

MINUTES OF THE MEETING
OF THE
BOARD OF DIRECTORS
OF
EAGLE LANDING HOMEOWNERS ASSOCIATION, INC.
SEPTEMBER 18, 2018

On September 18, 2018, the Board of Directors of Eagle Landing Homeowners Association, Inc., a Texas non-profit corporation, held a regular meeting at #7 Main Street in Avinger, Texas, pursuant to notice duly given to each member of the Board and owner as defined in the Bylaws of the Association.

All Board members were present: Mike Simon, Joe Politi, Jim Trimble, Tonita Watt, Don Perry, Steve Howard and Roger Geiger.

CALL TO ORDER:

Mr. Simon called the meeting to order at 6 pm.

ORDERS OF THE DAY:

- (I) The Minutes from the August 21, 2018 Board meeting were previously sent to the Board members for review. There was no discussion on the minutes and after a motion by Mr. Howard and a second by Ms. Watt, the minutes were approved by Board vote.
- (II) The monthly financial statement sent out by Debbie Dennis was previously sent to the Board members for review. Mr. Perry moved that we accept the financial statement, Mr. Howard seconded and the statement was approved by Board vote.

OPEN RECORDS / DOCUMENT RETENTION:

Mr. Simon presented the POLICY REGARDING OPEN RECORDS proposal and the POLICY REGARDING DOCUMENT RETENTION proposal which previously had been distributed to all Board members for review. Mr. Geiger moved that we adopt these proposals as written, Ms. Watt seconded the motion. The motion carried unanimously. These policies will be certified by Mr. Simon with his notarized signature and be filed at the Cass county clerk's office. The open records policy and the document retention policy are appended to these minutes.

2018 PROPERTY TAX UPDATE:

The property tax ARB hearing is scheduled for September 26, 2018. Gary Grogan and Roger Geiger will present our case.

ACCOUNTS RECEIVABLE:

Debbie Dennis sent out statements to the overdue accounts for annual assessments. She included the modified reminder letter that the Board had previously discussed. Mr. Simon reported that she has received several payments in response.

EMERGENCY ACTION PLAN UPDATE:

Mr. Perry reported that the dam Emergency Action Plan (EAP) training session is scheduled for 4:00 pm October 16, 2018, just prior to the next Board meeting. The training is open to all Board members. Mr. Perry will conduct the training and confirmed that Steve Gause and Pete Schoeder will attend. After the training, Mr. Perry will update the EAP to indicate that, among other updates, that this training exercise has been held. The updated EAP will be sent to the TCEQ.

ADMINISTRATIVE SERVICES DISCUSSION:

Mr. Simon discussed the fact that the workload for managing our association is a large and multi-faceted set of tasks and that getting volunteer labor to keep up with all of this is becoming an unreasonable expectation. We will be evaluating options for administrative support for the Association.

2019 BUDGET:

The Board reviewed a proposed 2019 budget prepared by Mr. Simon. Attached is the worksheet as amended during the Board meeting reflecting the addition of wish list items added during the meeting. Discussion of the 2019 budget will continue in the October meeting with a final Board vote at the November meeting. Also attached is Mr. Geiger's (Lake Committee Chairman) budget long range plan.

GROUNDS COMMITTEE:

Mr. Howard reported that a member of the community was driving a 4wheeler, doing doughnuts, causing damage to the runway. The runway is scheduled to be mown on October 1, 2018. Mr. Howard also reported that the Eagle Landing sign on SH155 has some rotten wood that needs to be repaired.

COMMUNICATIONS COMMITTEE:

Mr. Perry had nothing to report.

LAKE COMMITTEE:

Mr. Geiger's talking points are attached.

ARC:

Mr. Politi reported that the ARC approved two new projects since the last Board meeting.

ADJOURN:

There being no further business, Mr. Perry moved to adjourn, Mr. Geiger seconded and the motion carried.

Lake Committee Report to HOA Meeting

- Water chemistry: Ph 7.5, Turbidity 5.5'
 - Lake down 16". Max = -23"
- Lake Surveys
 - Scheduled for Oct 18.
- Structure > No actions taken.
- Aquatic vegetation
 - Clearing of spillway creek
 - Treated with herbicide. May have to do 2nd application.
 - Lots of pond weed clumps (Widgeon Grass?).

**POLICY REGARDING OPEN RECORDS
EAGLE LANDING HOMEOWNERS ASSOCIATION, INC.**

1. **Purpose:** The purpose of this Policy is to adopt guidelines for the Association to make its books and records, including financial records, open to and reasonably available for examination by an owner or the owner's agent, attorney, or certified public accountant. This Policy does not govern the production of information in formal discovery during a pending court proceeding.

2. **Definitions:** As used in this Policy, the following definitions shall apply:
 - a. **Association** - EAGLE LANDING HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation.

 - b. **Association records** - All books and records (including electronic records) owned by the Association, except that the phrase shall not include any of the following:
 - i. Documents or electronic records owned by an individual Owner, Officer, or Director, such as personal notes.

 - ii. Any files and records in the possession of the Association's attorney, unless such records are required by law to be made available. The Association shall consult its Attorney if there is any question about whether a specific document must be produced.

 - c. **Exempt Records** - The following books and records of the Association are considered "Exempt Records" and may not be released under the procedures of this Policy:
 - i. Any books or records that identify an individual owner's history of violations of the Association's Dedicatory Instruments;

 - ii. An owner's personal financial information, including records of payment or nonpayment of amounts due the Association;

 - iii. An owner's contact information, other than the owner's address;

 - iv. Information related to an employee of the Association, including personnel files;

 - v. Any document that constitutes the work product of the Association's attorney or that is privileged as an attorney-client communication;

 - vi. Files and records of the Property Owners Association's attorney relating to the Property Owners Association, excluding invoices requested by an owner under Texas Property Code section 209.008(d); and

 - vii. Any other information that is considered confidential, privileged, private, nondisclosable, or exempt from disclosure under any other provision of

Texas law or federal law.

- d. Nonexempt Records Books and records are not considered Exempt Records if:
 - i. Information that would otherwise render a document exempt, but which is contained in the official Minutes of the Association's meetings;
 - ii. Information that would otherwise render a document exempt, but which is maintained in an aggregate or summary manner that would not identify an individual property owner;
 - iii. Information regarding a specific Owner who has provided his or her express written approval for release of the specific document or information, in a form acceptable to the Association; and
 - iv. Information which a court of proper jurisdiction has specifically ordered the Association to release or to make available for inspection.
 - e. Owner - An owner of real property in the Eagle Landing Subdivision in Cass County, Texas.
 - f. Owner's Representative - A person designated in a writing signed by the owner as the owner's agent, attorney, or certified public accountant.
 - g. Requesting Party - The Owner or Owner's Representative who submits a request for inspection or copies under this Policy.
 - h. Business Day - A day other than Saturday, Sunday, or a state or federal holiday.
3. Open Records: The Association shall make its books and records, including financial records, open to and reasonably available for examination by an owner or an owner's representative, in accordance with this Policy.
 4. Request: An owner or Owner's Representative who wishes to examine or obtain copies of the Association's books and records must submit a written request, by certified mail, with sufficient detail, describing the property owners' Association's books and records requested, to the mailing address of the Association or authorized representative as reflected on the most current management certificate. The request must contain an election either to inspect the books and records before obtaining copies, or to have the property owners' Association forward copies of the requested books and records to the Owner or Owner's Representative. Owners must cooperate with the Property Owners Association's reasonable efforts to clarify the type or amount of information requested.
 5. Inspection: If the Written Request seeks an inspection of the books and records, the Association, on or before the 10th business day after the date the Association receives the request, shall send written notice of dates during normal business hours that the owner may inspect the requested books and records to the extent those books and records are in the possession, custody, or control of the Association. The inspection shall take place at a time arranged by mutual agreement with the Requesting Party, during normal business hours. At the inspection, the Requesting Party shall identify any specific books and records for the

Association to copy and forward to the Requesting Party.

6. **Copies:** If the Written Request seeks copies of books and records, the Association shall, to the extent those books and records are in the possession, custody, or control of the Association, produce the requested books and records for the Requesting Party on or before the 10th business day after the date the Association receives the request, except as otherwise provided by this section. The Association may provide copies in hard copy, electronic format, or any other format reasonably available to the Association.
7. **Inability to Comply:** If the Association is unable to produce the books or records requested within ten business days of receiving the request, the Association must notify the Requesting Party in writing that the Association is unable to produce the information on or before the 10th business day after the date the Association received the request, and must state a specific method by which the information will be sent or made available for inspection to the Requesting Party within fifteen business days after sending the notice of inability to comply with the request.
8. **Charges:** The Association shall charge for all reasonable costs of materials, labor, and overhead incurred in the compilation, production, and reproduction of its books and records, except that the charges may not exceed the Maximum Charges set forth in this Policy.
 - a. **Advance Payment:** The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. The Association shall estimate the costs using the same amount specified for calculation of the actual costs as set forth below. The owner may modify his or her request after reviewing the estimate. If the Association requires advance payment of the estimated costs, the Association is not required to allow the inspection or produce the copies until payment is received.
 - b. **Additional Costs:** If the actual costs exceed the amount of the advance payment, the Association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered. The Owner shall reimburse the Association for the additional costs, in the amount stated on the final invoice, within 30 days after the final invoice is sent to the Owner. If the Owner fails to reimburse the Association for the additional costs, then the Association may impose an additional assessment on the Owner for the additional costs.
 - c. **Refund:** If the amount of the advance payment exceeds the actual costs, the Association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered, and shall issue a refund to the Owner not later than the 30th business day after the date the final invoice is sent to the owner.
 - d. **Maximum Charges:** The Maximum Charges which the Association may charge are the same as the maximum permitted charges for responses to Public Information Requests, as set forth in Section 70.3 of the Texas Administrative Code (Title 1, Part 3, Chapter 70). The current maximum charges allowable under that section, as of the date this Policy is adopted, are shown on **Exhibit A**, which is attached hereto and incorporated herein by reference. The Maximum Charges shall change automatically whenever the State changes the rates set forth in Section 70.3. If the

EXHIBIT A - MAXIMUM CHARGES
 (pursuant to Texas Administrative Code § 70.3)

<u>Item</u>	<u>Charge</u>
Electronic document transmitted by email	no charge
Electronic document downloaded to USB drive	actual cost of USB drive
Standard paper copy or scan (letter or legal size) (double sided is considered two pages)	\$0.10 per page
Oversize paper copy or scan (such as 11x17)	\$0.50 per page
Diskette or CD	\$1.00
DVD	\$3.00
Labor Charge (50 or fewer pages of information, available in the processor's office)	No charge
Time spent to review the requested information to determine if the information is an Exempt Record	No charge
Labor Charge (more than 50 pages of information, or information not available in the processor's office)	\$15.00/hour or actual costs, whichever is greater, 1/4 hour increments
Actual time to locate, compile, manipulate data, reproduce information, and (if necessary) redact confidential information	\$15.00/hour or actual costs, whichever is greater, 1/4 hour increments
Overhead Charge (50 or fewer pages of information)	No charge
Overhead Charge (more than 50 pages of information)	20% of Labor Charge
Remote Document Retrieval Charge (information stored with a commercial records storage company that charges a fee to deliver and return stored records, if the request otherwise qualifies for a labor charge)	Actual costs
Other Charges (actual postage and shipping charges necessary to transmit the reproduced information to the Requesting Party)	Actual costs
Miscellaneous supplies used to produce the requested information (for instance, boxes)	
Transaction fees charged by credit card company	Actual costs
Sales tax	none

POLICY REGARDING DOCUMENT RETENTION
EAGLE LANDING HOMEOWNERS ASSOCIATION, INC.

1. **Purpose:** The purpose of this Policy is to adopt guidelines for the Association governing the retention of documents. This Policy shall replace the policy created on September 6, 2016, and shall apply to all Agents of the Association, as defined below. The Association finds that this Policy strikes an appropriate balance between the need to retain information and the burden of storing and keeping track of numerous documents, while complying with applicable legal requirements.

2. **Definitions:** As used in this Policy, the following definitions shall apply:
 - a. **Association** - EAGLE LANDING HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation.

 - b. **Agent** - All of the Association's current and past officers and directors; agents, employees, third-party contractors, and volunteers; any other person acting for the Association in the past or present; and any other person in possession of Association Records, regardless of whether the relationship with the person is formal or informal, written or verbal.

 - c. **Association Records** - All documents (including electronic records) owned by the Association, including but not limited to those specifically identified in the paragraph below entitled "Document Retention." The phrase shall include not only hard copies, but also electronic mail, instant messages, records of web transactions and communications sent from handheld devices; documents and/or records stored using any backup systems; archived media; and all other automated or manual systems for storage and management of documents and information. The phrase shall include any documents or records owned by the Association but in the possession of an Agent, but shall not include any documents or electronic records owned by an Agent or third party.

 - d. **Owner** - An owner of real property in the Eagle Landing Subdivision in Cass County, Texas.

3. **Document Retention:** The Association shall retain the following documents for the period set forth for each respective category:
 - a. **Governing Documents** - Certificates of formation, bylaws, restrictive covenants, policies, procedures, rules, and all amendments to any of those documents shall be retained permanently.

 - b. **Title Documents** - All deeds, deeds of trust, lien documents, certificates of title, bills of sale, documents filed with the deed records, and all other documents evidencing acquisition, ownership, or transfer of any motor vehicles, real property, or other significant assets shall be retained permanently.

 - c. **Banking Records** - Banking books and records, including but not limited to bank statements, cancelled checks, and deposit slips, shall be retained permanently.

- d. Annual Financial Reports: Periodic financial reports, including but not limited to annual budgets, balance sheets, profit and loss reports, general ledgers, year end statements, and similar documents, shall be retained permanently.
- e. Other Financial Records: Other financial records, including invoices and receipts for expenses; and other hard copies or computerized records of the Association's finances, shall be retained for at least ten years.
- f. Mass Communications - General communications such as newsletters or announcements, where an identical copy is sent to all owners or to groups of owners such as those residing in a specific unit, section, or phase, shall be retained for at least seven years.
- g. Records of Transactions with Specific Owners - Records of transactions with specific owners shall be retained for at least five years. This phrase shall include but not be limited to account records of current and past owners, correspondence (including electronic communications) between the Association and the Owner, records of all charges, payments, and credits for that owner; and all letters, electronic communications, and other correspondence between the Association and that specific Owner (but shall not include Mass Communications). Account records with an unpaid balance owed by the Owner to the Association shall be retained until paid in full, or until the Board declares the remaining balance to be uncollectible. Any balance that is rendered uncollectible by a final court order or judgment shall automatically be considered uncollectible. Contracts between the Association and a specific Owner (including Alternative Payment Plans) shall be retained for at least seven years after the expiration of the contract, or after all terms of the contract have been fulfilled (whichever is later).
- h. Donations: Records of donations of all endowment funds or restricted funds, donations that are the subject of a written agreement with the donor, and records of significant donations (\$500.00 or more) shall be retained permanently.
- i. Contracts With Third Parties - Contracts with parties other than Owners with a term of one year or more, and other records regarding that specific party (including but not limited to all invoices, receipts, and payment records), shall be retained for at least four years after the expiration of the contract term, or after all terms of the contract have been fulfilled (whichever is later).
- j. Loan Documents - Any account statements, records of payment, and records of interest paid for loans shall be retained for at least four years after the loan is paid in full. Promissory notes or other loan agreements, along with proof that a loan was paid in full, shall be kept permanently.
- k. Insurance Documents - Insurance policies and declarations pages shall be retained for at least seven years after the expiration of the policy. Documents relating to any claims submitted to insurers (whether the Association's insurers or otherwise) shall be retained for at least seven years after the claim is fully determined.
- l. Minutes - Minutes of meetings of the owners, board, and any committees, and

written consent forms adopted in lieu of a formal meeting, shall be retained for at least seven years. Minutes reflecting amendment of the Association's Governing Documents shall be retained permanently.

- m. Committee Minutes - All minutes of meetings of the Association's committees shall be retained for at least seven years.
- n. Building Permits, etc. - Building permits, applications submitted seeking approval of the Association or a committee for building, repairing, or altering homes or improvements, approvals of such applications, applications and approvals for variances, and all similar documents shall be retained permanently.
- o. Ballots - Ballots cast by Owners, whether in elections of officers and directors or in considering other measures to be approved or rejected by the Owners, shall be discarded within thirty days after the Board formally approves the results of the election at a properly called meeting and includes such approval in the minutes of that meeting. However, if a formal challenge has been properly made to the election or if a recount has been properly requested, the Association shall retain the ballots cast in that election until thirty days after the challenge and/or recount is fully and finally resolved.
- p. Tax and Audit Records - Tax returns and audit records shall be retained for at least seven years. Letters from the Internal Revenue Service, Texas Comptroller, Cass County Appraisal District, or any other taxing entity with authority over the Association shall be retained for at least seven years, except that any such letters including a formal determination of the tax status of the Association or its property shall be retained permanently. Audit reports shall be retained permanently. Cancelled checks and other documentation of payments made to any taxing authority shall be retained permanently.
- q. Records of Gains or Losses - If the Association has claimed a gain or loss with regard to a specific asset on any tax return, then all records of the acquisition cost, cost of any improvements, and sales price of the asset shall be retained for at least seven years after the gain or loss is included in a tax return.
- r. Communications with the Association's Attorney - All communications with the Association's attorney shall be retained permanently.
- s. Court Records - All records of any lawsuit to which the Association was a party shall be retained permanently. This includes but is not limited to all pleadings and motions filed by any party; all correspondence regarding that lawsuit; all discovery requests and responses; all interlocutory and final judgments, orders, and decrees; and all other documents received from or sent to the opposing party or parties or from the Court. This policy shall not require the Association to obtain any such records if they do not come into its possession in the course of the lawsuit. If the Association's attorney has possession of such documents, then the Association shall be considered in compliance with this policy.
- t. Personnel Records - All records regarding the Association's employees, including but not limited to payroll records, evaluations, correspondence, and employment

forms completed by or in regards to any full or part time employee of the Association, shall be retained for at least seven years after the respective employee's employment with the Association terminates. All applications for employment shall be retained for at least four years.

u. **Other Documents** - All other documents shall be retained for a period determined in the sole discretion of the Board.

4. **Backup:** The Association's officers, directors, and employees shall take reasonable steps to back up electronic records.
5. **Document Destruction:** After the expiration of the retention period for any specific document or group of document, the Association may elect either to retain or to destroy that document or group of documents.
6. **Electronic Copies:** With approval from the Board, the Secretary or other officer or director may destroy paper copies of a document, if a true and correct electronic copy of that document is retained. No one shall destroy an original document, if it is advisable for the Association to keep the original (examples include but are not limited to deeds, signed contracts, certificates of title, ballots, and Governing Documents). If a Litigation Hold is in effect, then it shall not be permissible to destroy paper copies even if an electronic copy is kept.
7. **Litigation Hold:** A Litigation Hold shall be implemented if the Association becomes a party to a lawsuit, if a subpoena is served on the Association, if notification of an audit or government investigation of any type is received, if the Association reasonably anticipates litigation, an audit, or investigation, or if for any other reason there is a need to preserve information because of possible legal action. If a Litigation Hold is implemented, then the Association and its Agents shall not destroy or alter any Association Records until its attorney has advised the Association that the proposed destruction or alteration is permissible. If the Association or any of its Agents receives notification of any such circumstances, then the person receiving such notification shall notify the President and/or Secretary, who shall notify all other Agents that the Litigation Hold prohibits any person from destroying or altering Association Records. The Association should require an acknowledgment by each person receiving such notification, and should maintain records of such notifications and acknowledgments. As soon as possible, the President and/or Secretary should contact the Association's attorney for advice on complying with all legal requirements.
8. **Delivery of Association Records** - Within thirty days after a person ceases to serve as an officer, director, employee, volunteer, committee member or chair, or other agent of the Association, that person shall deliver all Association Records in his or her possession to the Association's Secretary. The person shall also destroy any additional copies of confidential information in his or her possession. The Secretary may deliver the Association Records or copies thereof to the person's successor. If any person fails to deliver the Association Records to the Secretary, then within seven days of receiving a request from the Association, that person shall deliver all Association Records in his or her possession to the Association. Any third-party contractor or other person in possession of Association Records shall also deliver any Association Records requested by the Association, within seven days of receiving a request.

9. **Implementation:** The Association's Secretary and Treasurer shall be primarily responsible for implementation of and compliance with this Policy. The Secretary's responsibilities with regard to this Policy shall include informing the other officers, directors, employees, agents, and third party contractors of this Policy; supervising and coordinating the retention and destruction of documents pursuant to this Policy; and documenting the actions taken to maintain and/or destroy organization documents and retaining such documentation.

CERTIFICATION

I hereby certify that the foregoing Policy was duly adopted by the Board of Directors of the EAGLE LANDING HOMEOWNERS ASSOCIATION, INC. on _____, 2018.

MICHAEL SIMON, President

STATE OF TEXAS

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COUNTY OF CASS

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This instrument was acknowledged before me on _____, 2018 by MICHAEL SIMON, in his capacity as President of EAGLE LANDING HOMEOWNERS ASSOCIATION, INC.

Notary Public, State of Texas