

Pirates Property owner Association (“PPOA”)

Board of Directors Meeting

The PPOA Board of Directors meeting was held on July 8, 2017 at the Galveston Country Club, Galveston, Texas. Lee Slataper, Vice President, called the PPOA meeting to order at 9:00 A.M. A quorum was established by the attendance of Lee Slataper, Ron Pearrow, Bet Jennings, Jerry Mohn, Suzanne Robinson, Cliff Gunter, Cathy Abernethy, Dick Kuriger, and Dwight Cornell. Susan Gonzales, President of CKM Property Management was also in attendance.

The **minutes** of the prior meeting were reviewed. Motion by Dick Kuriger and seconded by Ron Pearrow, the minutes of June 10, 2017 were approved by unanimous vote as presented.

Ron Pearrow, Treasurer gave the **financial report**. Ron presented a new format for the financial reports. The 2017 assessment collected 100%. Revenue and Expenses stayed under budget. Cash balance ran down through the year. We have \$800,000 in cash split between various funds. We were under budget on contracts, utilities and maintenance. We were over on administrative due to legal related to Laffites Cove. Motion by Jerry Mohn and seconded by Dick Kuriger the board accepted the financial report by unanimous vote.

Ron discussed the closing of the Merrill Lynch (GL 1060) and Texas First accounts (GL 1030) and moving the funds to Moody Bank.

Motion by Dick Kuriger and seconded by Cliff Gunter, the Board approved closing the Merrill Lynch & Texas First account and moving the funds to Moody Bank.

Ron discussed closing the Geo Tube & Sand fund at Moody Bank and adding the balances to the new Moody account. The balances in those two accounts will increase the Fund Balance account GL 3103 since these were initially designated funds.

Motion by Lee Slataper and seconded by Cliff Gunter, the Board by unanimous vote approved closing the Geo Tube and Sand Fund accounts at Moody Bank and moving funds to the new Moody Bank account. The balances in those two accounts will increase the Fund Balance account GL 3103.

Discussion held on opening a bank account at Moody Bank since they have been a big supporter of the Pirates Community.

Motion by Lee Slataper and seconded by Dick Kuriger, the board approved to open an account with Moody Bank in an approximate amount of \$241,000, keeping it under the FDIC insured amount of \$250,000, the funds will be placed in a Certificate of Deposit. All bank accounts will have signatures of Chris Robb – President, Ron Pearrow – Treasurer, and Susan Gonzales – Managing Agent & Secretary.

Ron Pearrow stated that there are times when we have exceeded our annual budget and felt we needed to determine how to increase a budget item if needed during the year.

Motion by Ron Pearrow and seconded by Dick Kuriger, the board approved that any expenditure that exceeds the budget would require approval by email or at a meeting. If by email, it should be a Board discussion item at the next meeting.

Ron Pearrow stressed that as we accumulate cash we need to examine how it will be spent or reserved in the future.

Security – Cameras were installed approximately 8 years ago and are aging. We will be replacing the cameras as needed.

Bracing – Lee Slataper stated the ARC made a recommendation to the Board and provided a summary. Angle bracing between pilings and stringers is prohibited according to the Covenants, Conditions and Restrictions. Piling to piling is not prohibited since it is silent in the restrictions. The ARC recommends that piling-to-piling bracing to be aesthetically not acceptable and should be subject to review for new ARC applications.

Discussion on the bracing:

Bet Jennings gave an overview of the LCPOA Board opinion and felt that the piling to piling should not be allowed and that piling to stringer under roof be allowed. Bet also asked that Jed Goodall be placed on the ARC. The ARC will discuss adding an additional member. An owner recommended the restrictions be amended.

Concerning **Angle Bracing prohibited by the CC&R's**:

Motion by Ron Pearrow and seconded by Jerry Mohn, the Board approved by unanimous vote that the ARC will not pursue the deed violation of existing angle bracing if a licensed structural Engineering report is received requiring the bracing for stabilization.

Concerning **Cross Bracing**:

Motion Ron Pearrow and seconded by Dick Kuriger, the Board approved by majority vote (one opposed vote) that the Board recommends for new and remodel ARC applications that the ARC will review all bracing on a case-by-case basis and make their decision based on aesthetics.

Lee Slataper and Susan Gonzales will work on a notice to be placed on the Website concerning the decisions of the board.

Social – Suzanne Robinson stated there were 112 property owners who signed up to be in the parade. The parade was a great success. There was discussion concerning changing the start time to 9:00 A.M. instead of 10:00 A.M. due to the heat.

Buoys – Dick Kuriger asked that three (3) buoys be purchased to be placed in Lake Como and that the budget be increased for that expense.

Motion by Dick Kuriger and seconded by Lee Slataper by unanimous vote the board approved to increase the budget to \$5000 and the purchase of three (3) buoys.

Lee Slataper and Susan Gonzales referenced an account on Moyenne that has received several notices and extension but still continues to be in violation. A final notice will be sent then it will come back to the Board to decide if legal action is necessary.

Lee Slataper stated that the fireworks were a great success. The members and ten local businesses donated \$19,000 towards the fireworks. About one-half of the donations came from the local businesses. Moody Bank donated \$2000 for the musical simulcast during the fireworks display.

Hurricane Preparedness – Bet Jennings stressed the urgency in being prepared. The first responders will receive vehicle decals and badges and will be responsible for preparing the community for the members when the island opens up. The Committee will be responsible for monitoring after the island opens up. The Communities Hurricane Preparedness report provides for two contractors with equipment

to come to the island immediately after the storm to clean up any debris that may need to be removed from the interior streets. The procedure is posted on the website.

Emergency Funding – Motion by Lee Slataper and seconded by Dick Kuriger, the Board approved by unanimous vote that in the event of an emergency during a storm event the board president – Chris Robb and Susan Gonzales – Managing Agent may spend up to \$25,000 for Emergency Funding.

WGIPOA – Jerry Mohn stated that the WGIPOA meeting will be held on the 4th Saturday on July 22, 2017 at the Galveston Country Club. The presentation will be the Parks Board Trustee.

Dwight Cornell asked about the work being done on several beach access areas. The City of Galveston is working on two access points and if they work more will be done. Dwight also stated a pot hole at Pirates Beach Blvd and Pirates Beach Drive. Susan stated she will report the pot hole to Kyle Hockersmith and Angelo Grasso.

Meeting adjourned at 11:00 A.M.

Susan Gonzales, Secretary

Adjourn at 10:30 A.M. Susan Gonzales, Secretary