

Indian Beach Property Owners Association Board of Directors Meeting

A Board of Directors meeting was held June 11, 2005 at Indian Beach. Roger Owens, President called the meeting to order at 1:00 p.m. A quorum was established by the attendance of Directors: S.C. Inman, Leonard Goldstein, Mackey Ball and Joel Kay. Susan Gonzales with C.K.M. was also present.

The Board reviewed the minutes for February 5, 2005. Motion by Joel Kay, seconded by SC Inman, the Board approved the February 5, 2005 minutes as presented by unanimous vote.

Susan reviewed the May 2005 financial report. Discussion was held on increasing the annual maintenance fee by the consumer price index ("CPI"). Motion by Leonard Goldstein, second by SC Inman, the Board approved the CPI increase of the annual assessment of 3.1% by unanimous vote. Joel Kay recommended that the legal fees be under the accounts receivable and not as an expense. Susan will have the CPA review this request.

The Board reviewed the proposed revised expense reimbursements by CKM and asked that an estimate of monthly costs be provided. The expense proposal will become effective January 1, 2006.

Discussion was held concerning the current restrictions as it pertains to dune restoration. CKM will email the Board with the exact language in the restrictions. The agenda for the forthcoming annual meeting of the Property Owners Association will include a report on the Board's determinations as requested at last year's meeting.

Discussion was held on whether the key to the pool and fishing pier could be withheld from a property owner who has violated the rules (i.e., renter use of amenities, large parties). Motion by Joel Kay, seconded by S.C. Inman, the Board approved to obtain a legal opinion on the restriction of use of the amenities by the renters and withholding the access to owners/renters. Also pull any opinions obtained from the attorney in the past and copy the Board. A request should be made to the attorney for the POA to allocate his fees and expenses to each lawsuit in which he is providing representation and to each legal opinion he is requested to provide, and to advise whether the fees and expenses are recoverable from the defendants in the law suits if the Association prevails.

S. C. Inman stated that the wrong size palms were received. Once the correct palms are received Phase III of the palm planting will be completed. Discussion held on filling the Architectural Control Committee ("ACC") member position. Motion by S. C. Inman, seconded by Leonard Goldstein, the Board approved to appoint Mackey Ball as a member of the ACC.

Joel Kay stated it was unnecessary to send the plans by Federal Express unless the property owners were paying the fee.

A fence has been constructed on East De Vaca using chain link. No application or approval was obtained. CKM will follow up on the fence.

Joel Kay stated that if we receive a "Notice of Assets" on Special Contractors bankruptcy case, then we might be able to recoup the money on the fence project.

Discussion held on installing another sign at the second entrance on the Bay side. The lot owner of lot 1 told S.C. Inman that the Association could put a sign on his lot. CKM will obtain pricing on a sandstone and wood sign.

Beach raking was discussed. CKM was asked to find out the Presidents names from Associations who rake their beach.

The Board scheduled the annual meeting for August 20, 2005 at 1:00 p.m. at the Galveston Country Club.

Action items:

1. Confirm legal dates and any new docket dates.
2. Obtain breakdown of legal fees.
3. Obtain information on taxes owed on delinquent Indian Beach accounts. Send information to the Board for decision on foreclosures.
4. Email Minutes to the Board.
5. Joel Kay recommended that the legal fees be under the accounts receivable and not as an expense. Susan will have the CPA review this request.
6. The Board reviewed the proposed revised expense reimbursements by CKM and asked that an estimate of monthly costs be provided.
7. Dune restoration: CKM will email the Board with the exact language in the restrictions.
8. Pull any opinions obtained from the attorney in the past and copy the Board and obtain an opinion as to restrictive use of the amenities by renters and not distributing the key to amenities if violations occur.
9. CKM was asked to ask the attorney for any outstanding invoices.
10. CKM will obtain pricing on a sandstone and wood sign
11. CKM will follow up on the fence on E. De Vaca (chain link/no approval).
12. CKM will follow up on the street repairs and lighting plan.
13. CKM was asked to find out the Presidents names from Associations who rake their beach.
14. Numbers of Brandon Wade, Jackie Cole and Lou Mueller will be placed in the newsletter.
15. The beach will be raked on June 30th right before the 4th of July. Check to see if a permit is required.

There being no further business to come before the Board the meeting was adjourned at 2:30 p.m.

Date

Secretary