

MINUTES FOR THE ANNUAL MEETING OF THE BOARD OF DIRECTORS OF
TRI-COUNTY POINT PROPERTY OWNERS ASSOCIATION

I.

Time and Place

The following are the minutes of the meeting of the Board of Directors of TRI-COPPOA held at the TRI-COPPOA office on January 20, 1995.

II.

Authority to Act

Present at this meeting were Ronald C. Richards, D.D.S., Pres., and Mary Rowe, Treas., constituting a quorum. Also present were, Vicki Richards, Sec., and Susan Jessup, Project Manager.

III.

Board of Directors

The Board voted unanimously to maintain the current Board of Directors and Officers until after the 1995 Annual Membership meeting. At that time, based on feedback solicited from the members attending the meeting, the Board will decide if it is in the best interest of the Property Owners Assoc to operate under the same board during 1995.

IV.

Adjournment

There being no further business to come before the Board at this meeting, the meeting was adjourned.

Dated: January 20, 1995

Vicki Richards
Vicki Richards, Sec.

Approved:

Ronald C. Richards, D.D.S., Pres. Not Present
Ronald C. Richards, D.D.S., Pres William Winnie, III, V.P.

Mary Rowe, Treasurer
Mary Rowe, Treas.

MINUTES OF THE TRI-COUNTY POINT PROPERTY ASSOCIATION'S
ANNUAL MEMBERSHIP MEETING HELD JANUARY 28, 1995

The annual meeting of the Tri-Coppoa membership was held at the Carancahua Community Center. The meeting was opened by Dr. Ronald Richards, President of the Association's Board of Directors. Dr. Richards then introduced the current Board members; himself, William Winnie, Vice-President, and Mary Rowe, Treasurer. He also introduced the Association's attorney, Mr. Michael Gainer and Project Manager, Susan Jessup. Dr. Richards recognized and thanked the ladies who brought cakes and cookies for refreshments.

Moving on to the business to be discussed, Dr. Richards reviewed the amenities now provided to the members by the Association. These included the Pool & Bathhouse, the Bathhouse located in Section II, the lighted Fishing Pier, the lighted Boat Ramp, picnic areas with tables, ready access to water, and ready access to sewer in the Sections designated for sewer service. He answered questions from those present regarding the cost of hooking onto the utility services provided by the Association, as well as advising them that Susan Jessup could direct them to the appropriate electric and phone companies.

Dr. Richards advised the membership that the Board, representing the Association, was still communicating with the Resolution Trust Corporation(RTC) and Floyd Appling regarding properties that were to be deeded to the Association upon its formation. He stated that Mr. Appling was always accommodating and prompt in response, while the RTC was just the opposite.

Dr. Richards then took any questions from the floor. These questions led to a discussion of how individual property owners could appeal to the local Taxing Authorities regarding the appraised value of their lots and how they could secure plats and information from the County that could help them in locating their lot survey pegs. Mrs. Dorothy Gangle, a member of the Association, provided this information. All questions of a legal nature were referred to Mr. Gainer, who then took the floor.

Mr. Gainer reviewed the status of the Non-Profit Corporation which is Tri-County Point Property Owners Association, its history as well as its written acknowledgment from the RTC and Appling. He then explained that while the RTC & Appling had deeded the Association the Pool and Bathhouses, the RTC so far had not responded affirmatively to our request for the property and parking areas at the base of the Fishing Pier & Boat Ramp or the real property on which our Water & Sewer System installations sit. Mr. Gainer also advised the members that another entity had come into the picture in the form of a company who had entered into a "Joint Venture" with the RTC regarding the existing lot notes and the unsold property. He stated it was too soon to ascertain what effect this could have on the Association's efforts on behalf its membership.

In response to questions from the members present, Mr. Gainer explained why the Association could at this time do nothing regarding the roads. The reasons he stated were; the Association does not own the roads, the Association would expose itself to liability for roads they don't own if they repaired the roads, and the Association does not have and has never had adequate funding available to undergo the repair and maintenance of the roads in the development. Dr. Richards stated that as it appeared to the Board now, Mr. Appling had set aside funds in an escrow account for the satisfactory completion of the roads, but the criminal activity associated with the demise of Victoria Savings seemed to have led to the disappearance of those escrow funds. Mr. Gainer suggested that individual property owners approach, in writing or in person, their County road commissioner, as taxpayers of the county, demanding county attention to the road problems associated with their lots.

Several members mentioned the option of litigation regarding promises made by the developer that have not been fulfilled. Mr. Gainer stated that because of currently pending litigation regarding ownership and responsibility for the Boca Chica Development and the current control of the Development by the RTC, he did not feel litigation by the Association would be beneficial at this time. He emphasized that the Association's position on this matter did not preclude individuals from pursuing legal channels on their own. Mrs. Vicki Richards reminded the members that the Association is already named in an Intervention Suit connected with the current case pending between Mr. Appling and the RTC. Mr. Gainer stated he is monitoring this case.

Mr. Gainer then went on to explain the differences between the Association's Articles of Incorporation, the By-Laws, and the Restrictions, Covenants and Conditions of Boca Chica Subdivision, and how they impact individual property owners as well as the Association. In response to a question from a member, the Board stated that liens had been filed against any lots whose owners were not current in the payment of his or her assessments. The only exceptions were the lots currently controlled by the RTC, the reason being that the Federal Government shields the RTC from payment of such assessments. In the event that these lots are sold by the RTC, the Association will pursue collecting those assessments and/or filing the appropriate liens.

Mr. Gainer reviewed the provision for the election of Board members under the Association's current By-Laws (Board members electing new Board members). Mr. William Winnie reminded the members present that the current By-Laws were unanimously approved by a quorum (either in person or by proxy) at a previous meeting of the membership, knowing the provision for selection of the Board and the process for changing those By-Laws. He also stated that a notice of that meeting was mailed to all lot owners in Boca Chica at their address of record. Many members present at the meeting today

held up their hands indicating that they were present and remembered the meeting he was referring to and the outcome of that membership vote. Mr. Gainer then reiterated why such a Board selection process was acceptable to the membership at that time (specifically in reference to the disposition of unsold lots). He stated that the Board had already spent many hours drafting a restated set of By-Laws which they are prepared to enact when they feel it would be in the Association's best interest. The Board members assured the members present that these restated By-Laws would address the concerns voiced by the members regarding Board selection and future By-Law changes. It was stated that the members are welcome to review the proposed restated By-Laws.

The Board recommended that for the time being the Association continue to function under the current By-Laws, but solicited the opinions of the members present. Ballots were distributed (1 ballot/lot owned) and a written vote taken. Members were instructed to write YES on their ballot if they wanted to change the By-Laws now, NO if they wanted to retain the current By-Laws. The votes were counted at the meeting by Mrs. Vicki Richards and Mrs. Dorothy Gangle and those present advised of the outcome of the opinion poll. An overwhelming majority voted to retain the current By-Laws (YES-8, NO-52).

The final business discussed at the meeting was the Financial Report for 1994. Copies were passed out to all of those present. Mr. Winnie went over the report, and answered questions from the membership. It was pointed out to the membership that although the Association still had reserve funds available 12/31/94, our income for 1994 was less than our expenses for 1994, reducing our reserve fund to a lower level than it was 12/31/93. The membership was advised that while the Board would continue to do everything possible to keep expenses down, unless we could get more property owners paying their annual assessments and/or more property owners hooking onto and utilizing the Water & Sewer System, we would probably have to raise the Annual Maintenance Assessments per Lot in 1996. Dr. Richards responded to a question from a member regarding what increase the board was considering. Dr. Richards stated that the Board had not really considered an amount. He reminded the membership that when they bought their lots they had signed documents committing to \$84/lot/yr maintenance assessments and \$36/lot/yr water stand-by fees. This totals \$120/lot/yr, which is \$20 less than the current annual assessment, and would certainly be a figure the Board might consider.

There being no further questions from the floor and no further business, Dr. Richards adjourned the meeting.

Minutes Prepared by Vicki Richards, Recording Secretary

MINUTES FOR THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
TRI-COUNTY POINT PROPERTY OWNERS ASSOCIATION

I.

Time and Place

The following are the minutes of the meeting of the Board of Directors of TRI-COPPOA held at the TRI-COPPOA office on September 15, 1995.

II.

Authority to Act

Present at this meeting were Ronald C. Richards, D.D.S., Pres., William Winnie, V.P., and Mary Rose, Treas.. Also present were, Vicki Richards, Sec., and Susan Jessup, Project Manager.

III.

Board of Directors

The Board accepted the resignations of Ronald C. Richards, D.D.S., current President and Board Member, and Vicki Richards, Recording Secretary. Mary Rose agreed to take the officer's position of Recording Secretary. Dr. Richards will remain in his position until the Board enlists a property owner in good standing to replace him. He requested that this be accomplished as quickly as possible.

IV.

Intervention Suit

The Board discussed with Michael Gainer via conference phone call the meeting he participated in with the Judge, the RTC attorney, Mr. Floyd Appling and his Attorney, and two attorneys representing former Victoria Savings officers now incarcerated regarding the upcoming legal case involving Appling, the RTC and Victoria Savings into which TRICOPPOA has an intervention suit. The Judge ordered the parties to Mediation (excluding TRICOPPOA), however strongly recommended that TRICOPPOA participate to represent the property owners' interests. Mr. Gainer felt that the Judge was definitely lending a sympathetic ear to the plight of the property owners in this matter. Subsequent to the meeting with the Judge, Mr. Appling and his attorney requested a meeting with at least one TRICOPPOA Board Member and Mr. Gainer on September 20, 1995. It was agreed by the Board that Dr. Richards, Mr. Gainer, and Susan Jessup should meet with them. Unless something major came to light at the meeting with Mr. Appling, it was also agreed that it would be in the best interest of the property owners for Mr. Gainer to be present at the mediation ordered by the Judge.

V.

Annual Assessments/Annual Meeting

After reviewing the ongoing deficit in meeting the operating expense requirements of the Association, the Board voted to raise the Annual Assessment per lot to \$125 for

1996. The Annual Membership meeting date was set for February 21, 1996.

VI.

Delinquent Assessments

The Board also discussed with Mr. Gainer the options available to the Association in regard to the collection of delinquent annual assessments on sold lots. After discussing several options, the Board decided to table that issue for the time being and channel our limited financial resources toward inclusion in the Mediation ordered by the Judge mentioned in section IV. of these minutes.

VII.

Adjournment

There being no further business to come before the Board at this meeting, the meeting was adjourned.

Dated: September 15, 1995

Vicki Richards, Sec.

Approved:

Ronald C. Richards, D.D.S., Pres William Winnie, III, V.P.

Mary Rowe, Treas.