

January 17, 2012

John Hamrick
385 Sea Bass Dr.
Palacios, Texas 77465

To Whom It May Concern,

I was called by Mr. Danny Jessup on 6 January 2012 to see if I could clear up payment issues, made to him by Tri-County Property Owner's Association from September 2008 until his termination in June 2011. The Board members for Tri-County Property Owners Association In 2008 were:

Mark Frank - President

John Hamrick - Vice President

Gene Finn - Secretary/Treasure

During the August 2008 board meeting we were trying to make a decision on whether to raise Mr. Jessup's Availability Retainer for (Water an Septic) from \$600 dollars a month to \$800 the decision was not made at the August meeting, but was agreed to by myself, John Hamrick and Mark Frank later in the month to raise him to \$800 a month.

I contacted the Office Manager Stella Vasquez about the issue as mentioned above and she and I went back over the payroll records dating back to August 2008. The discrepancy that I found in the pay records were that his regular pay and his retainer pay were combined and SSN, Medicare, and FICA were taken out of the combined pay. In my opinion Mr. Jessup should have been liable for the SSN, Medicare, and FICA for his Availability Retainer pay not the Home Owners Association.

One more issue is a 500 + dollar receipt from SHOPPA's John Deere Tractor (El Campo, TX.). This receipt was for a replacement window (rear) on the John Deere tractor owned by the Home Owners Association.

If you have any additional questions please feel free to contact myself (John Hamrick) c-512-739-01184 or Mark Frank c-281-844-4958.

Regards,
John Hamrick

Tri-County Point POA

2012 Improvements

Old and rotten boards replaced at fishing pier and boat dock

Wind breaker on south side of pool

Office painted outside and flooring added (donated)

Maintenance building started in section 2, 45 % finished

All sections mowed around homes and roads

Culverts added in section 8 at Herring Lane (never added)

Culverts added in section 7 at Tarpon and Oar Fish (do to flooding)

Replaced culvert on Clam road by well number 3

Gravel added in section 8 on curve that had been washed out do to rain

Bath house and restrooms repainted

New fan in men's bath house

More improvements scheduled

Wind breaker on east side of pool

Play equipment

Finish maintenance building in section 2

Draw out plans for community center next to office

Finish flooring in office

New Tri-County Point POA sign at office

Replace street signs that are missing (PHS Ag class will make)

AGENDA

Establishment of Quorum

Reading of the 2011 minutes and corrections, if any

Introduction of candidates for Vice President position

Candidate forum - brief presentation by each candidate

Property owners cast their votes

Financial Report

Old Business

New Business

Announcement of election results

Adjourn

February Board Meeting

Board meeting was called to order at 10:30 am on February 3, 2012.

Mark Paulsen, David Anthony and Vicki Grimes were in attendance.

Decisions:

1. Company truck is to be parked by the new maintenance pole barn site when not in use. Company trailer is to be chained to the electric pole, box blade and bucket to be placed in the area
2. No Purchases that are in excess of \$300.00 are to be made without Vickie's express approval after conferring with David and Mark.
3. Office, all bathrooms, shower stalls and public use areas are to be thoroughly cleaned every Monday and Thursdays. Bathing areas should be cleansed with bleach solution. All mold is to be addressed.
4. Sarah Greer and Susan Jessup were indicted by the Jackson County Grand Jury for fraud in excess of \$20,000.00. We will continue to look at Danny Jessup's check receipts for 2008, 2009, 2010 and 2011.
5. We want Willie Griffith to ride with Billy to check his expertise in reading meters and to check each meter for proper operation. We are having too many repeats for such a simple procedure. Based on Willie's report, we will decide further action.
6. One signature checks can be used only for payroll in a pinch. All other must have 2 signatures. Stella Vasquez will be added to the signature cards at the bank for access to all accounts.
7. Roles and responsibilities will be examined and updated to ensure all office and maintenance duties are covered. This will also distribute the work load evenly.
8. All water leaks from the past should be repaired now by Willie. Will check on the last one in section 3.
9. Will keep working with Willie on the possibility of acquiring the extra sewer tank system at Wadsworth. Need to ensure it will meet our requirements, it is unacceptable condition, the price is right and how difficult it will be to move and place. Good probability that we will need a new sewer plant in the near future.

10. We talked to Stanley Kazwell during the meeting about his late maintenance fees for 2011 and his current maintenance fees for 2012. He feels sure he will sell his houses soon and he will strive to give us around half the amounts at each house sale. The payment plan will be as follows:
1. House sale – first ½ of \$34,000.00 for 2011
 2. House sale – second ½ of \$34,000.00 for 2011
 3. House sale – first ½ of \$34,000.00 for 2012
 4. House sale – second ½ of \$34,000.00 for 2012

These are approximate amounts with the plan that Mr. Kazwell is current by the end of the year. Mr. Kazwell has started working with Russell Cain real state to accelerate the house sales.

11. Need to make sure website is being updated in a timely manner.
12. Need to ensure water conservation plan is on website and available for public viewing
13. Make sure to keep conversation to Gainer quick and to the point and make sure he is not having redundant conversations.
14. Look into internet back-up for our computer records and make it happen
15. Look into acquiring a back card for everyday purchases – up to \$1,000.00. Must be paid off every month. (Stela)

Mark H Paulsen

Mark Paulsen, President

3-9-12

Date:

Charles D. Anthony

Charles D. Anthony, Vice President

2-27-12

Date:

Victoria Grimes

Victoria Grimes, Secretary/Treasurer

2-17-12

Date:

VG/tf

Tri-County Point Property Owners Association
14 CR 480, Palacios, Texas 77465
361-972-3998 – Fax 361-972-0309
Email: tricity@tisd.net – www.tricitypoa.org

NOTICE OF AUGUST 18, 2012 ANNUAL MEETING OF MEMBERS

July 6, 2012

To All Tri-County Point Property Owners

The annual election of certain Directors/Officers shall take place at the August 18, 2012 Annual Meeting of the Members of the Tri-County Point POA, Inc. One (1) Director position(s) will be elected at such meeting.

The contested positions are as follows: Vice President. Written and signed ballots are required, with the only exception being Director position(s) which are uncontested. The candidates for each contested Director position are listed on the enclosed ballot form(s).

A ballot form is enclosed herewith. Such ballot form may be utilized when voting in person or by proxy or by Absentee Ballot. Please note the INSTRUCTIONS set forth on the enclosed ballot. Due to Texas statutory law, secret written ballots are no longer allowed and proxy voting must be allowed.

All property owners are allowed to vote. The Candidate receiving the highest number of ballots for each such Director position is elected. Each Director elected shall serve for a term of three (3) years.

Pertinent information regarding the Association's August 18, 2012 Annual Meeting is as follows:

Date/Time: August 18, 2012 at 1:00 pm
Location: Carancahua Community Center on County Road 476, Palacios, Tx (Boca Chica) 77465
Agenda: Establishment of quorum
Reading of the 2011 minutes and corrections if any
Introduction of candidates for Vice President position
Candidate forum – brief presentation by each candidate
Property owners cast their votes
Financial report
Old Business
New Business
Announcement of election results
Adjourn

The Association's Directors urge you to attend the August 18, 2012 Annual Meeting of Members, and to exercise your right to vote in person, by proxy or by absentee ballot.

Tri-County Point Property Owners Association, Inc.
The Board of Directors

Submitted by Mike Hamilton

Would like to see 2 meetings a year – one in the summer and one in winter

Would like to post a sign at the pool saying no pets allowed.

Would like to have the sign taken down that states "Welcome center ahead on left". That building is gone. It misleads people.

Not happy about the association going after new property owners for previous owners membership dues. It will make it so fewer people will buy lots.

Concerns:

Wonder why the Tri County Property Owners Association has yellow page ads in 7 phone books under "Property Maintenance". These are only the books I have. There could be more books and more years. Doesn't this cost money, and for what?

Golden Gulf Coast 2011 pg. 275

Golden Gulf Coast 2012 pg. 273

Matagorda County 2012-2013 pg. 162

Matagorda Cty. 2010-2011 pg. 121

Palacios phone book 2010-2011 pg. 48

South Texas Crossroads 2010-2011 pg. 257

South Texas Crossroads 2011-2012 pg. 248

Why only hurricane fences? Some residents would like to have other kinds.

Whats the purpose of only having a camper on a lot for 6 months and then having to move it?

Does the county or development ever spray for mosquitos?

August 9, 2012

Re: TriCounty Aging Accounts Receivable

In an effort to clear the aging accounts receivable, TriCounty requested a report from Charles, our collection agent at the Carlton Company. He email to TriCounty the attached report

TriCounty called Charles 8/9/12 with "a few" questions.

TriCounty asked Charles if he knew a standard for HOA/POA accounts as to when they should be "written off". He suggested we call the CPA that we use. We will do that.

If we send the information that is needed to begin collections to Carlton Company, they will begin the notification process that is required by law. This will release this office of the time to prepare the letters and the cost of postage.

At present Carlton Company does not report to the credit bureau. An HOA/POA is sometimes not recognized by the credit bureau. Carlton Company has found that TransUnion Credit Bureau will list the amounts owed to Associations. The Carlton Company is presently installing software to implement a process of reporting to the credit Bureau. TriCounty will make the final decision as to who is reported and when.

Charles stated that part of the difficulty in collecting for POA's is that we provide no social security numbers and no driver's license. Tess will implement such a report to be given to the "new" owners at such time as they come into the office to present their Deed. Also an "update questionnaire" will be mailed with the invoices for the Annual Dues. Tess would like it to say "you will receive your key to the facilities when this form is completed and received by TriCounty's office". A question for Mr. Gainer might be "Can the Association withhold keys to facilities if the owner doesn't supply either their driver's license or social security card" information"?

Tri-County Point P.O.A
14 County Rd 480
Palacios, TX 77465

August 8, 2012

Dear Board of Directors,

As requested by your Association Manager, we are providing a general analysis of the collections process.

History of Accounts Placed:

YEAR	# ACCTS	AVG BAL	RECOVERY %
2002	120	\$1,536.97	37.98
2003	21	\$597.98	65.83
2004	130	\$2,034.87	29.58
2005	1	\$2,413.00	00.00
2006	16	\$725.38	61.94
2007	49	\$561.36	49.73
2008	40	\$256.56	55.66
2009	66	\$472.58	25.05
2010	53	\$270.63	32.92
2011	65	\$138.30	47.17
TOTALS	561	\$1,012.19	35.21

- Using \$125 as an annual fee amount, the average age of accounts placed is 7 – 8 years past-due prior to placement. This is not a weighted average and could technically be made more accurate through statistical methods. However, the illustration is simply to indicate that accounts sent to us, in the vast majority of cases (almost 90%), have been multiple years past-due before being sent to collections. For most types of creditors, these would likely be in a charged-off category.
- Recovery percentages are indicated and you will see that age/balance size is not the only determining factor. Obviously, factors such as portfolio size, percentage of bad addresses, the economy, ability to obtain phone information and others also have a significant effect. Although average balances were fairly low in 2009, we've had the fewest number of payments from accounts placed that year.
- **Total of amounts sent to Tri-County on placed accounts since inception is \$175,591.87.**

The Collections Process:

- As you know, our efforts have always been on a contingency. So, we have not compensated unless funds were received.
- Collection efforts include everything that is designed to establish productive communication with the individuals sent to us. This includes phone attempts, a core series of 5 letters, a variety of supplemental letters depending on specific account activities, and skip-tracing for phone and address information.
- When we cannot establish direct contact with an owner, we will periodically re-boot letters and re-submit accounts through skip-trace procedures. More recently, we have begun broader implementation of our hand-signed letter program. The goal is to overcome the perceived anonymity associated with form letters. We believe the use of hand-signed, unique letters will help get the attention of owners who feel like they are simply one of many and therefore unlikely to experience any real consequences if they do not address the matter.

Modern Approach to Past-Due Maintenance Fees:

- In the past, we would contact owners regarding the “maintenance fees” or “dues” owed to the “association”. As the economy made things more challenging, we realized it became more important to *re-categorize* how owners perceived this responsibility. Therefore, our approach now focuses on the contractual and consumer debt aspects of the obligation. Owners are contacted regarding their “unpaid consumer debt item” with emphasis that you are their “creditor” rather than just the “association”. We explain that you have just as much recourse available as most any other creditor they owe.
- This strategy is combined with our in-depth knowledge of Community Associations and how property in Common Interest Developments is transacted. We are also able to deliver the information with a positive and explanatory style of communication. Urgency can be created without being rude or disrespectful.

The Role of Your Staff:

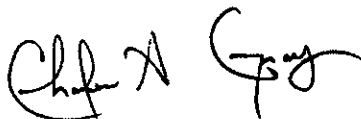
- The entire process functions best when it's a team effort between our office and your staff. Collection efforts actually begin long before we get the account and results can be greatly affected by the manner and style of contact initiated by Board Members and Association personnel. This can include how the payment obligation is framed during verbal conversations as well as the Association's stance on dues as communicated in a newsletter or on your website. By taking the “Modern Approach” in how you deal with maintenance fees, you set the stage for improved recovery once accounts go to collections.

The Bottom Line:

Ultimately, we all want the same thing. However, there is unfortunately no collections panacea. As an industry, collections is based on the resolution of the vast minority of accounts. A 180-day past-due balance is considered quite old with its possibility of recovery cut in half, or more. And, with maintenance fee debts, you have a variety of unique objection scenarios that don't exist in mainstream debts like credit cards, car loans, student loans, etc. Other industries also obtain data which assists in the event an account doesn't pay, such as social security numbers, credit references, etc. But despite not having that type of information, we have been able to match and exceed debt recovery averages for other industries. In fact, studies show that once an account is delinquent 12 months, recovery possibility drops to around 25%. Most of the accounts we deal with are were older than 12 months before coming to us.

We appreciate you choosing us as your collections partner. If you have any questions, or would like to discuss strategy on your accounts, please do not hesitate to call or email me.

Best regards,



Charles A. Gray
The Carlton Company, Inc.
1-800-440-8125, ext. 73
charles@thecarltonco.com

Message

tricounty@tisd.net

[Folders](#) | [Create Message](#) | [Preferences](#) | [Address Book](#) | [Log Out](#)

Move to: INBOX



Message 2 of 24

References: <D8677EEA232D1A46B37DC4209253851D0362481B@houic-s-03345.americas.shell.com>

In-Reply-To: <D8677EEA232D1A46B37DC4209253851D0362481B@houic-s-03345.americas.shell.com>

From: "Tri-County Point P.O.A." <tricounty@tisd.net> (+)

To: Vicki.Grimes@shell.com (+)

Subject: Info

Date: Fri, 17 Aug 2012 15:48:47 -0500

Mime-Version: 1.0

Content-Type: text/plain; charset="utf-8"; format=flowed

Content-Transfer-7bit

Encoding:

we have 1,600 total lots in Tri-County
Kazwell has 216 lots in sec. 7 and 68 lots in sec. 8
232 lots are in collections total amount due is (est)\$299,426.44 with 29
persons making payments. 11 paid in full out of collection, billed for
2012 dues
2012 POA dues mailed out 754, 62 have not paid

Tess

Vicki.Grimes@shell.com writes:

*mean
people are making pay.
29 persons total \$25,416.82*

I am in anchorage today, so I have no problem getting email, phone calls, or faxes. If it is easier- you may just e-mail me at vicki.grimes@shell.com

*Tri-Co has 1 lot in sec 7
6 lots in commercial*



Message 2 of 24

Move to: INBOX

Water and Sewer Bank Account

Jan 2012- July 2012

INCOME

Beginning Balance	\$ 7,801.00
Total Income	\$ 55,149.00
Loan from Maintenance Account	\$ 18,674.36
Total Income	\$ 81,624.36

Expenses

Triangle Construction	\$ 32,607.00
Payroll	\$ 10,904.06
Grainger	\$ 9,458.00
Computer Contract Labor	\$ 1,519.64
USA Bluebook	\$ 2,556.00
IRS	\$ 2,604.24
Envirodyne Labs	\$ 2,443.00
S W Meters	\$ 2,391.00
Jackson Electric & CP&L	\$ 1,990.00
Gulf Coast Supply	\$ 1,305.00
TCEQ	\$ 645.00
All Others	\$ 2,882.00
Total Expenses	\$ 71,304.94

Balance	Deposits	Loan	Total Money	Expenses	Current Balance
7,801 +	55,149 +	18,674.36	81,624.36 minus	71,304.94	10,319.42

Extrapolations are projections of future expenses based on our current expenditures

It costs approximately \$12,000/month to operate the Water and Sewer service
 Average monthly income is \$7,878 from the 2 systems
 There are 149 customers- 114 with water and sewer services and 29 with water service only
 That leaves a deficit of about \$4000/month for the systems

As you can see, the biggest single expense has been all of the water line repairs.
 With the rains and winter coming, we hope there will be less repairs

APPROVED
 [Signature]
 2

Maintenance Bank Account				
Jan 2012- July 2012				
INCOME				
Beginning Balance	\$	47,279.84		
Total Income	\$	112,631.00		
Total Income	\$	159,910.84		
Expenses				
Salaries	\$	39,677.14		
Loan to Water & Sewer	\$	18,674.36		
1ST State Bank (building loan)	\$	17,428.09		
Insurance	\$	11,550.72		
IRS	\$	6,543.37		
USA Blue Book / Grainger	\$	5,974.12		
Contract Labor	\$	4,504.37		
Texas Workforce Commission	\$	3,666.59		
Jackson Electric Co	\$	3,595.91		
Palacios ISD Taxes	\$	3,318.96		
Office Supplies	\$	2,756.55		
Jackson County Taxes	\$	2,399.04		
Attorney & Legal	\$	2,355.00		
John Deere repairs	\$	2,288.00		
Palacios/ Blessing Lumber	\$	1,994.03		
Diesel	\$	1,932.21		
Version	\$	1,646.78		
Gravel	\$	1,575.46		
Lumber	\$	1,563.00		
Porter's Ace Hardware	\$	1,422.25		
Pool	\$	1,291.80		
Computer Repair & software	\$	1,184.90		
Pitney Bowes	\$	1,121.56		
Advertisements	\$	953.57		
STX Corugated (culvert)	\$	800.00		

Truck repairs	\$	800.00		
Prime Parts	\$	799.09		
Internet	\$	735.71		
Gulf Coast Paper	\$	721.30	*	
CPL Energy	\$	679.10		
Personnel Concepts	\$	607.63		
Tri-County Water for pool, pier, bathhouse	\$	589.78		
Texas General Land Office	\$	569.20		
Hickl Maintainer	\$	550.00		
Mileage	\$	543.95		
All Others	\$	1,922.66		
Total Expenses	\$	148,736.20		
Income		Expenses		Current Balance
\$159,910.84	\$	148,736.20		11,174.64
Extrapolations are projections of future expenses based on our current expenditures				
If we take out the expense of the the bank payoff				
because it is not a reoccurring expense (\$17,428.09) that would leave				
\$131,308.11 as a more representative expense total				
A monthly cost estimate for Maintenance would be approximately \$ 21,884.69/ month				
Restitution was \$21,000. I don't think that will be a reoccurring source of income so must				
subtract it from our income stream leaving \$ 138,910.84 for total income				
A monthly income estimate for Maintenance would be \$23,151.81				
				Page 4

FACT SHEET	
TOTAL RESIDENTIAL LOT NUMBER	1600
Developer owned residential lots	285
POA owned residential lots	1
Privately owned residential lots	1316
TOTAL COMMERCIAL LOTS	20
POA Commercial Lots	6
Privately owned commercial lots	14
OUTSTANDING INCOME DEBT	
232 lots are in collections	\$299,426
29 owners are making payments on their past due accounts	\$25,417
2012 POA dues not paid as of yet	\$7,750
Offer of Compromise to Tax Sale Property owners with delinquent accounts	\$9,500
Collection of developer's fees by payment	\$60,000
Total that is owed to POA	\$402,093
2012 IMPROVEMENTS AND ACCOMPLISHMENTS	
Paid off bank loan on our building	
Painted outside of the office, some inside painting, flooring, and electrical	
Bad decking replaced at fishing pier and boat dock	
Pole barn on Section #2 for equipment is 45% complete	
All lots and roads are in the process of being mowed	
Bath house and restrooms were painted	
Added a wind breaker on the south side of pool	
Culverts were added in Section #7 and Section #8	
New fan in Men's bathroom	
Replaced culvert by Well # 3	
Replaced road gravel where needed	
Purchased a maintenance truck	
Repaired between 30-40 water leaks	
POSSIBLE 2013 IMPROVEMENTS	
Finish the equipment pole barn	
Finish the office flooring project	
Replace the missing street signs	
Research grants to replace sewer system	
Research grants to upgrade water system	

Letter of Intent for Vice President

Hello my name is Wayne Pearson and I would like to be your next Vice President of Tri-County Point Property Association. I feel that I would be an asset to our community if I was elected your new Vice President. My wife Patricia and I recently moved from Georgetown and a permanent resident of our wonderful community. Let me tell you a little about myself, I worked Mobile in Beaumont for 29 years then was on City Council for Daisetta for 6 years. I was also Mayor of Daisetta for one year and during that time, the council and myself had to repair the waste water system for the town. Once we got the waste water system fixed, the pumps on the water system went down and it was my responsible to get the town to ration water while the pumps were being replaced. As you can see I am well qualified to be your Vice President. My intention for the community is to continue forward with all the new improvements, for example: the Community Center, parks and my mine concern is the pool area, updating parking and having a place for family get together. If you have ANY questions or concerns please come by and see me in sec. 5 lot 96 or call me at 281-813-5119.

Thank you for your time,

A handwritten signature in cursive script that reads "Wayne Pearson". The signature is written in black ink and is positioned below the typed name.

Wayne Pearson

Tri-County Point Property Owners Association
14 CR 480, Palacios, Texas 77465
361-972-3998 – Fax 361-972-0309
Email: tricity@tisd.net – www.tricitypoa.org

SPECIAL BOARD OF DIRECTORS MEETING
October 19, 2012

Friday, October 19, 2012 at 2:30 pm the Board of Directors Wayne Pearson, Vice President and Victoria Grimes, Secretary/Treasurer discussed on pointing a president to fill the term of the resigning Mark Paulsen on September 28, 2012.

Wayne and Victoria met with Errol Janak about the president position, Mr. Janak was going to think about the position and get back with the board. Later that day, Mr. Janak came back to the office and accepted the position of President.


At 3:15, Errol, Wayne and Victoria appointed Tess Flores as Office Manager, Patricia Pearson as secretary and Ron Schultz as Maintenance. Mike Doub will be on hand as contract labor.

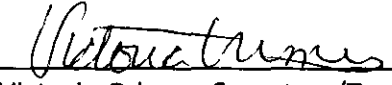
The board of directors set the next Board meeting October 25, 2012 at 1:30 pm

Meeting adjourned at 3:30 pm

Tri-County Point POA's Board of Directors

 Date: 10-19-12
Errol Janak, Interim President

 Date: 10-19-12
Wayne Pearson, Vice President

 Date: Oct 19, 2012
Victoria Grimes, Secretary/Treasurer

Tri-County Point Property Owners Association
14 CR 480, Palacios, Texas 77465
361-972-3998 – Fax 361-972-0309
Email: tricity@tisd.net – www.tricitypoa.org

BOARD OF DIRECTORS MEETING

October 25, 2012

The meeting was opened up by Victoria Grimes at 1:30 pm, first statement was, that, she is very pleased with the way the office is being run. Present at the Board meet were Errol Janak, President, Wayne Pearson, Vice President and Victoria Grimes, Secretary/Treasurer. The Board had a discussion on how it should run as a team. Also the Deed Restrictions and By-Laws were discussed. Next year plan to review all the sections and update them with an attorney.

The Board of Directors is going to do inspections and make a list of all property owners and get everyone up to code. Violations will be mailed out to property owners that are not complying with the Deed Restrictions and By-Laws

The Board approved the 20 foot variance for Treadwell and Price in section 4. Board agreed to sell Sec. 7, Lot 116 to Brenda Furr. Ms. Furr's contract to buy the lot from Tri-County POA will be reviewed by an attorney. Victoria gave a report, as of today, we have \$2,010.39 in the water and sewer account and \$12,410.39 in the maintenance account; money is from utility bills and annual dues. She also said we need to cut back on buying big items until the first of the year.

Mr. Janak has gone to all the well houses doing a check on locks and items that needed to be addressed. Also we plan to talk to Ernest (ET) Turner, who owns his own plumbing company in Bay City, regarding putting in our water & sewer taps.

Errol, Wayne and Tess drove to Port Lavaca to talk to a new POA attorney, Wayne gave a report to Vickie and the board will vote on the subject at the next meeting.


Mr. Janak said he knows how to repair the brakes on the company truck and he will get Ron to assist him. The Board agreed that they are not going to sell the John Deere at this time.


Board set a date for our "winter Texan" meeting, January 19, 2012. Tess will mail out paperwork with information next. Board is going to check into putting an ad in the newspaper about having a stand by maintenance crew.

Rob Grimes had an informal meeting with the board, regarding a proposal on getting his water & sewer license, he will inquire when the next class begins and the board said to get back with them next week on what he finds out. The board plans to meet with Mr. Kazwell about contracts and agreements.

Meeting Adjourned at 3:45 pm


Errol Janak, Interim President


Wayne Pearson, Vice President


Victoria Grimes, Secretary/Treasurer

A big "Hello" to all of our Association Members !!!

The board members have been really busy since the last annual meeting in August. Our community is really growing. We've approved new construction plans and quite a few new travel trailer placements and water and sewer hookups. We welcome all newcomers and hope everyone takes the time to get to know each other.

The new Secretary-Treasurer, Victoria Grimes has been brought on board to work with the current President, Mark Paulson and Vice-President, David Anthony. The audit is in the final stages. We have added new office procedures and policies to ensure efficiencies and proper paper trails and documentation.

New office staff has been hired. We would like to introduce Stela Vasquez as our Office Manager and Tess Flores as our Maintenance Secretary. Please drop in and meet the ladies or give them a call. They will be happy to help you with questions, concerns and taking payments, of course! The new office hours are 9:30 AM to 3:00 PM Monday thru Friday.

Billy Gray has remained for maintenance duty and we have hired a new Water and Sewer contract Operator, Willie Griffith. They have both been working hard to ensure good water quality and a sewer system that is in compliance with state standards.

Many volunteers have been helping with the audit, completing the new office, mowing the ditches, fixing leaks, installing water and sewer hook-ups, repairing the boat dock, etc. If you have a special talent or would just like to help for a few hours, please call the office. We have many opportunities.

We are also working on updating our website at www.tricountypoa.org. It will contain new lists of board member names, office staff, repair contacts and emergency numbers. It will also contain upcoming volunteer opportunities and projects, updates on projects that the board members are working on, property for sale list, etc. We may add a fishing report, tide tables link, suggestion box or other items of interest to the community. If you have any ideas, please call the office and let us hear your suggestions.

Some things we are currently working on:

1. Water distribution and Sewer plant compliance
2. Date for the water/sewer community meeting
3. Placing some speed limit signs in the community 25 MPH Please watch for playing children.
4. New signs for the pool area No alcohol is allowed in the enclosure, etc
5. Lot compliance according to the by-laws. Mowing, address labeling for EMS, trash pick-up, etc
6. Equipment shed for the tractor and backhoe
7. A bulletin board has been placed in the office for members to sale items- campers, furniture, etc
8. Law enforcement surveillance
9. Ladders for the pier
10. Shredding along the roads
11. A process to get the neglected lots shredded

Some suggestions for future discussions include:

1. Children's park by the pool
2. Electric hook-ups for campers at the office
3. Possible business advertisements on our website for shredding, electric and plumbing services, etc.

So please visit our office or give us a call. Building a better community.

Mark, David, Vicki, Stella, Tess and Billy

**Tri-County Point
Property Owners Association
14 CR 480, Palacios, Texas 77465
361-972-3998 – Fax 361-972-0309
Email: tricity@tisd.net – www.tricitypoa.org**

March 11th, 2012

Board Meeting

Board meeting was held by teleconference and attended by Mark Paulsen, David Anthony and Victoria Grimes on March 11th, 2012 at 10:00 am. It was discussed that a change of management will occur March 14th, 2012 replacing Stela Vasquez, Office Manager and Billy Gray, Maintenance Laborer, these positions will be replaced by TC & Glenda Collie. We agreed to keep Tess Flores as Maintenance Secretary. The new employees will start March 15th, 2012. Also the Board agreed to have a Visa Debt card in the amount of \$1,000.00 using the maintenance account number 37050687. Victoria will monitor closely. She is also going to check into a regular credit card for the association.

Secretary/Treasurer
Victoria Grimes

A handwritten signature in cursive script that reads "Victoria Grimes".

Tri-County Point Property Owners Association, Inc.

14 County Road 480

Palacios, TX 77465

361-972-3998 Office

361-972-0309 Fax

tricity@tisd.net

Board Meeting Minutes

August 18, 2012

Mark Paulsen, President to the Board of Directors opened the meeting at 1:10pm. There were 68 members present. It was established that there was a quorum.

Mark announced that the minutes of the 2011 meeting could be read if they wanted. A motion was made and seconded not to read the minutes.

Mark introduced the candidates for Vice President position replacing David Anthony. Two members are running for the position, Wayne Pearson and Mike Hamilton. The candidates gave a brief presentation of themselves and their qualifications. Ballots were passed to the property owners. The property owners voted. The votes were counted by Debbie Snider and Brandon Barker.

The financial report, a letter and a report listing the 2012 improvements for the POA from Victoria Grimes, Secretary/Treasurer was passed to the property owners. In her absence, it was presented by Mark. Mark asked if there were any questions. There were numerous questions mainly for clarification of the listed items.. Mark Medford brought up the problem of the water and sewer account. Victoria Grimes' report showed the need for approximately \$12,000/month to operate the water and sewer service. The average income is \$7,878/month for the operation of the 2 systems. That is a deficit of approximately \$4,000/month. Several suggestions were made to solve this deficit. They encompassed selling the water and sewer system to increasing the rate for both services. Mark called on Glenda Collie to explain what she understood to be the correct way to apply for an amended tariff. Glenda reported that she had an application from the State Office, TCEQ, to prepare for an increase in the tariff rate. Mark asked Glenda to prepare the application and keep the property owners apprised of any changes they might expect. This will be done as soon as possible.

Victoria Grimes' financial report shows that it costs approximately \$23,151.81/month to operate the Maintenance Division of the POA . The income for this year is \$138,910.84. Divided by 7 months that is an average income of \$19,844.40/month. That leaves a deficit of \$3,307. There was discussion of the amount that is in collection and if the POA should or should not raise the maintenance dues.

Tri-County Point Property Owners' Association

August 18, 2012

Mr. Gainer, the Association Attorney, led a question and answer session. He explained that the purchasers of the sheriff's tax sale would pay prorated dues to the Association. The dues will be prorated from the judgment date of the property. The Association staff will compose a letter stating same and it will be send to each of the tax purchasers.

It was decided there would be a special meeting in January, 2013 to discuss the possible increases in the dues and the rates for water and sewer. In the future the Association will have 2 meetings a year. The Association staff will notify the members of the exact date and the Agenda.

E.T. stated that "it was obvious that the amounts that the property owners pay on maintenance dues and water and sewer should be increased." The majority of the members agreed with him.

The election results were announced by Mark Paulsen. Wayne Pearson won the place as Vice President. Tess Flores got the recorded vote from the ballot counters. The vote was 190 for Wayne Pearson, 21 for Mike Hamilton and a write in for David Anthony.

A motion was made by Debbie Snider that the meeting adjourn. The motion was seconded by Rhonda Treadwell. The meeting was adjourned at 3:15 pm.

Tri-County Point Property Owners Association
Annual Meeting Minutes
August 21, 2010

Annual meeting came to order at 1:25 p.m., Mark Paulsen our new president was elected interim August 19, 2010. Mark ran unopposed for the position. Minutes from the last meeting were approved, not read aloud; motion, second, and approved as submitted. Budget was distributed and questions as below:

Question: Bank fees?

Answer: bad checks written to the Association, not bad checks written by the Association.

Question: What are we renting?

Answer: Storage for equipment; tools and General Land Commission for boat ramp and pier.

Question: Who are we renting from?

Answer: Danny Jessup, for equipment storage, his tools, electricity and water to repair Clean, and maintain upkeep on equipment.

Question: What are reimbursement expenses of \$5,959.00?

Answer: To repay any out of pocket expense for the Association that is purchased by employee's or for a property owner who paid for a tap and before installation decides they do not want to connect, or an overpayment on maintenance.

Question: Maintenance Repair:

Answer: Roads, pier, pool, boat ramp, bathhouse, etc. There is a leak at the pool that is going to have to be fixed, there is a big expense there already.

Maintenance fees due; liens will be filed on Monday morning for any back maintenance owed.

Question was asked about the number of employees; we have four people on payroll. Home owner asked about the condition of the restrooms, it was explained some home owners are very inconsiderate about bathroom use.

Michael Gainer, Association Attorney; announced that delinquent owners will be subject to legal action, Starts with a demand letter, If payment is not made or arrangements made, a lawsuit may still be filed and seek foreclosure by putting a lien on the property and the property can be auctioned of at the County court house. The goal is to collect the money. The board will set a cap, Delinquencies above a certain amount will be filed against, but some lower amounts may not be taking action at this time.

Moved on to treasures report; motion made and seconded.

Board - Were told it was not legal and that we had to refund it!!!

Not worth the ink to print! none of it was legal we refunded except for the 12% Per Annum that's per year! \$1.25 per month

Mark announced a few new fees under the circumstances;

Board needs real photo's (not copies, faxes, emails or prints on paper) to request approval for R.V. or mobile homes, etc...

If you are requesting approval for a mobile home you will need to provide a tax certificate and title of ownership.

There will be (application) administrative fees for driveways, carports, pads, etc... of \$25.00.

When submitting house plans, the board wants real plans, exterior specs. siding, roofing, must be specific, and an (application) administrative fee of \$100.00.

Board is looking at architectural committee to check easements, building materials, etc. Volunteer basis if you would like to put your name and qualifications in for that.

Billing for 2011 assessments will be sent out early again this year as well as the voluntary assessment of \$50.00 per lot.

There has been an increase in the transfer fees from \$50.00 to \$100.00 per lot.

Considering a fee for those who leave campers and R.V.'s on their lot of \$25.00 per 6 months

There will be a late fee imposed for delinquent assessments \$25.00 if not paid by due date, and \$5.00 per month thereafter.

Mark raised the question of selling our water system to a private owner.

10 miles of water and sewer line; 2 lift stations, 4 wells

Most of which was installed in 1983 with the exception of Section 2 well, put in last year at the cost of \$41,000.00.

Regarding the water system possible sale:

18 voted to explore

15 voted no interest in exploring a sale.

NOTE: This was an informal vote; just curiosity.

Question was asked about the office: It is nearly complete just a little interior work left to do and paint the exterior. Next step is community center/storage facility.

Cost to build the office was around \$34,000.00 with a lot of material donations:

84 Lumber-----Lumber and trim

Darrell Levlon----air conditioning

Dale Rocarek & Mark Paulsen----framing the inside & hardy board

Danny Jessup-----time, labor and equipment to put office together

Kellie & Kennie Normand----- kitchen cabinets, sink, and helped with the move

All these fees were refunded because I'm not legal per Michael Gainer! Not providing a service!!! All were refunded

not not legal legal

Not legal (Not legal Association) Attorney By-laws No Board decision

Same Not legal per By-laws + need Restriction

David Anthony----- Electrical

The office was built for about \$34 sq. ft.

Members present (informal vote) voted next priority should be equipment shed rather than a community center by a show of hands. Question was raised about where to build the storage shed; near pool or near the office? The vote was about half and half.

Discussion about dogs, trash, condition of bathrooms and the need for the community environment, we need to take the initiative.

Question was asked about our street signs; signs were replaced recently and again were stolen.

Suggestions:

Trash bin on pier; move lights on bath house to avoid bugs; hold a garage sale to benefit community as well as a work weekend the end of October 2010.

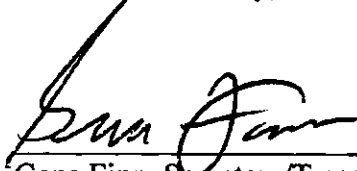
With no further business to discuss, the meeting was adjourned at 2:45 p.m. Tess Flores moved, Sheila Brown seconded; meeting adjourned.



Mark Paulsen, President



Charles D. Anthony, V-President



Gene Finn, Secretary/Treasurer

**AMENDMENT TO MINUTES
OF AUGUST 18, 2012 BOARD MEETING MINUTES**

August 29, 2012

Let the minutes of the August 18, 2012 TriCounty Point Property Owners Association's Board Meeting be amended to read: The Board of Directors determined that the following people would be on the signature card at Prosperity Bank for account number 37050849 (water and sewer account) and account number 32050687 (maintenance account) and account number 43455362 (savings account).

These people are Mark H. Paulsen, President

Wayne Pearson, Vice President

Victoria Grimes, Secretary/Treasurer

It is understood by the TriCounty Point Property Owners' Staff that these three people will need to go to the Prosperity Bank to sign signature cards for the Bank. The Board hereby gives notice to the Bank to remove Vice President, Charles D. Anthony from the signature card.

Tri-County Point Property Owners Association
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September 24, 2012

Ms. Sarah Greer
112 Sardine Street
Palacios, Texas 77465

Dear Ms. Greer;

Pursuant to your recent message left on the Tri-County Point POA answering machine, to answer your concerns, in the August 21, 2010 minutes the board approved as quoted: " There will be a late fee imposed for delinquent assessments \$25.00 if not paid by due date, and \$5.00 per month thereafter". The past office staff typed, posted and mailed a copy to all property owners.

Per your concerns on the water readings and mailing of the bills, we are in compliance with the TCEQ's Utility Tariff, our staff starts reading the meters around the 13th of each month and we mail out around the 15th depending if the date falls on a weekend. The water and sewer bills are now due 16 days after postage, since it's is easier for most customers to pay. And that's the reason we are here for our customers and property owners.

If you have any questions concerning this, please contact the Association Staff. We apologize for the inconvenience this has caused and are happy to have any legal process determined by the Association's Attorney. Any grievances toward the office should first be submitted in writing to the Tri-County Point POA office to the above address. The office staff will then forward the grievance to the Board of Directors.

Building a Better Community


TC Collie
Tri-County Point POA, Manager

Cc: Tri-County Point POA's Board of Directors

Has to be mailed before or by the 15th no later
Water Tariff
TCEQ

	Maintenance Budget				
	2007	2008	2009	2010 6 Months	2011
Income	\$146,966.40	\$155,441.33	\$171,980.72	121,547.30	150,000.00
Contract	\$1,006.00	\$749.00	\$429.00	1,976.45	1,000.00
Insurance	\$8,233.79	\$8,464.72	\$12,015.72	10,518.72	12,000.00
Electric	\$9,300.61	\$10,212.03	\$11,035.38	6,735.64	12,000.00
Office	\$8,819.06	\$13,186.86	\$8,451.29	3,672.38	5,000.00
Legal/Permits	\$1,181.25	\$2,862.75	\$3,104.00	689.00	1,500.00
Accounting	\$150.00	\$150.00	\$168.00	168.00	200.00
Property Tax	\$13,700.44	\$23,560.22	\$3,759.65		4,500.00
Wages	\$50,515.26	\$69,122.44	\$75,514.06	38,339.72	80,000.00
Paroll Tax	\$15,769.51	\$18,093.68	\$15,989.38	9,355.63	5,000.00
Petty Cash	\$228.01	\$430.62	\$589.68	560.88	600.00
Maintenance Supplies	\$2,413.80	\$3,747.04	\$5,084.57	3,693.20	5,000.00
Maintenance Repair	\$6,689.14	\$13,176.04	\$14,658.82	8,084.62	14,000.00
Bank Fees/Bad Checks	\$114.36	\$283.00	\$809.50	733.00	600.00
Pool	\$2,993.06	\$4,143.35	\$4,544.97	1,966.95	5,000.00
Reimbursment	\$4,009.72	\$8,737.93	\$7,295.31	5,959.60	6,000.00
Rent	\$3,705.39	\$4,705.39	\$3,955.39	2,169.20	5,000.00
Fuel		\$3,239.50	\$2,428.16	1,080.00	2,500.00
Collection Fees		\$972.70	\$159.82	667.10	700.00
Capital		\$7,695.00	\$5,659.38	3,495.47	5,000.00
Transfers			\$11,000.00		
New Office				33,962.30	
Loan to Water Acct.				1,843.11	
Total Expenses	\$128,829.40	\$193,532.27	\$186,652.08	135,670.97	146,900.00