cathy Reed and Mary Wright as signors on the accounts and Wes Jackson seconded the motion.

In addition, the Board formalized that the bank account title/name will be Sweetwater Ranch Homeowners Association. Wes Jackson made the motion, Cathy Reed seconded the motion.

Vera Bank requires an authorized person on the account to make online changes to the account, such as signors. Wes Jackson agreed to be the authorized person for the account at Vera Bank. Cathy Reed made a motion to make Wes Jackson the authorized person for the account at Vera Bank, and Mary Wright seconded the motion.

New Business

Mary Wright reported that she had posted board minutes to the HOA website and was waiting for assistance from Matt Hubbard on adding a menu item for the Architectural Control Committee documents. She is considering adding the items under the document section to get them out on the website. Mary completed 3 resale certificates since the last board meeting for 133 and 135 Sweetwater Trail and 150 Stockton Point. She received email addresses for two of the new buyers/homeowners and will request information for the third new buyer. She will update the contact list with all of the new information and will redistribute to the Board soon. Mary also completed the audit of the 2022 HOA financials and gave the results to Cathy Reed. Overall, the financials looked good. She also assisted Victor with the completion of the herbicide contract.

Victor Delgado mentioned the addition of a link to the Navarro County Map to the homepage of the HOA website. It is a very useful tool for looking up information in the subdivision. He also referred to the minutes from the last board meeting and asked if Matt Hubbard had agreed to stay on as the HOA's registered agent. Cathy had emailed Matt and is waiting for a response. Wes suggested Cathy text Matt to get a response, and Cathy will try texting him to get a response.

Cathy Reed suggested adding a separate checking account for funding the HOA's road actions to separate it from the HOA's general activity. This had been requested in the HOA's 2022 Annual Meeting. The

board agreed to have a separate account for the road budget. Wes Jackson made a motion to add the road account at Vera Bank, and Victor Delgado seconded the motion.

Wes Jackson suggested that the Treasurer should have a debit card for the HOA's account. The board agreed. Wes Jackson made a motion to add a debit card for the Treasurer, Mary Wright seconded the motion.

Mary Wright referred to a recommendation from Cathy Reed to invest some of the HOA's funds in CDs to earn better interest. After Cathy gets the new accounts at Vera Bank set up, she will look at options to put some funds into CDs while ensuring that we have adequate funds available for HOA activities.

Wes Jackson wanted to get it on the record that the HOA needs to start looking at a third party management company to manage some of the HOA's activities, particularly assisting with a loan for major road improvements. While the HOA will still have board members assisting the HOA, Wes is hoping that we can bring this issue for consideration at the next HOA Annual Meeting in January to start a transition. Cathy suggested that we look for a management company that already assists several HOAs in the area. All of the subdivisions are in need of road improvements and we may be able to band together and get one major contractor to do road repairs in several of the subdivisions.

Victor Delgado asked about the status of our legal review of the HOA's covenants and bylaws. Wes has been contacting the attorney with no response. He plans to go to Tyler to meet face to face for some answers. It is taking too long for the attorney to get the job done. If needed, Wes will find another attorney and will get the HOA's deposit money refunded.

Recap – Mary Wright provided a recap of the meeting.

Adjourn – Victor Delgado made a motion for the Board Meeting to be adjourned at 6:42 p.m. and the motion was seconded by Wes Jackson.