

**Pirate Cove Townhome Association
Board of Directors Meeting
5816 Bayou Glen Rd, Houston, TX
December 19, 2011**

President, Jerry Brewer at 6:30 p.m., called the board of directors meeting to order.

Present: Craig Bailey, Paul Barker, Jerry Brewer, Virginia Brown and Tim Towner

- Officers for 2012 were appointed as follows:

President	Jerry Brewer
Vice President	Craig Bailey
Secretary Treasurer	Virginia Brown
Architectural Committee Chair	Paul Barker

- Eight new PCTHA policies were discussed and approved in compliance with the Texas Property Code changes passed by the 82nd Texas Legislature. Documents must be recorded with the Galveston County Clerk by January 1, 2012.
 - 1) Retention Policy
 - 2) Records Production and Copying
 - 3) Payment Plan
 - 4) Solar Devices
 - 5) Display of Flags
 - 6) Display of Religious Items
 - 7) Rainwater Systems
 - 8) Roofing Material

- Delinquencies were discussed. The Association does not have enough reserves and owners' must keep fees current. Payment plans for the owners who are behind in their maintenance fees have been developed with the new policies.

- Tim Towner will finalize the 2012 budget and send to board for review.

- Jerry Brewer asked Tim Towner to contact Canady & Canady to conduct an independent audit for fiscal year February 2010 – January 2011.

- A special assessment is necessary to build a reserve fund as called for in the Jan 2011 independent Reserve Study.. A call for an e-mail vote email will be sent to all owners asking for approval of the board recommended special assessment. 67% of the owners must vote in favor of the special assessment.

- The board recommends a \$10,000 special assessment per townhouse lot to be paid over the next four years as follows:

\$2,500.00	March 30, 2012
\$2,500.00	January 31, 2013
\$2,500.00	January 31, 2014
\$2,500.00	January 31, 2015

- Needed repairs were discussed. As funds become available, the work will be scheduled with safety issues given priority.
- A settlement was reached with Unit 37 for the disputed insurance on the Hurricane Ike damage. Since the SBA required that the final settlement with Texas Windstorm be applied 100% to the loan reduction, it put the association in a position of negotiating the amount that should be applied to Unit 37. This unit suffered the most damage and had to basically be totally rebuilt.
- Jerry Brewer adjourned the meeting at 8:00 p.m.

Submitted by: Virginia Brown, Secretary