



H.V.OF FORK
PROPERTY OWNERS'
ASSOCIATION

BYLAWS
UPDATE
GUIDE

ARTICLE 2. – Authority to Impose Administration Fee

The Association may impose an administrative Fee transfer of title to property within the jurisdiction of the Association. This fee is intended to support the administrative, operational, and community integration costs associated with on boarding new owners. And shall be dedicated to the road fund for repair and maintenance of the common area right of way.

This Administrative Fee shall not be construed as a recurring transfer fee and shall comply with Texas Property Code §5.202 (7). And is applicable to Texas Property Code 207.003

2.1 – The fee shall be:

- Assessed once per qualifying transfer
- Payable by the transferee (buyer) at closing or within thirty (30) days of title transfer
- Set by the Board of Directors and published in the Association's Fee Schedule
- Disclosed in resale certificates and the TREC Addendum for properties subject to mandatory membership

2.2 – Exempt Transfers

The Administrative Fee shall not apply to the following types of transfers:

- Transfers between spouses or immediate family members
- Transfers resulting from inheritance, probate, or estate settlement
- Title corrections or refinancing without change in beneficial ownership
- Transfers by the developer prior to initial sale to a member

2.3 – Board Authority and Procedure

The Board of Directors shall have the authority to:

- Establish, adjust, or waive the Initiation Fee by resolution
- Define exemptions and procedures for collection
- Include the fee in resale disclosures and member communications

This Article shall be interpreted in conjunction with Article 6 (Assessments and Charges) and Article 4 (Membership and Voting), and shall not override any provision requiring member approval for changes to assessments or dues.

ARTICLE 3 SECTION 6 : Member Petition for Director Removal

1. Authority and Scope

In accordance with Texas Property Code §209.0058, and Texas Business Code 22.211 members of the Association may petition for the removal of one or more members of the Board of Directors. This section governs the process and limitations of such removal.

2. Petition Threshold

A valid petition must be signed by at least twenty percent (20%) of the total eligible voting members of the Association. The petition shall clearly identify the director(s) proposed for removal and include the section and lot numbers along with the printed names, addresses, and signatures of all petitioning members. There shall be no more than one signatory per member household.

3. Limitation on Simultaneous Removals

To preserve operational continuity preserving the staggered terms and to protect institutional knowledge, no more than two (2) directors may be removed through member petition at any one time within any twelve (12) month period. If more than two directors are named in a petition, the petition shall be deemed invalid unless revised to comply with this limitation. A separate or third (3rd) Director may be removed within that same 12 month period, but no sooner than 180 days from the date of any previous removals.

4. Special Meeting Requirement

On receipt of a valid petition, the Board shall call a special meeting of the membership within thirty (30) days, providing notice in accordance with applicable law and governing documents. For a petition to be deemed valid the President shall verify or cause to be verified all signatures on the petition by comparison to the official membership list of the association in effect on the date of the petition. At this meeting prior to voting the named Director(s) shall have an opportunity to defend or justify their right to remain on the Board, Removal shall require a majority vote equal to or greater than 60% of members present and voting at the meeting, provided quorum is met. Quorum shall include all regular ballots, absentee and proxy ballots received by mail on or before the meeting date. Ballots shall be made available through email, regular mail as soon as the notice of meeting is sent out and also at the meeting prior to last call for ballots. Ballots shall be reviewed and counted in the same manner as described in association policy for tally room procedures. If the verified votes for removal (yes) are equal to or more than 60% of the votes cast via this meeting the named Director(s) shall immediately be removed from office and relinquish all association property.

5. Vacancy and Replacement

Any Director removed under this provision shall be replaced in accordance with the Association's standard vacancy procedures, unless otherwise directed by the membership at the same meeting. But in no case shall a replacement Board member be appointed or elected to a term exceeding the remaining term of the Director being replaced. Any directive for voting in a replacement must be so declared in the petition at the time the petition is circulated and signed by the supporters. No Director shall then be subject to an additional recall vote within one calendar year. No Director shall be subject to a recall vote within ninety (90) days of the Directors election to the board. Except by special petition from the board of directors as provided in 6(a).

6. Severability

If any portion of this section is found to conflict with applicable law, the remainder shall remain in full force and effect.

-SECTION 6 (a) Removal of a Director upon petition by the Board of Directors

A Director or Directors may ask the President of the Association, to call for a vote to remove a duly elected board member at any regular board meeting stating cause for the same.

Cause may include egregious violation of standard practices, privacy violations, violation of confidentiality agreement or a serious accusation of sexual harassment of any employee, board member volunteer or officer. The vote must be a quorum of 3 affirmative votes to pass the resolution. The President then follows the procedures set below.

The President of the Association shall send notification within 7 days of a special meeting. This special meeting to begin prior to the next scheduled board meeting. Notice shall set the details of the recall and grounds for the action and shall be sent via email to members that have consented to email notices, mail as required for members not on email list and posted to the website. Such notice shall set the date for the special meeting 30 days from the date of the notice. At this meeting prior to voting the named Director(s) shall have an opportunity to defend or justify their right to remain on the Board.

Voting will occur via mail in, proxy or ballots cast at the meeting. If the verified votes for recall (yes) equal more than 60% of the votes cast, the named Director is immediately removed from office and shall relinquish all Association keys and property.

Any Director removed under this provision shall be replaced in accordance with the Association's standard vacancy procedures, unless otherwise directed by the membership at the same meeting. But in no case shall a replacement Board member be appointed or elected to a term exceeding the remaining term of the Director being replaced.

If the resolution fails, the request is considered closed and shall be kept in the associations records for three (3) years with no further action. Board members may vote in the recall as member of the association.

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.(ARTICLE 6)

SECTION 3. Without notice, the annual meeting of the Board of Directors shall be held on the same day and at the same time and same place of the annual meeting of the members.

Such Board meeting being held during the vote count recess of the annual meeting. Newly elected Board members shall join the meeting following the announcement of the vote tally. Any scheduled or non-scheduled meeting of the Board of Directors other than the annual meeting shall be deemed a special meeting, as defined by 209.0051.

SECTION 4. Action Without Meeting

In accordance with Section 22.220 of the Texas Business Organizations Code, any action required or permitted to be taken by the Board of Directors may be taken without a meeting.

The Board of Directors may take any action required or permitted to be taken at a meeting of the Board without a meeting if a written consent, stating the action taken, is signed by the number of directors necessary to approve the action at a meeting where all directors are present and voting. Such consent may be executed in counterparts and may be delivered by email, facsimile, or other electronic means. The consent shall be filed with the minutes of the proceedings of the Board and shall have the same force and effect as a vote of the Board at a duly called meeting.

Email Consent Procedure:

If the action is proposed via email, each director shall reply to the original email thread with a clear statement of approval or denial (e.g., "I consent" or "Approved" or "I Do Not Approve"), and the subject line shall identify the matter being considered. A majority of the total number of directors must approve the action for it to be valid, unless a greater vote is required by law or these Bylaws.

Section (4.1) Permissible Actions by Written Consent

The following matters may be approved by written consent in lieu of a meeting, provided they meet the required voting threshold:

- Adoption or amendment of policies, procedures, or internal rules
- Approval of contracts, expenditures, or vendor agreements
- Budget adjustments or reserve allocations
- Scheduling or rescheduling of meetings
- Appointment of committee members or officers
- Authorization of legal filings or responses
- Approval of member communications or notices

- Ratification of prior actions taken in good faith
- Any other matter not requiring member approval under Texas law or these Bylaws (see 209.0051(h))

Limitations:

Actions requiring member approval—such as amending the Declaration, increasing assessments beyond limits set in the governing documents, or electing directors—may not be taken by board consent alone and must follow the procedures outlined in the Bylaws and applicable law. Additionally the following items must be considered and voted on in an open meeting:

- (1) fines;
- (2) damage assessments;
- (3) initiation of foreclosure actions;
- (4) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- (5) increases in assessments;
- (6) levying of special assessments;
- (7) appeals from a denial of architectural control approval;
- (8) a suspension of a right of a particular owner before the owner has an opportunity to attend a board meeting to present the owner's position, including any defense, on the issue;
- (9) lending or borrowing money;
- (10) the adoption or amendment of a dedicatory instrument;
- (11) the approval of an annual budget or the approval of an amendment of an annual budget;
- (12) the sale or purchase of real property;
- (13) the filling of a vacancy on the board;
- (14) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or
- (15) the election of an officer.

(i) This section applies to a meeting of a property owners' association board during the development period only if the meeting is conducted for the purpose of:

- (1) adopting or amending the governing documents, including declarations, bylaws, rules, and regulations of the association;
- (2) increasing the amount of regular assessments of the association or adopting or increasing a special assessment;
- (3) electing non-developer board members of the association or establishing a process by which those members are elected; or
- (4) changing the voting rights of members of the association.

(ARTICLE 7)

SECTION 4. A Reserve fund shall be maintained to a level as indicated by the asset reserve study approved by the Board of Directors and guided by the appropriate spread sheet naming effected assets. Funding shall occur each month by transferring of a minimum of 25% of carry over funds to the Reserve Fund account plus additional funding as available up to 7500.00 per month, or the totals recommended by the current Reserve Study. An emergency reserve account shall be maintained that is equivalent to operating cost for 90 days as set by the Board of Directors. Average operating cost shall be adjusted annually by the Board of Directors. These funds may be used only for operating expenses in the event of a shortfall of collections, and following a prescribed cutback in operations. The policy effecting the prescribed shortfall of funding must be on file and available for viewing by membership. This policy shall be revised annually to reflect current operating costs and set a trigger point for reduced operations.