

SOUTHWYCK COMMUNITY ASSOCIATION

FILLING A VACANT BOARD POSITION

or

ELECTING A BOARD MEMBER AT THE ANNUAL MEETING

www.SouthwyckTexas.com

Southwyck CAI is currently looking to appoint a homeowner to a vacated board position or elect a board member at the annual meeting. Vacancies on the Master Board are filled by appointment of the remaining board members until the next election cycle unless otherwise required by our governing documents. Our community continually seeks dedicated homeowners to join or run for our Board of Directors, either now or in the future. We hope you will consider this opportunity to contribute to our community.

Why would you volunteer to be on the Southwyck CAI Board?

- Protect property values and maintain our community's quality of life.
- Address concerns and contribute to problem-solving within the neighborhood.
- Give back to the community and build relationships with neighbors.
- Develop leadership skills and gain experience in community governance.
- Play a role in making positive changes and improvements.
- Gain knowledge of HOA operations, including laws, regulations, financial management, and maintenance.
- Share ideas and collaborate on solutions for community challenges.

Board Responsibilities & Expectations

Understanding Master vs. Section HOA Responsibilities

- Each Section HOA and the Master HOA (Southwyck CAI) are separate legal entities with distinct responsibilities, budgets, reserve funds, and governance that are to be used to take care of their association's responsibility.
- Section Boards are responsible for their own financial management and reserve planning. The Master Board is not responsible for covering a Section's financial shortfalls. The Master HOA has its own responsibilities that we must cover.
- Board members must act in the best interests of the community without shifting financial burdens onto others.

- All board members are expected to keep sensitive legal, financial, and homeowner information confidential.

Financial Oversight & Decision-Making

- Southwyck CAI collects assessments and ensures proper financial management to maintain the community's overall value and must act in the best interest of Southwyck CAI as a whole, rather than prioritizing individual sections.
- Kathy Dooley, owner of CMSI, our property manager, assists the board in executing HOA obligations and managing day-to-day operations. CMSI provides administrative support but does not make decisions; all decisions are made by the elected board.
- Responsible budgeting and reserve planning are essential to avoid financial crises.
- Board members must review financial reports, engage in budgeting discussions, and ensure transparency in financial matters.
- Board members review all quotes for work that needs to be done on our behalf.

Community Maintenance & Oversight

Southwyck CAI is responsible for maintaining:

- Community Entrances: Repairs and upkeep of monuments, lighting, irrigation, landscaping, and mowing for the entrances of seven villages—Emerald Pointe, Southglen, Huntington Park, Southfield Village, Edgewater Estates, Southmanor, and Lakecrest Estates.
- Southwyck Lake Park & Southwyck Sunset Park: Maintenance of park equipment, structures, lake management, electrical systems, landscaping, and mowing.
- Perimeter Fencing: Upkeep of community perimeter fencing along major roads.

The Southwyck CAI board does not manage homeowner architectural reviews (ARC requests) or the internal maintenance of village-specific parks and pools—these are handled by individual Section Boards.

Commitment & Meeting Attendance

- Monthly board meetings are *usually* held on the first Thursday of the month at 6:30 PM via Zoom and typically last 1-1.5 hours.
- Board members should be available to communicate via email as needed.
- The board requires a quorum to operate effectively, making full participation essential. Missing members can prevent the board from taking necessary actions such as approving contracts, repairs, or legal matters.

- The Annual Meetings are held each January, usually at 7:00 PM and usually in person, with board members expected to attend and participate in the presentation. Elected board positions hold a 3-year term.

When filling a vacated board position, the board has adopted the expectation that interested homeowners attend at least two consecutive monthly board meetings to observe how the board operates, ask questions, and confirm their interest in serving.

What Makes a Strong Board Member?

- No prior board experience is required—training and guidance will be provided.
- No special educational background needed—we value diverse skill sets and perspectives.
- A level-headed approach, willingness to articulate opinions respectfully, and ability to collaborate effectively.
- Commitment to attending monthly meetings and responding to board communications.
- Ability to dedicate approximately 30-40 minutes per month outside of meetings on typical months, and occasionally a bit more when the board is handling large projects.

Liability & Protection

- Directors and Officers (D&O) Insurance provides liability protection for board members in legal matters related to their duties.
- If personally named in a lawsuit due to board-related actions, D&O insurance will likely cover legal defense costs.

Next Steps

We encourage interested homeowners to review Southwyck's governing documents on www.SouthwyckTexas.com for a better understanding of HOA operations. For any questions, feel free to email **directors@SouthwyckTexas.com**, which reaches ALL Southwyck CAI board members directly.

Thank you for your interest in serving our community and helping us ensure strong, responsible leadership for Southwyck CAI.

4 C's of Effective Boards:

Caring

Curious

Courageous

Communicative

QUESTIONS YOU MAY HAVE:

Do you need to have previous board experience? No. We will help you understand what our roles and responsibilities are and are not. You will learn something new from every meeting, and we will help you feel comfortable in your board position.

Do you need to have any special educational experience? No, we need people with all skills that have a level head, the ability to articulate your opinions respectfully, and a desire and ability to work with the other Southwyck CAI board members for the good of our association and community. We have had homemakers, engineers, accountants, IT specialists, oil & gas professionals, business owners, and retirees, to name a few. All board members have an equal say in the decision-making of our association

What does it take to be a board member of Southwyck CAI?

- Our board has adopted a standard practice requiring board members to regularly attend monthly meetings and respond to emails regarding projects and legal issues for Southwyck CAI. This helps potential board members understand these expectations before accepting a board position. Most of our activities are covered during the monthly board meetings. Volunteering with the board is NOT a full-time job and is NOT a paid position.
- Desire to make a difference by weighing and participating in decision-making for our association's business.
- Enjoy working with others.
- You will need the ability to use and check your email daily for any communications for the board.

How much time will the position require? Besides the monthly board meetings, approximately 30–40 minutes per month of your time.

How about liability concerns? Typically D&O (directors and officers) insurance can limit board members' personal liability. If you are personally named in a lawsuit due to your actions on our board, our D&O insurance will likely protect you.

Southwyck Community Association (Southwyck CAI)

Conflict of Interest Policy & Guidelines on Dual Board Service

Purpose

The purpose of this policy is to ensure that all board members of Southwyck CAI act in the best interest of the community as a whole and to prevent any real or perceived conflicts of interest that could arise from serving on both the Master HOA and a Section HOA board. While state law does not prohibit dual service, it is the position of Southwyck CAI that such arrangements may lead to conflicts in governance, financial decision-making, and legal matters. Recent financial and legal issues between Sections and the Master HOA have shown how dual service can unintentionally create divided loyalties.

Conflict of Interest Definition

A conflict of interest exists when a board member's personal, financial, or professional interests could interfere with their obligation to act in the best interest of Southwyck CAI. This includes, but is not limited to:

- Serving on both the Master HOA board and a Section HOA board where financial or legal disputes may arise.
- Participating in discussions or decisions where there is a personal financial benefit to the board member.
- Using confidential or privileged information obtained through board service for personal or section-specific advantage.

Policy on Dual Board Service

1. **Discouragement of Dual Service:** While legally permissible, serving on both the Master HOA and a Section HOA board simultaneously is discouraged due to potential conflicts of interest and divided loyalties.
2. **Recusal Requirement:** If a board member serves on both boards, they must recuse themselves from any discussion or vote that directly impacts their Section HOA's financial contributions, legal matters, or any decision that could provide their section with an unfair advantage.
3. **Transparency Obligation:** Board members with dual service must disclose their position on both boards to all homeowners and fellow board members to maintain transparency and accountability.
4. **Confidentiality Agreement:** Dual-serving board members must sign a confidentiality agreement ensuring they will not disclose sensitive Master HOA information to their Section HOA.
5. **Fiduciary Duty:** All board members, regardless of dual service, must act in the best interest of Southwyck CAI as a whole, rather than prioritizing individual sections.

Enforcement & Consequences

- Any board member found violating this policy may be subject to disciplinary action, including removal from discussions, loss of voting privileges on certain issues, or potential dismissal from the board, as permitted by the HOA's governing documents.
- If a board member refuses to recuse themselves from a conflict-related discussion, the rest of the board reserves the right to exclude them from that portion of the meeting.

Conclusion

This policy ensures that Southwyck CAI's leadership remains impartial, transparent, and fully dedicated to the community's best interests. While we recognize and appreciate the dedication of those willing to serve, we also encourage homeowners to consider the broader implications of holding dual positions.

For any questions or further clarification, please contact the Southwyck CAI board at **directors@SouthwyckTexas.com**.