

Bay Point Property Owners Association, Inc.
December 10, 2022 @ 10:00 a.m.-Annual Budget Meeting
Held at Calhoun County Library
200 Mahan, Port Lavaca, Texas

1. Call to Order:

- President Laurence Julien called to order at 10:00 a.m. Board members in attendance were President Laurence Julien, Vice-President Alejandro Garcia, Treasurer Leather McCall, Secretary Sheryl Ayres.

2. Establish Quorum:

- There were 15 members present. There were 8 proxies. 4 proxies were for quorum only and 4 were designated for voting.
- Required for meeting is 9 members/proxies. The proxies sent in by members of the association qualify as per By-law Section 4.02 Proxies were verified by Directors and this established quorum.

3. Proof of Notice of Meeting:

- As Per Texas Property Code Section 209.005, Members shall be given notice of date, hour, place, and general subject of regular meeting. When notifying by USPS the members should be notified at the current address on record with Bay Point P.O.A. Mailings should be mailed no less than ten (10) days but no more than sixty (60) days prior to meeting. Notice will be deemed given on the date postmark.
- Board of Directors Laurence Julian and Sheryl Ayres verified postmark on envelope November 22, 2022, meeting the time constraints set forth by law.

4. Presentation of Minutes:

- Approval of Minutes

5. Review of Past Due Assessments:

- As of Dec 2, 2022 we had \$13,389. in unpaid dues. Details- 50 to 60 percent of these accounts are one year behind. Approximately five or six are two years behind in payment. One is more than 5 years in default.
- Board will verify memberships 2 or more years delinquent and reach out to Bay Point's attorney to send out letters and offer a payment plan if no action is taken by property owners, then we proceed to the next step of placing a property lien.

6. Review Need for Third Party Assistance for POA Books and Records

- Bay Point has always relied on member volunteers to do the book keeping and record keeping however, at this time it is a necessity to look for help outside of our community to fulfill this task. This job requires contact with title companies, keeping current and new owners' info on membership list, POA payments, delinquent accounts, accounting, filing tax returns even though we are exempt.
- Reviewed and considered two companies to use as service provider. The first company with offices in Houston and Dallas called THE PROPERTY CENTER LLC. The second company is in Sea Drift named THE TAX DEPOT INC, (Bookkeeper). Both companies will provide Monthly Financial Statements, Year-End Financial Statements, Collection of Assessments,

Payment of Expenses, Books and Records. Both companies do the same task and both charge \$500.00 a month. THE PROPERTY CENTER LLC wants to control everything. They want to set up their own bank account at the institute of their choice (in Bay Point's name) and they would control it. They have been very slow and at times non-responsive to the board reaching out for information. THE TAX DEPOT is local out of Sea Drift and the local neighborhood Blue Heron use them for bookkeeping. Bay Point would keep the current bank account and maintain control. THE TAX DEPOT would only have access to records on the bank account.

- With all consideration of both companies the members voted unanimously to select THE TAX DEPOT INC. This is contingent on budget if we have an increase. The motion to approve by Leather McCall and 2nd by Randy Gonzalez.

7. Review Budget Proposals for 2023 and determine 2023 Assessment Amount:

- President Laurence Julien presented Two versions of Budget Proposals for year 2023. For reference was attached the Actual 2021 budget, proposed budget 2022 and Actual 2022 current up to November.
- In 2021 Bay Point had a \$ 301.00 net profit loss for the gate entrance. In order of cash flow, there was \$10,000 transferred from savings to process paying for the gate.
- Current level of assessment is just covering Bay Point's budget (Insurance, Landscaping, Grass mowing, Legal fees, Repairs, Utilities, etc.). It isn't giving much room for any other expenses (Road repairs, Bookkeeping, Pier expenses, etc.)
- **Version 1** of Budget Proposal keeps budget as is with no additional funding for road and pier and bookkeeping services and keeping our savings healthy. **Version 2** of Budget Proposal includes raising assessments from \$375.00 to \$475.00 to cover the additional expenses.
- **Roads-** There is 2.1 miles of road that does not include the circle turn arounds. Today's cost is a half a million dollars. It would take 10 years to pay for that project. The Association is looking at repairing the roads in necessity of sections. Bay Point needs approximately \$32,000 in road work in 2023. This would cut Bay Point's savings in half with no way to rebuild it with the current assessment. Bay Point is still looking at future road work beyond 2023.
- **Prioritize-** Considering all normal operating expenses and expected future expenses such as Pier is needing work around the land due to erosion (\$80,000), Bookkeeping (\$6,000+ Yearly), the roads are a major expense. Bay Point Association will try to prioritize what work needs to happen first and have decided the roads are priority at this time.
- **Vote on Budget Proposal for 2023-** Motion made by Charles Winegar to approve Version 2 to raise budget and increase assessment from \$325.00 to \$475.00. 2nd motion made by Ollie Busby. All in favor 18. All oppose 4. Motion passed.

8. Post Office Box:

- Need for P.O. so address doesn't continue to change when board members change.
- Leather McCall motions to approve for Association to get a P.O. Box and 2nd by Randy Gonzalez. All in favor.

9. Adjournment: 12:30 p.m.