

WAGON CITY RECREATION BOARD, INCORPORATED

BYLAWS 2025

This Copy, dated February 12, 2025, supersedes all other revisions and/or copies

Revised January 27, 2020 (see Article XII - (A) (B) (C))

Revised January 25, 2010 (See Article II -Section 6 (C-2) & Article V - Section 1)

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Article II - Section 3, Section 6 (A), (J) & (L), Article IV - Section 1 & 2 Article V -Section 2,
Article VI - Section 5, 6, 7, 9 (A)(C)

Article VII - Section 3(C), Section 7, 7(A), (B), Article VIII - Section 6 (E), Article XII

DEFINITIONS

Unless the context specifies or requires otherwise, the following terms when used in this Declaration have the following meanings:

Board. Board means the governing body of a property owners' association. (Ref. Texas Property Code Chapter 209)

Lot. "Lot" means any designated parcel of land located in a residential subdivision, including any improvements on the designated parcel. (Ref. Texas Property Code Chapter 209)

Maintenance Fee. "Maintenance fee" means regular annual assessment.

Owner/Member. "Owner" means a person who holds record title to property in a residential subdivision and includes the personal representative of a person who holds record title to property in a residential subdivision. (Ref. Texas Property Code Chapter 209)

Regular Assessment. "Regular assessment" means an assessment, a charge, a fee, or dues that each owner of property within a residential subdivision is required to pay to the property owners' association on a regular basis and that is designated for use by the property owners' association for the benefit of the residential subdivision as provided by the restrictions. (Ref. Texas Property Code Chapter 209)

Emergency Maintenance/Issues. "Emergency Maintenance/Issues" are things that need to be addressed within 72 hours (3 Days) to avoid further damage.

ARTICLE I: GENERAL

Section 1. Location:

The office of Wagon City Recreation Board, Inc., hereafter known as the Association, shall be located in Wagon City Subdivision, 2905 N. Conway Avenue, Unit #2, City of Mission, Hidalgo County, Texas 78574.

Section 2. Fiscal Year:

The fiscal year of the Wagon City Recreation Board, Inc. shall begin on January 1st and end on December 31st.

Section 3. Board Composition:

The composition of the Wagon City Recreation Board, hereafter known as the Board, shall be as follows: President, Vice President, Secretary, Assistant Secretary, Treasurer, First Assistant Treasurer, Second Assistant Treasurer and one representative (Director or alternate Director) from each Wagon City block comprising the Board. Five members of the board in attendance at a meeting shall constitute a quorum.

Section 4. Membership and Voting Eligibility:

Lot owners listed on the respective deeded property, per Hidalgo County, Texas CAD website, or present other proof of ownership, shall be Members of the Association, and shall have equal share in and an equal vote per lot in all matters concerning the Recreation Area and subdivision covenants, i.e., owners of one lot owned, one vote, one dues assessment. Owners of one and one-half lots, one and one-half votes, one and one-half dues assessment. Owners of two or more lots, two or more votes, two or more dues assessment, etc., ad infinitum.

Lots that are not owned by individuals must provide a notarized document or validated proxy at each voting event, identifying who authorized who to vote on behalf of the organization/entity/trust etc.

A property owners' association may adopt rules to allow voting by secret ballot by association members. The association must take measures to reasonably ensure that:

(1) a member cannot cast more votes than the member is eligible to cast in an election or vote.

(2) the association counts each vote cast by a member that the member is eligible to cast.
(*An Act - S.B.1168, SECTION 11. Section 209.0058, Subsection (d)*)

Section 5. Filing and Posting of Documents:

A board member (officer or director) must file current dedicatory instruments (Covenants and Bylaws) in the real property records of Hidalgo County.

The Association will make the current version of the Association's dedicatory instruments relating to the Association or Subdivision and file in the county deed records available on the Association's website maintained on behalf of the Association and available to Association Members.

The Association will record, in Hidalgo County, a management certificate, signed and acknowledged by an officer or the managing agent of the Association, stating:

(A) the recording data for the declaration and any amendments to the declaration.

(B) the name, mailing address, telephone number, and e-mail address of the person managing the Association or the Association's designated representative.

(C) the website address of any Internet website on which the Association's dedicatory instruments are available in accordance with Texas Property Code Section 207.006.

The Association will record an amended management certificate in Hidalgo County not later than the 30th day after the date the Association has a notice of a change in any information in the recorded certificate required by subsection (A).

The Association, not later than the 7th day after the date the Association files a management certificate for recording under subsection (A) or files an amended management certificate for recording under subsection (B) to electronically file the management certificate or amended management certificate with the Texas Real Estate Commission (TREC).

Section 6. Smoking:

The clubhouse at Wagon City North is designated a "No Smoking" clubhouse.

Section 7. Selling of Unit/Property:

If a unit/property owner other than a declarant before executing a contract intends to sell a unit/property or conveying the unit/property, the owner must furnish to the purchaser a current copy of all required information as per *An Act. S. 1168, Section 1(a) 1-14*.

ARTICLE II: MEETINGS

Section 1. Annual Meetings:

The annual meetings of the Association shall be held in the Recreation Hall at 10:00 a.m., on the last Monday of January for the purpose of receiving floor nominations of candidates for elective offices, electing officers, approving annual reports (budget and regular assessment) and the transaction of such other business as placed on the agenda may properly come before the meeting.

Section 2. Board Meetings:

The regular Board meetings shall be held the second Monday of each of the months of November through April at 9:00 a.m. All meetings shall be open meetings. The Chairperson will have the option to open discussion to the floor (members in attendance) on open motions before the Board votes on the motion.

Section 3. Pre-board Meetings:

Held by Officers and Block Directors to develop agendas for regular Board Meetings. Items discussed at Pre-board meetings shall be taken back to Block Meetings for voting and/or discussion (in an impartial manner by the Block Director) and then presented for consideration at the regular Board Meeting.

Section 4. Special Meetings:

May be called by any of the following methods:

- (A) To resolve emergency issues, and/or call a special meeting the President or Vice President and all Officers and Block Directors must be contacted by phone, in person, or by email with a minimum of six (6) Officers, Block Directors or Alternate Directors making a quorum, to vote on a resolution of the problem. All actions should be documented, with verbal votes confirmed in writing or by electronic means.
- (B) Members of the Association may petition for a special meeting by obtaining authorization of 33% or 89 representative votes of the Members. Such requests shall be filed with the Secretary or another officer of the Board.
- (C) The purpose of the proposed meeting must be specified and documented, and no other business shall be considered.

Section 5. Notice of meetings: 209.0051

The date, hour, place, and general subject of a regular or special board meeting will be:

- (A) Posted at least 144 hours (6 days) before the start of a regular board meeting, and at least 72 hours (3 days) before the start of a special board meeting, by:
 - (1) Posting the notice in a conspicuous manner reasonably designed to provide notice to Association Members.
- (B) On any internet website available to Association Members that is maintained by the Association or by a management company on behalf of the Association, and emailed to all members with emails listed.
 - (1) All committee meetings may be held at the convenience of the committee without posting notice.

In emergencies, special meetings of the Board may be held with less than ten (10) days' notice only when members are given notice with reason for the meetings as posted and by email.

Section 6. Elections and voting: (209.00593 & 209.00591)

The election of officers shall be held at the Annual Meeting of Members and shall be by written secret ballot. The term of office begins immediately after the Annual Meeting.

The President, Vice President, Secretary, Assistant Secretary, Treasurer, First Assistant Treasurer and Second Assistant Treasurer shall be elected by the members biannually.

- (A) To be eligible for election to any office, the nominee must be a member of the Association in the Wagon City Subdivision full or part time.
- (B) One Director and one Alternate Director shall be elected by majority vote from each block. Blocks D Lots 1-7 and 38-44 and Block E Lots 11-14 and 38-44, each

of which will consist of Lots 8-37, Lots 1-7 and 38- 44 of blocks D and E will be known as D/E with equal representation.

- (1) A Block Director must be a member of the corporation and own property in the block he/she represents.
- (2) Block Directors shall be elected biannually in December, giving new Director's time to become familiar with their responsibilities before taking office. The incumbent Director will assist the elected Director in the month of January to fully indoctrinate a newly elected Director on the Director responsibilities before assuming office in February.
- (C) No more than one member of a family may hold any of the following offices: President, Vice President, Secretary, Assistant Secretary, Treasurer, First Assistant Treasurer, Second Assistant Treasurer, Block Director, Alternate Director or chair the following committees: Auditing Committee, Finance Committee, Budget Committee, Election Committee, Nominating Committee, Grievance, or Architectural Control Committee (ACC).
- (D) In case of election among three or more nominees for an office with none receiving a majority vote, a run-off election shall be held between the two receiving the highest number of votes.
- (E) An Officer may be recalled on a petition filed with the Secretary or other officer of the Board, when voted by sixty percent (60%) of all members. In the case of a Block Director, requires a sixty percent (60%) vote of the Members of that specific block.
- (F) No written ballot may be disqualified by the Election Committee in tabulating the election or other voting results unless said ballot is mutilated or marked so as to make the voter's intent unknown.
- (G) Any member at the Annual Meeting and/or Special Meeting may challenge the Chairman's decision on a "voice", "show of hands", or a "roll call" vote by requesting a written ballot.
- (H) No presiding officer may adjourn an Annual Meeting, Regular Board Meeting or Special Meetings without a motion from the body which has been seconded, offered for discussion and passed by majority vote.
- (I) All voting at Annual, Board and Special Meetings will be done by written secret ballot, or absentee ballot.
- (J) Members in residence in Wagon City not present on the day of an Annual or Special meeting may request an absentee ballot to vote in the Annual and/or Special meeting. These ballots can be obtained by the voting member from a member of the Election Committee, beginning 10 days prior to the voting. Ballots will be accepted up to 24 hours before the Annual Meeting and/or Special

Meeting. The ballot must be approved/confirmed by the chairperson or a member of the Election Committee designated by the Chairperson before ballot(s) can be counted.

- (K) Any Member may obtain a proxy from the Election Committee. Proxies are irrevocable after 10:00 a.m. on the day prior to voting and must be voted by the person holding the proxy.

ARTICLE III. TERM OF OFFICE

A duly elected Officer shall serve for a term of two (2) years. A duly elected Block Director shall serve for a term of two (2) years.

ARTICLE IV. COMPENSATION

Section 1. Compensation:

No salary or compensation shall be paid to any member of the board or to any officer of the Association or any lot owner and/or any resident of Wagon City subdivision.

Section 2. Reimbursements:

Upon presentation to the Treasurer of proper receipts for expenditures authorized by the board, members shall be reimbursed for monies spent out of pocket for the benefit of the association.

ARTICLE V. CONTRACTS (209.0052)

Section 1. Spending Limits:

The Board Officers or Committee Chairperson shall not in any way enter into a contract or agreement, either written or verbal, that calls for an expenditure in excess of five thousand dollars (\$5000) without the affirmative vote of the majority of all eligible members voting on the issue. Emergency expenditures shall be exempt from the above spending limit.

Emergency/Maintenance issues shall be decided by the highest available officer and five (5) or more Board Members this can be done either by electronic means or a meeting of Officers of the Board Members who are available.

According to Section 209.0052 (c) of the Texas Property Code, an Association that proposes to contract for services that will cost more than fifty thousand dollars (\$50,000), in addition to the other applicable requirements of Section 209.0052 (Association Contracts), must solicit bids or proposals.

Section 2. Insurance and Bonding.

All contracted services providers with a contract in excess of one thousand dollars (\$1000) per month or any one-time contract in excess of one thousand dollars (\$1000) must be insured and bonded. All contractors must sign a lien and liability waiver and provide proof of insurance before work begins. All contract bids must be line-item bidding only.

ARTICLE VI. DUTIES OF OFFICERS

Section 1. President

The President shall preside at the Annual, Special Meetings, and Regular Meetings of the board. The President shall have general supervision over the affairs of the Association its properties and employees. The President shall be an ex officio member of all committees, but without a vote. The President shall have no vote at board meetings except in the event of a tie vote.

Section 2. Vice President.

The Vice President shall perform the duties of the President only in the absence or inability of the President to perform his or her duties. The Vice President shall also serve as an aid to the President and perform such other duties as are assigned by the President.

Section 3. Secretary.

The Secretary shall have the care and custody of all records, minutes, books, and correspondence and shall do in perform all duties pertaining to the office of Secretary. The Secretary shall work together with the President in preparing the agenda for all meetings.

Section 4. Assistant Secretary.

The Assistant Secretary shall perform the full duties of the Secretary only in the absence or inability of the Secretary to perform. All other times the Assistant Secretary shall assist the Secretary as necessary to become familiar with the books and routine.

Section 5. Treasurer.

The Treasurer shall receive and disperse all funds of the association for utilities, contracts, taxes, and supplies up to the amounts on an approved budget. Other expenditures in an approved budget shall be authorized by the Board of Directors upon determination of priorities and availability of funds. The Treasurer shall keep the accounts of his/her receipts and disbursements and shall submit the post reports to the Board of Directors at all Board and Annual Meetings. The Treasurer shall perform all duties pertaining to the office of Treasurer. Should the Board of Directors decide that the Treasurer's post a Surety Bond, the cost of such Bond shall be paid by the Association. The Treasurer's books and Annual Report shall be subjected to an annual audit by the Auditing Committee prior to publication of Annual Reports. An external audit by an accounting firm will be conducted within sixty (60) days of a request by the majority of Members.

Section 6. First Assistant Treasurer.

The First Assistant Treasurer shall perform the duties of the Treasurer only in the absence or inability of the Treasurer to perform. All other times the First Assistant Treasurer shall assist the Treasurer as necessary to become familiar with the books and routine.

Section 7. Second Assistant Treasurer.

The Second Assistant Treasurer shall perform the full duties of the Treasurer only in the absence or inability of the Treasurer and the First Assistant Treasurer to perform all other times the Second Assistant Treasurer shall assist the Treasurer as necessary to become familiar with the books and routine.

Section 8. Recreation Board.

Duties of the board are found in the covenants thereof.

(A) The Board's primary responsibility is the maintenance and operation of the physical buildings and improvements of the recreation area.

(B) The Board will replace any Officer or Director who vacates his or her office prior to the Annual Election with the Assistant Officer or Alternate Director.

Section 9. Director or Alternate Director.

The Nomination Committee shall caucus the Members in each block to elect a Director and an Alternate Director. The results of the Block Election will be presented prior to the January Pre-Board Meeting.

A Director will represent the voice of their specific Block Members only. All items pertaining to the Association will be referred to the Board for their consideration.

Any complaints regarding infractions of the Covenants and/or Bylaws of the Association, relative to individuals and/or properties in Wagon City Subdivision must be in writing, dated, and signed by the person or persons making the complaint and submitted to the Block Director of the block wherein the alleged infraction occurred. The complaint must point out the specific stipulations of the Covenants and/or Bylaws believed to be in non-conformance, and as a request be made for the action he or she feels should be taken by the Board.

ARTICLE VII. COMMITTEES

Section 1. Committee Appointments.

The President and/or the Board may by resolution or need appoint any committee they deem necessary for the good and the complete operation of the Association. Responsibility, name, lot, and telephone numbers of each Committee Chairman shall be posted on the bulletin board. All committees appointed by the President and/or the Board shall be directly responsible to the Board for their actions and for any monies or properties collected by the said committee.

Section 2. Nominating Committee.

The Board shall appoint a Nominating Committee consisting of a Chairman and two or more other members at the November Board Meeting.

(A) The Nominating Committee must solicit candidates' interest at least ten (10) days prior to the absentee ballots given out.

(B) The Chairman of the Nominating Committee shall confirm nominees' eligibility/acceptance and post nominations on the bulletin board in the Recreation Hall and provide a list to the Election Committee at least twenty (20) days before an Election is held.

Section 3. Election Committee.

The Board shall appoint an Election Committee consisting of a Chairman and three or more Members no later than the first Monday in November and at least ten (20) days prior to any Special Election.

(A) The Election Committee shall be responsible for determining the eligibility of voters and the number of votes each voter shall be eligible to cast they shall be responsible to provide absentee ballots, and proxies. (209.00592) The preparation, distribution and tally of ballots should be conducted in such a manner as to protect the secrecy of the voter's choice while maintaining ballot accountability in case of a recount.

(B) Any Member may request a recount in accordance with Section 209.0057.

Section 4. Auditing Committee.

An auditing committee of two (2) or more qualified members shall be selected by the President or Board. The Treasurer's books and Annual Report shall be audited and an auditor's report submitted to the Board of Directors at the Annual Meeting. An outside auditor may be used.

Section 5. Architectural Review Committee (ARC). (209.00505)

A person is prohibited from being appointed or elected to serve on an Architectural Review Committee if the person is a current association board member, a current board member spouse, or a person residing in a current board member's household.

Committee action may include the referral of problems to the City of Mission Planning Director, Code Enforcement Office, or Building Inspector.

The Architectural Review Committee can deny an application or request by an Owner for the construction of improvements in the subdivision to be appealed to the Board. Requires that a written notice of the denial be provided to the owner by certified mail, hand delivery, or election delivery. Requires that the notice describes the basis for the denial in reasonable detail and changes, if any, to the application or improvements required as a condition to approval; and inform the Owner that the Owner is authorized to request a hearing under subsection (e) of Texas Property Code 209.00505 on or before the 30th day after the date the notice was mailed to the Owner.

The Board will hold a meeting under this section not later than the 30th day after the date the Board receives the Owner's request for a hearing and to notify the Owner of the date, time, and place of the hearing not later than the 10th day before the date of the hearing. Only one hearing is required.

During the hearing, the Board or the designated representative of the Association and the Owner or the Owner's Designated Representative will each be provided the opportunity to discuss, verify facts, and resolve the denial of the Owner's application or request for the construction of improvements and the changes, if any, requested by the Architectural Review Authority in the notice provided to the Owner under subsection (d) of Texas property code 209.00505.

Authorizes the Board or the Owner to request a postponement. Requires that a postponement, if requested, be granted for a period of not more than 10 days. Authorizes additional postponements to be granted by agreement of the parties under subsection (g) of Texas Property Code 209.00505.

Authorizes the Association or the Owner to make an audio recording of the meeting under subsection (h) of the Texas Property Code 209.00505.

Authorizes the Board to affirm, modify, or reverse, in whole or in part, any decision of the Architectural Control Committee as consistent with the subdivision's declaration. No Member's request will be denied that conforms to the City of Mission, or State Rules/Laws/Statutes.

Section 6. Long Range Planning Committee.

The President or the Board shall appoint the Long-Range Planning Committee consisting of three (3) to five (5) members.

The Long-Range Planning Committee shall recommend to the Board additions or modifications to the Association buildings, grounds, and/or other facilities.

The Long-Range Planning Committee is responsible for securing a minimum of two (2) written proposals/bids when applicable and/or provide to the Board a written itemized list of materials and labor cost for consideration. A copy of all proposals/bids, etc. shall be maintained in a specific file in the Association's office.

Section 7. Way and Means Committee.

The President or the Board shall select a Chairman for the Ways and Means Committee, and they together shall select three (3) or more members plus a Secretary/Treasurer to perform the following duties. the vice president shall attend the ways in these meetings as a representative of the board.

The Ways and Means Committee shall be responsible for the collection and expenditures of all monies raised or spent on special recreational functions occurring on the premises of the recreational area of Wagon City Subdivision. Expenditures or aggregate expenditures over five thousand dollars (\$5000) must be presented to the Board and taken to the Member's for a vote.

The Ways and Means Committee *shall not* establish a separate bank account. The Treasurer shall account for the finances of the Committee and will submit the money to the Treasurer of the Association for deposit.

The Ways and Means Committee shall be responsible for scheduling events and activities in the recreational facilities of the Association. On a limited basis, a regular activity may be canceled to allow the scheduling of a special event or activity.

Any member or group of members who wish to use the recreational facilities of Wagon City for any function which will call for the collection of fees in any form, or will occur any expense extraordinary to the normal expenses of operation of the facilities, must schedule with the Ways and Means Committee in advance of such function and submit a complete financial report to the Committee at the termination of such function.

Financial records of the Ways and Means Committee are the property of the Association and as such, are to remain on the Board's physical property. A financial report of Ways and Means shall be furnished at each regular board meeting.

Section 8. Grievance Committee.

The President or the board shall appoint the Grievance Committee consisting of three (3) to five (5) members.

The Grievance Committee shall be responsible for reviewing and investigating complaints from Members regarding alleged violations of Association rules or perceived unfair treatment by the Association Board. The Committee will provide a neutral platform to hear both sides of the issue and attempt to resolve disputes fairly before escalating further action.

Key functions of a grievance committee:

- **Hearing complaints:**
Homeowners can submit grievances to the committee regarding issues like property maintenance violations, disagreements with Board decisions, or perceived unfair enforcement of rules.
- **Investigation:**
The committee will review the complaint, gather relevant information, and may conduct interviews with involved parties to understand the situation fully.
- **Mediation:**
The committee aims to facilitate communication between the homeowner and the Board, attempting to reach a resolution through discussion and compromise.
- **Decision-making:**
After reviewing the evidence, the committee may uphold the Board's decision, overturn it, or recommend a course of action to address the grievance.
- **Impartiality:**
Committee members should remain neutral and objective when evaluating complaints, avoiding bias towards either the homeowner or the Board.
- **Transparency:**
The committee's deliberations and decisions should be transparent to only and all homeowners involved in the complaint.
- **Appeals process:**
If a homeowner is dissatisfied with the committee's decision, there may be an option to appeal to the Wagon City Board of Recreation, Inc., Board.

ARTICLE VIII. ASSOCIATION PROPERTY and FINANCE

Section 1. Association Property Control.

Property owned by the Association, real or personal, shall be under the control of the Board and/or committees appointed for that purpose.

Section 2. Use of Corporate Property.

No Association property may be borrowed or removed from the building or grounds for personal use without prior written request that is approved by the Ways and Means Committee.

Section 3. Financial Reports.

The Treasurer shall prepare appropriate financial reports for the past year ending December 31st and submit them with all records and books to the auditing committee at least ten (10) days prior to the Annual Meeting. The President and the Treasurer, with assistance as necessary, shall

prepare a proposed budget for the new fiscal year. Financial reports and a proposed budget shall be part of the Annual Report made available to the Members and are subject to majority Member's approval at the Annual Meeting.

Section 4. Special Funds.

The Board with approval of the majority of the Members, may established special Sinking funds for special projects.

The Board, with the approval of the majority of the Members, may establish a contingency fund. Such funds shall not exceed fifteen thousand dollars (\$15,000) unless approved at an Annual or Special Meeting. This contingency fund is for emergency use only.

Section 5. Association Ownership and Maintenance.

Members will own an interest in the Association, grounds, and buildings proportionate to the number of lots owned in Wagon City and have a corresponding responsibility in the maintenance thereof. Each owner will be assessed and annual maintenance fee (dues) on a per lot or half lot owned basis to defray cost of such maintenance.

Section 6. Maintenance Fee.

The amount of the annual maintenance fee (dues) to be assessed against each lot for the coming year shall be carefully determined by the Board of Directors for discussion and recommendation to the Members at the block meetings prior to the Annual Meeting.

The Members, by their majority vote, may approve the recommendation of the Board or reject the recommendation and fix the amount of the following years annual assessment for maintenance fees.

If the proposed maintenance fee is rejected by the Members, the proposed budget will be tabled until the Board prepares a revised budget, using the Members accepted maintenance fee. A revised budget will be presented to the Members at a Special Meeting for their approval.

Section 7: Alternative Payment Plan.

Wagon City Board of Recreation, Inc., in compliance with Texas Property Code Sec. 209.0062 offers an alternative payment schedule by which a member may make partial payments to Wagon City Recreational Board, Inc., for delinquent regular or special assessments or any other amount owed to the Association without accruing additional monetary penalties. The payment plan shall be as follows:

- (A) The minimum term for the payment plan is three (3) months, and no more than eighteen (18) months, and may not enter into a payment plan more than once in any 12-month period.
- (B) The Association will not enter into a payment plan with a member who failed to honor the terms of a previous payment plan during the two years following the Member's default under the previous payment plan.

ARTICLE IX. MEMBERSHIP

Membership in the Association shall have no cash value in and of itself, and any rights or interest in the Association is transferred to the buyer.

ARTICLE X. AMENDMENTS

The Bylaws of the Association are subject to amendment by sixty seven percent (67%), which is 180 votes of the 268 votes outstanding, at the Annual Meeting or a duly called Special Meeting for that purpose. Emailing and posting a notice of all proposed amendments at least ten (10) days minimum and sixty (60) days maximum prior to the meeting is required.

ARTICLE XI. RULES OF ORDER

The rules in Robert's Rules of Order, when not inconsistent with these Bylaws, shall govern all Board Meetings, Annual Meetings, and Special Meetings.

ARTICLE XII. FAIR HOUSING ACT

Wagon City Recreation Board, Incorporated agrees to do business in accordance with the fair housing law (the fair housing amendment act of 1988). It is illegal for housing discrimination based on race, color, religion, sex, disability, familial status, or national origin.

ARTICLE XIII. RENTAL OF LOT(S) AND/OR UNIT(S)

Owner/ lesser/ landlord must notify tenant(s) in writing of all rules, restrictions and guidelines for Wagon City Subdivision and Wagon City Recreational Board, Incorporated before signing any documents to rent a unit/property, the Owner/Lessor/Landlord must furnish to the potential renter/occupant a current copy of the Covenants and Bylaws, of the Wagon City Board of Recreation Inc., and furnish to the Board the name, age, and contact information of tenant(s).

Landlord must be in good standing in the Wagon City Association to rent property with a limit of two rental units per Owner/Family/or Corporation.

These provisions are effective April 15, 2025 and are not retroactive.

ARTICLE XIV. FILING OF DOCUMENTS

A Board Member (Officer or Director) must file current dedicatory instruments (Covenants and Bylaws) in the real property records of Hidalgo County Texas.

ARTICLE XV. HUD FORMS AND AUDITS

A "HOA HUD audit" refers to an audit conducted on a Homeowner's Association (HOA) that receives funding or operates under regulations set by the U.S. Department of Housing and Urban Development (HUD), essentially meaning a thorough examination of the HOA's financial records and operations to ensure compliance with HUD guidelines and proper use of any HUD funds they may be managing; this audit typically involves checking financial statements,

compliance with program requirements, and overall management practices to prevent fraud and waste.

Key points about a HOA HUD audit:

- **Purpose:**

To verify that an HOA is using HUD funds appropriately and adhering to all relevant federal regulations related to housing programs.

- **Who conducts it:**

An independent auditor, usually a certified public accountant (CPA), will review the HOA's financial records and operations.

- **What is examined:**

- Financial statements like balance sheets, income statements, and cash flow statements
- Compliance with HUD program rules and regulations
- Documentation related to property management practices
- Tenant eligibility and rent calculations (if applicable)

FORMS – HUD forms must be completed by all residents upon becoming residents of the Wagon City Subdivision. The forms must be delivered to the Wagon City Recreation Board, Incorporated office (the fair housing amendment act of 1988).

AUDITS – HUD audits must be accomplished every two (2) years via personal identification provided by each resident and presented to the Board at the Annual Meeting (the Fair Housing Amendment Act of 1988).

James Prairie, President of the Wagon City Board of Recreation

Signed on: _____