

**River Oaks Council of Co-Owners
Annual Meeting Minutes
March 16, 2017**

ESTABLISH A QUORUM AND CALL MEETING TO ORDER

A quorum was established of 50.6153% with a combination of those appearing in person and by proxy. President Lyla Gillaspie called the meeting to order at 6:35 p.m. The meeting was held at St. Anne's Church located at 2140 Westheimer, Houston, Texas 77098 in the Basil Hall.

Board Members Present:

- Lyla Gillaspie Board President
- Neil Goldstein Vice President
- Kathleen Mundy Secretary
- Michelle LeBlanc Treasurer
- Michael Olsen Member at Large

Also Present: Therese Morales, Property Manager/Recording Secretary & Maggie Bilski/KRJ Management Inc. Controller who helped with sign in, and was there to count ballots if necessary.

Approval & waive reading of Previous Annual Meeting Minutes March 9, 2016-A motion was made, seconded and all approved the March 9, 2016 Annual Meeting Minutes as written.

President's Report-Lyla Gillaspie:

- "Fire Update"-There is nothing new to report, as the insurance companies are still negotiating. The work is moving along and progressing, and the "goal" of the Board is to get those four Homeowner's back into their units as soon as possible.
- The "lighting project" has been finished, and the Board has received many positive comments & emails about the

additional lighting that was installed, and how it makes the resident's feel safer and helps with any potential trip hazards.

- Limiting the number of units that can be leased at any one time – Lyla advised if you have been coming to the monthly meetings you have been hearing about this subject, as the Board has been working on this issue with the attorney. How this began is the Board had been made aware about “Corporations” going onto a property and buying many units in individual's names to obtain the majority vote, then tearing the property down. Once the corporation acquires the majority of the units, they will then have the majority vote. Once they have the majority vote, the corporation can give a low offer to buy the property, and the majority could accept it- meaning everyone would get “less than market value” for their units. So the reason the Board is attempting to pursue “the cap” is to prevent a corporation from doing this to our property. Once the Board gets all the information, a discussion group will be planned for those interested. This would also affect changing our Declaration, and the voting would have to be done by ballot, not proxy, according to our attorney.
- Roof Update –The mansard roofs have been completed and all paid for except the 10% retainage. The benefit we had with the roofing company was to pay per building as the program went along; therefore the Replacement Reserve Account never took a big hit. The City of Houston will be performing the Final Inspection in the near future. Once the final inspection is completed, and signed off on, the 10% retainage will be paid to the roofer.
- Three “30 minute parking spaces” in front of security office – Lyla explained that when homeowners from the other side of the property come to get their mail, unfortunately they have

no where to park. The three “30 minute” parking spaces are clearly marked, and have had signs installed. This is where you can park quickly and go in and get your mail or your packages so you don’t have to walk all the way across the property to pick these items up. The security guard is also watching the spaces, and has already had to tell homeowners not to park there.

- Frozen Landscaping –As everyone knows the freeze we had killed a lot of our vegetation, and flowers. A lot of it has been trimmed up but still doesn’t look good. We have been advised by the landscaping company there could possibly be another cold snap before Easter, which could happen with the Houston weather. The plan is to wait until after Easter then a walk through will be done to see which areas need sprucing up, plants installed, or whatever the case may be and follow up from there. The Board doesn’t want to spend the money if were not out of the clear with the cold weather that could damage the new plants. Therese explained the “brown leaves” also act as an insulator in case we have another freeze, and this could protect the plant itself from dying all the way.

Treasurer’s Report-Michelle LeBlanc

	<u>3/9/16</u>	<u>3/16/17</u>
Operating Account:	\$ 13,947.21	\$ 53,258.66
Money Market Accounts:		
Insurance Reserves	\$ 36,179.42	\$ 32,051.22
Replacement Reserves	<u>\$396,793.14</u>	<u>\$410,235.34</u>
Total Money Market	\$432,972.56	\$442,286.56
Total Cash	\$446,919.57	\$495,545.22

Election:

- Introduction of Candidates-Therese explained the two incumbents Lyla Gillaspie & Neil Goldstein were rerunning again. At that time Lyla advised working on this board has been very rewarding and she would like to speak for herself and Neil about being re-elected, as he is more a man of action, rather than words. Lyla went over the accomplishments of the Board from the last year, and thanked the homeowners for the challenge and privilege for them to serve on the Board. She also thanked the homeowners for their opinions, help and criticisms that she and Neil feel is very important. She went on to say the work of the Board is very important to her and Neil, and if you feel the same way, she would like to ask for your vote for re-election.
- Nominations from the Floor-There were no floor nominations
- Acceptance by Acclamation-At that time a motion was made, seconded, all were in favor of re-electing Lyla Gillaspie & Neil Goldstein to serve on the Board for an additional two-year term until the Annual Meeting in 2019.

New Business-Looking forward to 2016-Lyla Gillaspie

- Lyla advised one of the projects moving forward will be to get the cost of a new gate system to bring us into the 21st century! The current system we have is obsolete, broken, and they no longer even make parts for it. We should be able to have the technology to buzz guests in from our home phone, cell phones, or whatever the case may be.
- Now that the roofs have been finished we will get a cost to paint the balcony & stair railings.

- The “aging” carports need to be addressed.
- Amended Rule Changes- Once the wording of the amendments is finished everyone will be notified at a Board meeting, copies handed out to everyone, and the amendment will also be posted on the website www.riveroaksgardens.org. Some of the changes will be the height/weight of future dogs coming to live on the property, the wording was cleared up on flooring in 2nd floor units, cars being stored on the property, un-muffled cars on the property, and short term leasing (Air-bnb’s) which we fought through the Super Bowl. **(For future reference no leases may be less than six months).**

Homeowner Forum:

A homeowner inquired how many units could someone buy? Lyla went over what the attorney had said on corporations’ buying units in individual names, so they won’t be caught, and obtaining the majority vote. Lyla also went on to say we have been approached by investors, including a big corporation right here in Houston but the offer has always been way below market value.

A homeowner inquired why the board did not raise the maintenance fees this year due to cost of living. Lyla advised the “cost of living percentage” was barely enough to make a difference for the coming year, and the Board purposely did not raise the maintenance fees two years in a row. The reason for no increase was because the large increase of two years previously, in the amount of 20%, was hard on a lot of people especially the elderly on a fixed income. So the Board was giving some “breathing room” to the homeowners, before going back to regularly increasing the maintenance fee in small increments.

A homeowner inquired about putting the “cap” on how many units can be leased at one time. Lyla explained if you already own a unit(s) you would be grandfathered in, the Board is still working on the details/wording with the attorney before the issue is brought before the homeowners. The plan of the Board is to call a discussion group in the guard house, and the main intent of the Board is to protect the property & the Homeowners.

Guest parking space issues on the entire property were discussed by the Board and homeowner’s present. Lyla also advised that the last Association owned Parking Space #5 was available for lease. This space is right next to walk gate 7 if anyone was interested in renting it until the end of the year, which is when it renews.

The owner occupancy rate was discussed, how it changes constantly, and what percentage the property is at right now. Homeowners were advised to contact Therese for this information. Lyla also advised it would take 75% of the owners approving the sale of the property, before it could be sold.

A homeowner advised that he had found the night time guard sleeping, and reported this to Therese. Therese advised that Dorman, the Officer in Charge, went back on the tape and showed the footage to the officer found sleeping. Star Security is currently handling this issue with the officer.

Adjournment to Executive:

Lyla asked if anyone had anything else to say, and if not she wanted to say thank you again for voting for her and Neil. The general session was adjourned at approximately 7:15 p.m.