

THE NEW PROPERTY OWNERS ASSOCIATION OF NEWPORT, INC.

Minutes of Board of Directors Meeting

May 18, 2016

Call to Order

A regular monthly Board of Directors meeting of The New Property Owners Association of Newport, Inc. was held on May 18, 2016, beginning at approximately 5:10 p.m. Those directors in attendance were Nancy Gaudet, Margarette Chasteen, Jim Bailey, Eileen Fashoro, Dan Webb and Earl Boykin. Carol Jones represented the association. Dan Kasprzak, NPOAN corporate attorney was also present.

Audit

Ken Skrabanek presented and reviewed the audit with the Board. A motion was made by Jim Bailey to approve the audit as presented. The motion was seconded by Earl Boykin. The motion passed unanimously.

Minutes

A motion was made by Earl Boykin to approve the April 14, 2016 minutes. The motion was seconded by Dan Webb. The motion passed unanimously.

Financials

The manager presented the March financials. A motion was made by Margarette Chasteen to approve the financials as submitted. The motion was seconded by Earl Boykin. The motion passed unanimously.

Discussion/Action Items

1. The manager presented proposed restrictions for the new section being developed on South Diamondhead by Rochester Enterprises L.L.C. A motion was made by Dan Webb to accept the new section to be known as Newport Place into the subdivision and approve the restrictions submitted with the recommended changes. The motion was seconded by Margarette Chasteen. The motion passed unanimously.
2. The manager presented the resignation of Amanda Shaw as a board director. A motion was made by Earl Boykin to accept Ms. Shaw's resignation. The motion was seconded by Dan Webb. The motioned passed unanimously.
3. A motion was made by Margarette Chasteen to open a separate account at Community Bank of Texas, N.A. and transfer the sum of \$200,000 representing the association's capital reserve funds. The motion was seconded by Early Boykin. The motion passed unanimously.

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4. The manager presented Rules and Regulations for the Community Room. A motion was made by Earl Boykin to adopt the Rules and Regulations subject to the suggested changes. The motion was seconded by Margarette Chasteen. The motion passed unanimously.
5. The manager presented a bid in the amount of \$2,250 to have the mushroom painted at the pool. A motion was made by Earl Boykin to approve the bid. The motion was seconded by Margarette Chasteen. The motion passed unanimously.

The meeting of the Board of Directors was suspended because of time constraints. The meeting was scheduled to continue on April 20, 2016 at 5:30 in the management office.

The April 14, 2016 regular monthly Board of Directors meeting of The New Property Owners Association of Newport, Inc. was continued on April 14, 2016, beginning at approximately 5:40 p.m. Those directors in attendance were Nancy Gaudet, Margarette Chasteen, Jim Bailey, Eileen Fashoro, Dan Webb and Earl Boykin. Carol Jones represented the association. Dan Kasprzak, NPOAN corporate attorney was also present.

Discussion/Action Items (con't)

6. A discussion was held regarding the rules and regulations for the fitness center. The hours and operation will be 5:00 a.m. – 9:00 p.m. No one under the age of 16 shall be admitted without an adult. Margarette Chasteen will work with the manager to put the rules and regulations together.
7. Rampart Holding LLC requested the association assign nine (9) accounts for delinquent assessments on undeveloped lots in Section Seven to its sister company, Newport Fund LLC. The manager reported that the association had been unsuccessful in locating the owners and that the legal costs in foreclosing would be more than the lot values and that it would be in the best interest of the association to have Newport Fund foreclose the lots in order to facilitate development of the remainder of Section Seven. A motion was made by Earl Boykin to approve the Assignment. The motion was seconded by Margarette Chasteen. The motion passed unanimously with Eileen Fashoro abstaining.
8. The Maintenance Agreement was presented for approval. A motion was made by Earl Boykin to approve the agreement as presented. The motion was seconded by Margarette Chasteen. The motion passed unanimously.
9. There was no Management Update
10. The manager presented a request from the Event Director for certain items to complete the bridal suite, create and furnish groom quarters, add some furniture to the common areas of the club and replace four toilets in the restrooms. The total cost would be approximately \$15,000. The manager reported to the board that there were some excess funds remaining from 2015 to cover such expenses. A motion was made by Margarette

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Chasteen to fund the request. The motion was seconded by Earl Boykin. The motion passed unanimously.

11. Lake & River – Margarette Chasteen gave a brief report on improvements being made at the lake and river.
12. Deed Restriction – Jim Bailey stated that monthly meetings had resumed for the deed restriction committee.

The Board went into Executive Session.

HOMEOWNER INFORMATION REDACTED

New Business.

Next Meeting. The next meeting will be an executive session meeting on July 12, 2016 at 5:30 pm at the management office.

Adjournment There being no further business, upon motion made by Eileen Fashoro and seconded by Earl Boykin, the meeting adjourned at 7:10 pm.

Respectfully submitted,

Carol Jones,
Community Manager

APPROVED:

Margarette Chasteen, Secretary