

River Oaks Trace Property Owners Association

Minutes – Annual Member Meeting

April 23, 2026

Location: Lightle Senior Center

Date: 4/23/26

Time: 6:00

Attendees: President, Secretary, Board Members, 22 Unit Owners, + 5 via Proxy

Bill opened the meeting by welcoming everybody, thanking them for coming, and giving a brief overview of the meeting. A quorum was present, so business could be conducted. He then invited Deborah Dare, Program Director for the Lightle Center, to give a brief overview of the opportunities the Center has to offer our members.

Deborah explained the lunches, activities, and other opportunities available at the Center and passed out the April newsletter that had everything listed, including menus. Registration is open to anybody 60 years or older. Lunch is served every weekday (\$5 for those registered at the center (free) and \$10 for those not registered).

Bill then asked Greg Bostian to give an update on the financial situation since the 4/1/25 member meeting.

Greg confirmed there was a quorum and said we needed to elect a Director for Board Position 2 (there are 3 Board Members with each serving a 3-year term). Nominations were made for Huberta D'Auteuill and Mike Marshall. A list of members was passed around for members to record their votes during the meeting. At the end of the meeting the votes were counted and Huberta D'Auteuill was re-elected to the position.

Greg said that all HOA's are complaining about dues going up and having to deal with the same issues that we are experiencing. He thanked everybody for the strong response to the \$1,775 Special Assessment. As a result, the beginning cash balance on July 1, 2025, was \$10,469 and the balance as of the end of March was \$36,611. The increase was the result of not having to make the note payments of \$1,783 per month and not yet paying for the sprinkler system to be reopened. The sprinkler system is old and requires about \$10,000 worth of repairs each year. The major expenses (lawn care, maintenance, and insurance) continue to account for over 77% of our expenses.

The other item pointed out was a stipend for the President equal to his monthly dues of \$332. Bill was not present at the Board meeting during the discussion or approval of the stipend and did not ask for it. However, the Board felt that he was doing an incredible job and saving the Association thousands of dollars in expenses through his efforts (i.e., \$3,600 in accounting fees, two months of insurance premium increases, competitive pricing on the lawn care, etc.). Greg stated that he felt the work required by the President is very time consuming. It warrants recognition and this should have been done with past presidents and future presidents. The stipend is an acknowledgement of what they do and is below minimum wage. Mike Marshall stated that the governing documents did

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not allow a payment to the President. Greg said it was allowed if it was not above fair market value, which is evident by the ongoing accounting fees reduction as well as all the other work a president does.

Monthly dues had not been raised since 2008 prior to the \$50 average per member increase on 9/1/24. They were raised by a 2.5% cost of living (\$6 average per member) on 6/1/25. In August we received a \$19,164 annual increase for our insurance premiums and had to increase dues by that amount (\$34/average per member) to pay the additional premium.

Lawncare costs have decreased by \$15,846 since 2023 by changing companies. While the quality has gone down, the members need to provide feedback to the Board concerning how much they would be willing to pay for improved service. Lincoln Lawn Care (our provider in 2023) would cost \$13,800 (\$24 average per month per member) more per year if we wanted to change back to them. The decision concerning what company to use next year will be made in October or November. Any input would be greatly appreciated.

Approximately half of the repairs cost (\$13,000) was spent to fix water damage to Unit #37. The repairs have been made and it is in good condition. We still need to address the grass issues on River Oaks Blvd (it affects 20% of our members' front yards). We also have about \$6,000 of concrete work pending. Some members have expressed frustrations concerning repairs not being addressed. Members need to complete the repairs survey or we will not know what needs to be done. The only other way to identify the repairs needed would be to have professional inspections conducted each year, but that would be expensive. The members present did not think that it would be necessary. We also need to be more proactive with preventive maintenance for the decks, fences, and siding. The Board determined the Association would pay to power washing the siding as needed (if requested).

Our insurance costs have more than tripled over the past four years. The industry has determined that Arkansas is in a zone more likely to incur hail and tornado damage and is raising the rates for policy holders. In addition, we have had significant claims over the past 8 years totaling about \$300,000 for hail damage. We are required to carry insurance on the exterior of all properties by the Master Deed. That could be changed with an 80% vote of the members if we wanted to transfer the responsibility to the members individually. However, that would create problems related to claims and coverage for multi-unit buildings. Currently, the premiums appear to be similar regardless of who has the coverage (members or the association), but could change in the future. There is a concern that we might not be able to get coverage for the entire association much longer (River Oaks Commons could not get coverage and had to amend their Master Deed to require members to get their own policies). We should know more in a couple of months.

The debt was retired last year via the Special Assessment. Without the Special Assessment we would still owe \$64,648 to the banks, would have paid \$5,968 in interest last year, and still be required to make \$1,783 in payments each month. Currently, all Special Assessments have been collected except for three units which are working to get it paid, the total outstanding amount is approximately \$2,000. In accordance with the master deed, the unpaid assessment shall constitute a lien against the apartment.

Our governing documents require Board approval prior to any rentals. This approval helps ensure the quality of our community, compliance with our insurance requirements, and qualification for potential buyers in financing a condo. As a result, the Board has recently developed an "Application for Approval of Unit Rental" (copy included) for members to use who would like to rent their unit.

This form is required to be used to request approval. **The application must be approved prior to renting a unit.** Failure to get approval prior to renting a unit could result in legal action to terminate the rental (and lease) by River Oaks Trace Property Owners Association, creating an unnecessary hardship for the unit owner and renter. Any financial or legal consequences related to terminating a lease without prior approval is the individual member's responsibility.

A new application will be required for each new lease (including renewals), and a copy of the proposed lease must be attached. The Board will keep a copy of all the rental information on file. If you are currently renting a unit based on prior approval, you must still submit an "Application for Approval of Unit Rental" form for our records. The Board does not anticipate approval of any short-term rentals through Airbnb, Vrbo, etc. The members present at the meeting overwhelmingly requested the Board not approve any short-term rental and would strongly prefer not to have any additional rentals in River Oaks Trace.

The governing documents allow the Board to set up Reserves for future expenses. The Board would like to have Reserves due to increased insurance deductibles, the age of the siding, the sprinkler system getting old, and various other contingencies. In addition, Reserves will increase the values of the Units (potential buyers typically look at the financial condition of an HOA). The Board hopes the Reserves can begin to be funded from the debt having been paid off (not paying the monthly notes) and therefore not have to raise dues for Reserves. Therefore, the decision regarding Reserves (both the actual amount and funding) will be deferred until a later time as we determine our future anticipated cash flow from current dues and expenses.

Greg asked if there were any additional questions and there were none.

Bill wanted to reiterate that he did not ask for a stipend and would prefer not to do everything that he does. He would like more volunteers to help do some of the things that need to be done in our community. He enjoys working on things and helping others, but likes to travel and does not want to be tied down as much as he has been. He also said that he felt the stipend was too large and as things slow down he would request that it be lowered.

The meeting was adjourned.

Bill Sivia, President - #34B. 501-230-6877

Greg Bostian, Secretary - #6, 901-218-2721

Board of Directors:

Board Position 1: Linda Landis – #46, 501-593-8170

Board Position 2: Huberta D'Auteuill – # 5, 917-679-5199

Board Position 3: Kimberly Janis – #17, 501-207-3121

(Financial Statement on Reverse Side)

River Oaks Trace Property Owner's Association

Receipts and Expenses

9 Month Period thru March 31, 2026

Year to date Receipts and Expense Report thru March 31, 2026:

Cash at Beginning of Year (July 1, 2025) 10,469

	March	Year to Date	
HOA Dues - Monthly	14,208	128,670	
Total Cash Receipts	14,208	128,670	
Lawn Care	2,850	26,228	23.31%
Maintenance / Repairs	2,815	27,855	24.75%
Insurance	3,883	34,280	30.46%
Pest Control		4,270	3.79%
Water and Electric	256	7,187	6.39%
Legal		200	
Accounting/Managerial Stipend	332	1,328	
Software		299	
Office Supplies	47	206	
Storage Unit	75	675	
Invest in Certificate of Deposit	-	10,000	
Taxes	-	-	
Total Cash Expenses	(10,258)	(112,528)	
Net Cash	3,950	16,142	

Operating Cash March 31, 2026		26,611
Certificate of Deposit		10,000
Total Cash March, 2026		36,611

Note:

River Oaks Trace Property Owner's Association does not keep it's financial records on a calendar year (from January through December of each year). Instead, it keeps it's financial records on a fiscal year beginning on July 1st of each year and ending on June 30th of the following year.

River Oaks Trace Property Owners Association

IMPORTANT NOTICE

New Rental Approval Policy Effective April 23, 2026

Our governing documents require Board approval prior to any rentals. This approval helps ensure the quality of our community, compliance with our insurance requirements, and qualification for potential buyers in financing a condo. As a result, the Board has recently developed an "Application for Approval of Unit Rental" (copy included) for members to use who would like to rent their unit. **The Board does not currently anticipate approval of any future rentals.**

This form is required to be used to request approval. **The application must be approved prior to renting a unit.** Failure to get approval prior to renting a unit could result in legal action to terminate the rental (and lease) by River Oaks Trace Property Owners Association, creating an unnecessary hardship for the unit owner and renter. Any financial or legal consequences related to terminating a lease entered into without prior approval is the individual member's responsibility.

A new application will be required for each new lease (including renewals), and a copy of the proposed lease must be attached. The Board will keep a copy of all the rental information on file. If you are currently renting a unit based on prior approval, you must still submit an **"Application for Approval of Unit Rental"** form for our records.

**River Oaks Trace Property Owners Association
Application for Approval of Unit Rental**

Name _____
Unit Number _____
Date _____

Has this Unit been rented before _____
Is it currently being rented _____
If not, date to begin renting _____
Length of rental contract _____
Is there a renewal option for the rental contract _____
Number of occupants to reside at Unit _____
Number of vehicles to be parked at Unit _____
Credit score of leasee _____
Do you anticipate renting Unit going forward _____

Signature: _____

**Attach a copy of lease agreement
Attach a copy of insurance policy covering rental**

Board Review:

Total number of rentals in community _____
History of this Unit rental _____

Approve:

Date Approved _____
Length of Approval _____
Signature of President _____
Date _____

Disapprove:

Date Disapproved _____
Signature of President _____
Date _____