

Exotic Isle Annual Homeowners' Meeting Minutes

Sunday, May 15, 2022, 2:00pm
(held at Arnim residence on island)
Exotic Isle, Bay City, TX 77414

Directors Present:

Darrell Rogers, Interim President
Colleen McKeever, Interim Vice President
Caryn Arnim, Treasurer
Jay Hughey, Secretary
Travis Pace, Board Member

HOA Members Present:

Bubba Arnim
Chris Baxter
Greg Baxter
Travis Hughey
Duncan McKeever
Skip Porter
Biddie Porter
Michelle Rogers
James Shelton
Missy Shelton
Mike Zabransky

Member Proxies:

Greg Arnim: Caryn Arnim
Steve Loveless: Caryn Arnim

- I. Call to Order:** at 2:10 pm by Darrell Rogers
- II. Quorum:** 16 persons present, 10/12 home properties represented; 3/4 lot-only properties represented including (2) by proxy.
- III. Welcome New Member: s** Darrell Rogers bid a warm welcome to all noting the remarkable number of new ,newer and new-ish members, and especially to the island's newest members, James and Missy Shelton.
- IV. Approval of 2021 Minutes:** Darrell Rogers made a motion to accept Minutes of the 2021 EIHOA Annual Meeting with Greg Baxter's 2nd. The motion was approved by a unanimous consent of members present.
- V. Treasurer's Report:** Caryn Arnim reviewed current financial reports including Treasurer's Report, Profit and Loss Statement, and Accounts Receivable/Aging Summary to date for 2022. Caryn noted increases in the cost of many, if not most of the recurring and operational expenses that make up a significant portion of our annual budget. Caryn

cited a number of examples including: increases to the cost of contract labor, fuel for equipment, Insurance premium has increased from \$8,700/yr to \$9,161/yr (up 19%); the dumpster rate has increased from \$152/mo up to \$250/mo (up 66%); water and electric utilities are both up over 10% from last year. The interest rate on the LoC has increased from 3% to 5%. Caryn went on to describe other significant non-fixed, variable expenses from the recent year including restoring health to the pool after a black algae bloom, replacement of the well pump, tractor repairs to ball joints, barge slip dredging, payment of property taxes on Groth lot, as well as legal fees resulting from both lien filings and attorney fees for preparation of Bylaws revisions.

Accounts Receivable Summary

Delinquent Dues: A review of the A/R Aging Summary Report shows that while we continue to pursue legal remedies the delinquent accounts continue to accrue. Of the \$112,900 in accounts receivable, \$109,000 is attributable to these delinquent accounts as of 5/9/2022

M. Badillo	<-\$45,371>*
B. Devitt	<-\$22,103>
C. Groth	<-33,929>**
J. Huerta	<-\$8,024>
Total -	<-\$109,427>

* Badillo account may be collectable via lien on home sale

** Groth account is unlikely to be collected

Prosperity Bank Line of Credit

- Approved signatories are currently revised to include Interim President, Darrell Rogers.
- The LOC is and will continue to be used to pay yearly property taxes to be paid off over a period of 4-6 months in an effort to keep the line of credit active.
- Property insurance premium will be carried on the LOC in lieu of Insurance carrier financing due to lower finance and interest charges.
- The LoC will be used in 2022 to retire balances due for tram repairs to Houston Bearing, balance of well pump replacement cost and to pay insurance premium full yearly premium in lieu of monthly payment to the insurance company. The total of expenses charged to the line of credit at this time is estimated to be \$20,000 to \$25,000.

SBA Loan: Caryn reviewed the loan status confirming that all loan funds have been utilized and the account is exhausted of funds. A payment of \$900 per month will continue until the loan is repaid.

VI.

Future repairs needed on Island: Future repair and general maintenance items and issues were identified and discussed including:

- Maintenance staff: Seeking reliable part-time staff with appropriate skills and experience, Members are encouraged to suggest qualified candidates for the position

- Maintenance and Repair:
 - Tram towers - corrosion abatement and minor structural repairs are needed.
 - Tram car landing at Island - raise elevation of ground below car landing.
 - Pool restoration is complete. Please enjoy the pool!

VII. Updating Bylaws: A draft of the revised and rewritten Bylaws is complete and ready for member review, Melissa Braniff will distribute the draft document in a day or two following the Annual Meeting. Transmittal of the document will be dated and members are afforded a 20-day review and comment period. Following the review period the document will be revised if necessary in accordance with review comments then presented to the entire membership for vote to approve and adopt the amended bylaws.

VIII. Ranch Road Update: Melissa Braniff, former member, will continue to assist EIHOA in efforts to negotiate with STP management, and with governmental entities, including Matagorda County, Fire Department and EMS service providers in order to achieve substantial improvements to the ranch road to secure a durable agreement to provide surface vehicular access to the island for emergency and owner vehicle access,

IX. Board Elections:

Darrell Rogers was nominated by Jay Hughey and subsequently elected to the Board of Directors as Interim President during a February, 2021 Board of Directors Meeting and has served in the role since that time. Col

leen McKeever was similarly nominated and elected to the position of Interim Vice President at the same BoD meeting. In addition to the existing and Interim office holders, Travis Pace was nominated to the slate of Board candidates. Caryn made a motion to accept the below slate of candidates for election to the EIHOA Board of Directors, with a 2nd by Jay Hughey. Ballots were distributed for member votes to approve the 2022 Exotic Island Homeowners Association Board of Directors as follows:

Darrell Rogers, President
 Colleen McKeever, Vice President
 Caryn Arnim, Treasurer
 Jay Hughey, Secretary
 Travis Pace, Board Member

The proposed Board of Directors for 2022 was approved by unanimous consent of members present.

X. Adjournment: Darrell Rogers moved to adjourn. Jay Hughey seconded and the motion was approved by unanimous consent of members present. Meeting adjourned 4:20 pm.

Draft submitted 7/1/2022, by Jay Hughey, EIHOA Secretary

◆ Priority Goals:

- Amended Bylaws approval by HOA Members: preparation for the vote was reviewed including requirements for notification, distribution and execution

of Ballots. A notary will be provided at the meeting to facilitate in-person casting of ballots.

- Back Channel Dredging: present scope of work, cost allocation, assessment, vote.
- Boat Stall Additions: confirm need and community consensus to allow
- Covered Parking: present general concept, possible location, character, community consensus to allow, gauge level of interest, estimate rough number of spaces needed and call for a vote.
- Prosperity Bank Line of Credit: approval of proposed use.
- Voting Rules: Review HOA voting requirements as set forth in Bylaws and as required by State law.
- EIHOA Vendor List: Develop a database of member-recommended contractors and service providers to share amongst new and existing members.
- Board Elections: Review slate for 2022 EIHOA Board of Directors nominations:
 - Darrell Rogers, President
 - Colleen McKeever, Vice-President
 - Caryn Arnim, Treasurer
 - Jay Hughey, Secretary
 - Travis Pace, Interim Board Member

◆ Maintenance, Repairs and Improvements for 2022: Review items recently completed and upcoming major issues to be addressed and estimated cost burdens for the coming fiscal year.

- Security Cameras
- Exotic Isle Vehicular Access Road Project
- Pool monitoring and maintenance
- Ring Road improvements
- Tree Trimming
- Tower structural steel repair
- Barge tie-downs