

Indian Lake Owners Association

Special Called Meeting

Location: Welch's Cabin On Wigwam

February 10, 2007

Minutes

Reason For Special Meeting:

To consider issuing variances for the REEDER property and the CHERICO property in regard to subdivision setbacks.

Present: Tom Duggan, James Welch, Dustin Williams, Christine Earle, Art Ambrose and Richard Goranflo.

Absent: Stella Pease

Business Items:

The meeting was called to order by **Goranflo** and;

1. A motion to approve a variance for the **Reeder** property on Buffalo Run that was originally built to encroach on the five-foot (5') side subdivision setbacks. Motion to approve a variance was made by Welch, seconded by Ambrose. The motion passed unanimously.
2. A motion to approve a variance for the **Cherico** property on Big Bow to permit the installation of a carport and to bring in a storage shed was made by Ambrose, seconded by **Williams**. Voting for the motion was Ambrose, **Williams** and **Earle**. **Duggan** abstained and **Welch** voted no. The motion was approved by a majority vote.

There being no other matter for discussion; the Special Board Meeting was adjourned.

Ernest W. Barnes
Secretary

Indian Lake Owners Association
Special Called Meeting By Telephone
February 14 and 15, 2007

Minutes

Reason For Special Meeting:

To consider issuing a variance for the COWEN property on Deer Run in regard to subdivision setbacks.

Persons Polled: Stella Pease, Tom Duggan, James Welch, Dustin Williams, Christine Earle, Art Ambrose and Richard Goranflo.

Business Items:

The calls were made by President **Goranflo** and;

A motion to approve a variance for an eighteen- inch (18") encroachment on the twenty-foot (20') front subdivision setback was made by **Duggan** and seconded by **Ambrose**.

Voting to approve the motion was: **Ambrose**, **Duggan**, **Pease**, **Williams** and **Welch**. **Earle** abstained from voting. The motion was approved.

There being no other matter for discussion; the Telephone Meeting was adjourned.

Ernest W. Barnes
Secretary

Indian Lake Owners Association

Regular Meeting – February 24, 2007

Minutes

Board Members Present: James Welch, Christine Earle, Stella Pease
Richard Goranflo, Art Ambrose, Tom Duggan
Board Members Absent: Dustin Williams

Meeting was called to order by President Goranflo. A roll call was taken and it was determined that a quorum was present. The Minutes from the previous meeting were approved. A motion was made by Duggan that Minutes be accepted and Welch seconded the motion. The vote was unanimous in favor of the motion.

The Financial Report was reviewed by the Secretary and was accepted on a motion by Ambrose, seconded by Duggan and unanimously carried.

Karen Williams, an Association member, presented her concerns about the cutting of trees from the dam site and the possible drainage of the lower pond and the effects these actions have on the local ecology and the environment. Ms. Williams asked for all correspondence relating to these issues and expressed a desire to keep the lower pond as a refuge for wildlife and as a general ecology area.

Ms. Elizabeth Brissette expressed her concern over the designated floodplains area within Indian Lake. The general comment was that the floodplain designation was an individual issue with each property owner and that for the Association to fight FEMA on this issue would be a very expensive undertaking.

Ms. Brissette also expressed an interest in having the minutes and additional information posted on the bulletin board. It was noted that Art Ambrose is currently repairing the bulletin board.

Architectural Committee-Stella Pease

Pease reported on permit requests and noted that a final violation letter had been sent to Eakin concerning an abandoned truck in front of their house and a trash trailer in the same area. It was also reported that the 5th. Wheeler parked in the Eakin's front yard in which people were living had dumped its sanitation tanks in the immediate area. The 5th. Wheeler has been removed.

Goranflo noted that the 18" variance granted to the Cowen family was final and that they had signed a letter acknowledging that they or future owners would not be permitted to obtain a permit for a front porch or other permanent structure, which would further encroach on the setback area. This letter, duly signed and notarized, was recorded at the Bastrop County Courthouse.

The need for a more definitive written Permit Approval process was noted and Stella Pease was asked to form this committee and come up with recommendations.

Swimming Pool Committee-Christine Earle

Earle reported that Pat Barnes, with the assistance of her husband, were resigning from maintaining the pool and pavilion area and that she would report on a replacement individual and

suggested compensation at the next meeting. Pat and Ernie Barnes agreed to prepare the pool for the 2007 season and train the new maintenance personnel.

Dam And Lakes-Art Ambrose

Ambrose indicated that the Association should hold off on spending money for a lake survey until the finances of the Association improved. The lake survey was cancelled on a motion by **Ambrose**, seconded by **Pease** and unanimously carried. It was noted that there were a large number of commodores in the lake area and that they could possibly have a detrimental effect on the fish population.

Parks And Roads Committee-Dustin Williams (Not Present)

Art Ambrose suggested that the Association dispense with cutting grass on the Subdivision right-of-ways and this was approved on a motion by **Ambrose**, seconded by **Welch** and unanimously carried.

It was noted that **Dustin Williams** could not continue to cut the grass on the dam while serving as a board member. **Welch** agreed to convey this information to **Williams**.

It was also suggested that the specific responsibilities of each Director be written down and serve as the beginning of a Procedures Manual for the Association.

Special Projects-James Welch

Welch reported that he was still working with the Justice of the Peace in determining procedures for enforcing ILOA restrictions.

Old Business

Goranflo directed that a tabletop type recorder be purchased for recording Association meetings.

There being no further business to come before the Board, the meeting was adjourned on a motion by **Duggan**, seconded by **Pease** and unanimously carried----ADJOURNED

Secretary,
Ernest W. Barnes

Indian Lake Owners Association

Regular Meeting – April 28, 2007

Minutes

Board Members Present: James Welch, Christine Earle, Stella Pease
Richard Goranflo, Art Ambrose, Tom Duggan, Sherrie Wilson

Board Members Absent: None

Guests: Karen Williams, Lee Latham

Meeting was called to order by President Goranflo. A roll call was taken and it was determined that a quorum was present. The Minutes from the previous meeting were approved. A motion was made by Pease that Minutes be accepted and Duggan seconded the motion. The vote was unanimous in favor of the motion.

Financial Report:

Earle inquired if the expense for the swimming pool chemicals was actual or accrued. The Secretary replied that the expenses were actual as they occurred.

Pease inquired if it was prudent to buy the new 'forever' stamps to save money. The general consensus was that it was not.

Wilson inquired about the types of insurance carried by the Association. She was informed that there were three different policies. I.e., General Liability in the amount of one million dollars, D & O Insurance which protects the Board Members in the event of a lawsuit and a general Policy to protect the pool structure (bathrooms and equipment room).

Young inquired about the Association's liability in case the Dam breaks. It was pointed out that only two homes are in any danger and that we file periodic reports with the Texas Environmental Commission on the condition of the dam and that the Association is currently working on an Emergency Action Plan in the event of the failure of the Dam.

Earle inquired about the current condition of the Association riding mower. After discussion it was decided that the Secretary should buy a new riding lawn mower for the Association and that the Secretary should use his best judgment in deciding which mower to buy. On a motion made by Welch, seconded by Pease and unanimously carried the Secretary was directed to proceed with the purchase of a lawn mower and approved a general ballpark figure of \$2,000.00 for that purpose. The motion was carried unanimously. It was also decided that new tires should be purchased for the old John Deere riding mower.

On a motion by Duggan, seconded by Wilson and unanimously carried approval was granted for repairing the old Association trailer and buy new tires for it.

The Financial Report was then accepted on a motion by Duggan, seconded by Pease and unanimously carried.

Financial Audit:

Tom Duggan volunteered to conduct the audit of the Association's books before leaving Indian Lake and moving to St. Paul.

Architectural Committee-Sherri Wilson

Pease reported that the junk truck on Caddo belonging to Eakin has been removed. It was suggested that a Thank-You note be sent to Eakin for complying with the Association's request.

Wilson reported that Jeff Johnson had submitted a permit request for building another home.

Earle suggested that the revised permitting procedures should be edited for syntax and that there was a problem with the wording on septic tank inspections.

Welch suggested that the wording on Inspections should be clarified. Goranflo suggested that the following fees had been suggested as acceptable inspection fees.

- \$300.00 Mobile Homes
- \$100.00 A New Home
- \$ 15.00 Fences
- \$ 50.00 Room Additions

Swimming Pool Committee-Christine Earle

The opening and closing dates for the swimming pool were discussed and the following opening and closing dates were established.

Opening Date: Memorial Day 25 May 2007

Closing Date: The Day Following Labor Day

The above dates were established on a motion made by Earle, seconded by Wilson and unanimously carried.

Earle indicated that the compensation for pool maintenance would be \$450.00 a month for the months of May, June, July, August and September.

There was general discussion of posting Earle's name and phone number at the pool for contact information. Earle was emphatically opposed to having her name posted at the pool.

Dam And Lakes-Young

Young reported that he was going to obtain a special camera for surveying the fish population underwater and that this method would negate the need for an expensive conventional fish survey via the 'shock' method.

There was discussion on purchasing additional carp for the lake. No action was taken.

Welch reported that the dates for the General Neighborhood Cleanup would be the 4th. And 5th. Of May.

Young reported that he would proceed to build the guardrails to protect the spillway drainage area.

It was discussed and decided to require Rhonda Johnston to submit invoices for all independent contractor work performed by her for the Association.

Parks And Roads Committee-Dustin Williams-Pease

Nothing to report.

Special Projects-James Welch

Welch reported that he was still working the County Commissioner, Clara Beckett on the drainage question of the lower pond and there was discussion about the effects of lowering the current culvert by seven(7) inches.

Other Business

Duggan resigned from the Board. Goranflo appointed Lee Latham to replace Tom Duggan.

Goranflo had previously appointed Sherri Wilson to replace Christine Earle prior to the Board Meeting and Stella Pease had been reassigned as Chairman of Roads and Parks and Sherrie Wilson had been appointed Chairman of the Architectural Control Committee. These appointments were confirmed on a motion by Welch, seconded by Duggan and unanimously approved.

On a motion by Pease, seconded by Welch and unanimously carried the Secretary was directed to add Latham to the signature card on the Association's bank account at the bank and authorized the Secretary to place up to \$20,000.00 in CD's at the bank.

On a motion made by Welch, seconded by Pease and unanimously carried, the previously purchased welding rig was sold to Tom Duggan for \$500.00.

Karen Williams spent considerable time expressing her concern for the local ecology as pertains to the previous action of cutting the trees on the backside of the dam and was opposed to any efforts to drain the pond area. It was generally resolved to continue the search for any Association documents from any source that recommended and/or supported the cutting of the trees on the backside of the dam or were related to the drainage of the lower pond area.

It was reported that the June 30th. Board Meeting would be at the Smithville Library.

There being no further business to come before the Board, the meeting was adjourned on a motion by Earle, seconded by Young and unanimously carried----ADJOURNED

Secretary,
Ernest W. Barnes

June 10, 2007

Special/Emergency Board Meeting

This Meeting was called by the President over the telephone with several Board of Directors officers of Indian Lake Owners Association, and in person with several to cast their vote on the issue of Compensation increase for the Secretary. This meeting occurred over a several week period between May 25 and June 9, 2007.

The Situation that arose and created a need for this meeting was the resignation of Christine Earle, Swimming Pool Committee Chairperson. With this resignation it became necessary to solidify the basis for managing and maintaining operation of the Pool and for justifying the additional duties that has placed and will continue to place on our Secretary, Ernest Barnes. This spring the pool, having been drained over the winter, required extensive work to prepare it for opening on Memorial Day Weekend. If we drain the pool at the end of this season it will almost certainly require an expensive re-plastering in the spring of 2008 at an estimated cost of over \$5000. If we keep the pool filled over this coming winter and pay Rhonda Johnston to keep chemicals balanced and debris out, the cost, including electricity, adding water and chemicals and maintenance is estimated to be less than half and there won't be a big effort to start it up next year. I appointed Mr. Leonard Kujawski to the Board as Swimming Pool Committee Chairman on May 25.

Ernie and I discussed the fairness if expecting him to perform this work as well as all of the other tasks he performs at the current fee of \$325 per month with an additional \$55 per month gas allowance. The \$325 figure has been constant for ten years and the former secretary did nothing but takes minutes at meetings, collects mail, pay bills, send meeting and dues notices and maintain association records. Last year the Board approved the \$45 per month gas allowance.

Ernie stated his willingness to continue doing everything he has been doing, except the intense labor of renovating the empty pool each year, if his monthly compensation gets increased from \$325 per month to \$500 per month and his \$45 per month gas allowance gets increased to \$100 per month. The other issue Ernie wanted the Board to approve is keeping the pool filled all winter and contracting for its maintenance at a lower monthly rate. Rhonda Johnston agreed to do maintenance during the 5 summer months when the pool is open for the \$450 per month amount the Board already approved. She also agreed to do maintenance for \$200 per month for the remaining 7 months.

I asked Board members to vote on the following Issues:

1. Increase Ernest Barnes Compensation as stated above: Result: 6 in favor, 1 opposed.

2. Retain Rhonda Johnston for Pool Maintenance

On a year around basis as stated above:

Result: 6 in favor 1 abstention

Respectfully Submitted,
Richard Goranflo, President

Indian Lake Owners Association

Regular Meeting – June 30, 2007

Minutes

Board Members Present: James Welch, Leonard Kujawski, Stella Pease
Richard Goranflo, John Young, Sherrie Wilson

Board Members Absent: Lee Latham

Guests: Christine Earle, Stan Earle, Karen Williams, Elizabeth Brissette,
Abel Barrientos, Rhonda Johnston

Meeting was called to order by President **Goranflo**. A roll call was taken and it was determined that a quorum was present. The Minutes from the previous meeting were approved. There was a question of ILOA employees versus Independent Contractors and that all Independent Contractors should have signed contracts. Discussion on this item was delayed for consideration under New Business. A motion was made by **Pease** that the Minutes of the previous meeting be accepted and **Young** seconded the motion. The vote was unanimous in favor of the motion.

Telephone Meeting Issue:

James Welch questioned the necessity of the Special Telephone Board meeting, whose minutes were presented at the meeting and corrected the voting results in that the motions outlined by the minutes were not unanimous in that he voted against the issue that was the purpose of the meeting. **Stan and Christine Earle** and **Karen Williams** also voiced opinions against the calling of the special meeting. All three objected, expressing the opinion that the nature of the meeting did not constitute an emergency. **Goranflo** defended the action indicating that with **Earle's** resignation from the Board, and no Swimming Pool Chairperson in place to take charge of the swimming pool, that the pool maintenance person had no Officer or Director to whom she could report for daily directions and decisions. The vote was amended to reflect **Welch's** vote against the measure and the Minutes of the Special Meeting were approved on a motion by **Kujawski**, seconded by **Wilson** and carried with favorable votes by **Kujawski**, **Wilson** and **Pease** and a no-vote by **Welch** and with **Young** abstaining.

Goranflo noted that **Leonard Kujawski** had been appointed as the Chairman of the Pool Committee. A consensus vote was taken on **Kujawski** as Swimming Pool Chairperson. On a motion by **Young**, seconded by **Wilson**, the appointment was unanimously approved.

Financial Report:

General operating expenses were discussed with specific emphasis on the annual clean-up expenses, the new riding mower expenses and the increase in salary for the Secretary/Bookkeeper.

Particular attention was given to the gasoline expense for the Secretary for trips made by the Secretary in performing ILOA business. **Christine Earle** was very forceful in expressing the opinion that a detailed log of all trips be maintained for ILOA business made by the Secretary and that the reimbursement expense for such trips should be at the rate of 49.5 cents per mile driven. **Welch** strongly agreed that this approach would be more proper even if the reimbursement for such trips exceeded the current gasoline allowance of \$100.00. It was agreed by the Board that beginning immediately, a detailed record of all such trip expenses would be maintained by the Secretary and that such expenses would be at the rate of 49.5 cents a mile as allowed by the IRS. This action was approved on a motion by **Welch**, seconded by **Pease** and unanimously carried.

The Financial Report was accepted on a motion by **Kujawski**, seconded by **Wilson** and unanimously carried.

Karen Williams made final suggestion that the ILOA expenses be posted on the community bulletin board at the entrance to the subdivision. It was also agreed that extra copies of the Director's meeting package would be run for guests attending the Director's Meeting.

Architectural Committee-Wilson

Wilson reported that three permits had been issued and no permitting fees had been collected. **Wilson** indicated a need for a new Permit Application form. **Goranflo** noted that permitting fees would be addressed in the proposed updating of the ILOA Bylaws.

Swimming Pool Committee-Kujawski

Kujawski suggested that the roof of the Pavilion really needed attention due to rust and should be painted. **Kujawski** also suggested that the insides of the restrooms should be painted a lighter color. **Karen Williams** inquired about the security lights and the recording equipment installed to catch acts of vandalism. **Goranflo** stated that this item, not being general knowledge, would not be discussed in an open meeting.

Vandalism to ILOA property was discussed with particular attention to a particular rental house within the subdivision that appears to be the source of many parties with the participants of those parties going swimming after hours and driving their 4-wheel drive vehicles on the ILOA common areas. Particular attention was also given to the continuing anti-social behavior of 2 adolescents who have previously been the subject of arrests for vandalism. **Stan Earle** indicated that the pool area was not safe with the continued actions of these two particular individuals.

Lakes And Fish-Young

Young reported that the Aqua-View Camera, that he had previously indicated that he would purchase for viewing the lake fish population, had been determined to be impractical for that purchase and would not be purchased. **Young** reported that **Luke Wobus** had tentatively agreed to mow the Dam, Bottom and Spillway areas for a total fee of \$250.00 and that he would proceed to give **Luke** the job. As an Independent Contractor, it was suggested that a contact be prepared between the ILOA and **Luke** specifying services to be provided .

A warning system was mentioned in case of a Dam failure. **Goranflo** reported that the issue was being addressed in a special report to the Texas Environmental Commission.

Parks And Roads Committee-Pease

Pease reported on the purchase of a new riding mower and that it was working out well.

Other Business

Welch noted that he had an Independent Contractor Agreement form and would make it available for the purpose of the ILOA contracting with Independent Contractors.

Goranflo volunteered his wife, **Norma** to make the trip to pick up the Bar-B-Q for the annual Meeting and the Secretary agreed to pick up the drinks.

It was reported that the August 25th. Board Meeting would be at the Smithville Library.

There being no further business to come before the Board, the meeting was adjourned on a motion by **Pease**, seconded by **Young** and unanimously carried----ADJOURNED

Secretary/Bookkeeper,
Ernest W. Barnes

Indian Lake Owners Association
Regular Meeting – August 25, 2007
Smithville Library

Minutes

Board Members Present: Leonard Kujawski, Stella Pease, Richard Goranflo,
Sherrie Wilson, Lee Latham, Cindy Johnson

Absent: John Young

Guests: None

President Goranflo called meeting to order. A roll call was taken and it was determined that a quorum was present. The Minutes from the previous meeting were read and approved. A motion was made by **Kujawski** that the Minutes of the previous meeting be accepted and Pease seconded the motion. The vote was unanimous in favor of the motion.

Goranflo introduced **Cindy Johnson** as a newly appointed member of the Board. A motion to approve the appointment was made by **Latham**, seconded by **Pease** and unanimously carried.

Financial Report:

The Secretary presented the Financial Report and was accepted on a motion by **Pease**, seconded by **Kujawski** and unanimously carried.

On a motion by **Pease**, a second by **Kujawski** and unanimously carried a motion was passed to donate \$1,000.00 to the Smithville Fire Department.

Architectural Committee-Wilson

Wilson reported that one new permit had been issued. **Wilson** also noted that Travis Sheffield had called with a complaint that a member named Sam Laws was living in a camper on Pease Pipe in violation of the Subdivision Restrictions.

Swimming Pool Committee-Kujawski

Kujawski reported that a rotten rafter on the pavilion roof had been repaired and that a lock had been placed on the pool fill line. **Kujawski** also noted that the roof of the pavilion was in bad need of painting and that consultations would be held with **Rhonda Johnston's** husband **Chris**, who is a roof repair expert.

On a motion by **Wilson**, seconded by **Latham** and unanimously carried, it was agreed that the Association would explore the possibility of replacing the current 'residential' type commodes in the restrooms with more dependable commercial types of commodes. It was noted that a commercial type commode would cost approximately \$350.00 each.

Lakes And Fish-Young

In lieu of **John Young's** absence, the Secretary reported on the results of the fish survey conducted by John.

Parks And Roads Committee-Pease

Goranflo reported that **James Welch** was giving up his task of coordinating the cleanup on 153. **Cindy Johnson** indicated that she would take over as coordinator of the 153 cleanups and

Stella Pease indicated that she would coordinate with the County Commissioner, **Clara Becket**, on subdivision road repairs.

Other Business

Goranflo called for a Special Business of the Association membership to consideration the approval of the amended Bylaws for October 13, 2007 at 10:00 AM. The meeting to take place at the American Legion Hall in Smithville. The motion to call a special business session was made by Latham, seconded by **Johnson** and unanimously carried.

On a motion by **Pease**, seconded by **Wilson** and unanimously carried, it was decided to build a mini-pavilion over the new bar-b-que pit at the swimming pool area.

There being no further business to come before the Board, the meeting was adjourned on a motion by **Pease**, seconded by **Latham** and unanimously carried----ADJOURNED

Secretary/Bookkeeper,
Ernest W. Barnes

10/13/2007 SPECIAL MEETING

MEETING CANCELLED

A member of the Board of Directors who previously voted approval of the proposed By-Laws has withdrawn that vote so we no longer have the unanimous approval of the Board of Directors.

Current BY-LAWS ARTICLE SEVEN SECTION 1 SAYS:

“These By-Laws or any part, thereof may be amended, modified or repealed only by the unanimous vote of all members of the Board of Directors plus two-thirds (2/3) of the members present “

Please accept our apology for the inconveniences this may have caused you.

INDIAN LAKES OWNERS ASSOCIATION

INDIAN LAKE OWNERS ASSOCIATION

**SPECIAL BUSINESS MEETING
OF
ILOA PROPERTY OWNERS**

Saturday, October 13, 2007 – 10:00 A.M.

**American Legion Annex
(American Legion Road)**

Smithville, Texas 78957

Agenda Items:

Amended ILOA Bylaws

Make Your Plans To Attend Now

**Please Return Your Proxy,
If You Cannot Attend**

[Handwritten signature]
Richard G. ...

September 10, 2007

Dear ILOA Member,

As president of the Indian Lake Owners Association (ILOA) Board of Directors I am requesting that you review the enclosed side by side copies of the existing Association By-Laws and the proposed 2007 amended By-Laws. A summary of differences is included at the end of the side by side section. Legal Counsel has carefully reviewed these By-Laws and suggested some of the additions and changes that are included.

The Board agrees that these By-Laws and the changes they include are very important in order for the Directors to maintain compliance with Deed Restrictions and to more easily manage the Committees that they have volunteered to direct on your behalf.

The Architectural Committee issues building permits and it has a lot to do to assure that Deed Restrictions are met each time a Trailer home or a permanent home is added to a property in the Sub-division. Setbacks, septic system, foundation placement and other factors may require hours of effort by this committee in order to assure that no Deed Restrictions have been violated.

The proposed 2007 By-Laws specify that the Board can set fees for Building Permits. That will allow the Architectural Committee to hire qualified individuals to inspect the building sites at specific times during the construction period in order to verify that all requirements have been met.

Vandalism and other By-Laws violations require special action by the Board and the proposed By-Laws provide that fines may be imposed by the Board in order to more effectively deal with such incidents. In severe cases it might become necessary for the Board to take Legal Action and that aspect is addressed as well in the proposed By-Laws.

At the Annual members business meeting in July 2007 the board intended to bring the proposed 2007 By-Laws up for a vote and because no copy of the current 2005 By-Laws was provided in the membership meeting notice an objection to such a vote was raised at the meeting, stating that no opportunity existed for members to compare the differences, and so no vote on acceptance of the proposed 2007 By-Laws was taken.

As permitted by existing By-Laws, the Board voted unanimously in favor of calling a special Owner / Member meeting to vote on accepting the Proposed (amended in 2007) By-Laws. You are asked to attend a short special Owner/Member business meeting at 10:00 AM on Saturday October 13, 2007 at the American Legion Annex in Smithville, TX. See enclosed agenda. If you are unable to attend this special meeting the Board requests that you please sign and return the enclosed Proxy.

Sincerely,



Richard Goranflo, ILOA Board President

**INDIAN LAKE OWNERS
ASSOCIATION**

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ASSOCIATION BY-LAWS

(As Amended July 23, 2005)

INDIAN LAKE OWNERS ASSOCIATION

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ASSOCIATION BY-LAWS

(PROPOSED)

(Amended 2007)

ARTICLE ONE - MEMBERSHIP

SECTION 1. Each owner of one or more lots in any section or sections of Indian Lake subdivision shall be designated as a member of Indian Lake Owners Association, a non-profit organization, and is entitled to one (1) vote in the Annual Indian Lake Owners Association meeting, or any emergency meeting called by the Board of Directors. Voting privileges will be limited to one owner-member, either in person or by proxy, eligibility being contingent on a paid maintenance assessment of \$120.00 annually, payable the first of each calendar year, as set forth in the Property Restrictions, and any other assessments or accounts due Indian Lake Owners Association.

SECTION 2. All members and their families and guests shall have the right to use all of the Association's facilities, including its swimming pool, boat ramp, parks and recreation areas, to the extent permitted by Association's rules which may from time to time be established by its Board of Directors. Pertaining to membership held by other than a single individual; i.e. a membership by two or more persons, by a corporation, firm or partnership, the use of the Association's facilities shall be only by an individual person and the family of such individual person so designated by any of the above listed joint owners. This individual will also be the only eligible member to vote at any meeting of owner-members, such eligibility being contingent as outlined in Section 1.

ARTICLE ONE - MEMBERSHIP

SECTION 1. Each owner of one or more lots in any section or sections of Indian Lake Subdivision shall be designated as a member of Indian Lake Owners Association, a non-profit organization, and is entitled to one (1) vote in the Annual Indian Lake Owners Association meeting, or any emergency Special Owner-Member Business Meeting called by the Board of Directors. Voting privileges will be limited to one owner-member, either in person or by proxy, eligibility being contingent on a paid maintenance assessment of \$120.00, or such other amount as may be approved by the membership in accordance with the terms of ARTICLE TWO SECTION I, payable annually in January of each calendar year and any other assessments, fines, judgments or accounts due Indian Lake Owners Association. A late fee for non-payment of maintenance fees, assessments, fines, judgments or other accounts may be set and imposed by a majority vote of a quorum of the Board of Directors. Assessment of maintenance fees will be on an ownership basis regardless of number of lots owned by a property owner as approved by a two-thirds (2/3) vote of the Board of Directors and two-thirds (2/3) of the members attending the Annual Meeting either attending in person or by proxy or attending a Special Called Owner-Member Business Meeting in person or by proxy.

SECTION 2. All members, in good standing, and their families and guests shall have the right to use all of the Association's facilities, including the swimming pool, boat ramp, lake, fishing dock, parks and recreation areas, to the extent permitted by the Association's rules which may from time to time be established by its Board of Directors. Use of all facilities being contingent upon the member being current on the payment of all maintenance assessments, special assessments, late fees and other fees and charges as may be imposed by the Board of Directors. Pertaining to a lot held by more than two individuals i.e. a membership by three or more persons, by a corporation, firm or partnership, the use of the Association's facilities shall be only by an individual person and the family of such individual person so designated by any of the above listed joint owners. This individual will also be the only eligible member to vote at any meeting of owner-members, such eligibility being contingent as outlined in ARTICLE ONE SECTION 1.

SECTION 3. The President of the Board of Directors, at the April Directors meeting, shall appoint a nominating committee comprised of a total of not less than three Association members and Board members, which committee shall nominate one nominee for each Directorship to be filled. The Nominating Committee will then report the nominees to the Board of Directors at the June Meeting of the Board for approval as regards the following:

Being of good morals and congenial nature.

Eligibility by financial status in relationship to Indian Lake Owners Association: i.e., all dues and assessments paid to current date.

Concerned interest in affairs regarding Association business and will plan or attend a majority of Board of Directors business meetings while serving as a member.

The names of these nominees will then be proposed in the Annual business meeting of the Indian Lake Owners Association conducted the FOURTH SATURDAY in July, to be balloted on by those members present in person or by proxy vote. Nominations from the floor by members will be accepted. Each nominee having previously agreed to serve if elected.

SECTION 3. Prior to the Annual Business Meeting the President of the Board of Directors shall appoint a Nominating Committee comprised of a total of not less than two Association members in good standing that are not officers or members of the Board and one Board member. The Nominating Committee shall nominate one nominee for each Directorship to be filled. The Chairman of the Nominating Committee shall then report the nominee(s) to the Board of Directors prior to the Annual Meeting and no later than the June Meeting of the Board of Directors for approval with regard to the following:

1. Being of good morals and congenial nature.
2. Eligibility by financial status in relationship to Indian Lake Owners Association: i.e., all maintenance fees, assessments, fines, judgments and other accounts paid to current date.
3. Being willing to accept the position or the chairmanship as to be appointed by the President.
4. Having a concerned interest in affairs regarding Association business and will plan or attend a majority of Board of Directors Business Meetings while serving as a member.
5. Nominees shall not be guilty of flagrant violation of Association Rules, Restrictions and/or By Laws.

Approval of the qualifications of all nominees shall be by a majority of the entire Board. In the event of the disqualification of one or more nominees, the President shall appoint qualified replacements that shall be approved by a majority of the Board.

The names of these nominees will then be proposed at the Annual Business Meeting of the Indian Lake Owners Association conducted the FOURTH SATURDAY in July to be balloted on by those members present in person or by proxy vote. Nominations from the floor by members will be accepted, each nominee having previously agreed to serve if elected and be willing to serve in the position to which he/she shall be appointed.

SECTION 4. The Board of Directors shall meet the last Saturday of each even month; to wit, February, April, June, August, October and December; meetings to begin at 10:00 a.m. and continue until all business is accomplished. The President shall send or cause to have sent, a written notice to each Board Member at least ten (10) days in advance of each meeting, stating the meeting place, the date, the time, and new business to be covered. All meetings to be conducted at Indian Lake Subdivision or the immediate environs thereto. A majority of the Directors shall constitute a quorum at any meeting. Meeting dates of June and December only may be altered or cancelled by a majority vote of the Board, with no other dates affected. The President or a quorum of Directors may call an emergency meeting between regularly scheduled meetings. Emergency Board meetings may be permitted by telephone communication.

SECTION 5. A Director unable to fill his term of office for any reason shall be replaced by recommendation of the President and approved by a majority vote of the Board members. Name of the replacement Board member will then be submitted to Association members for final vote of approval during the next Annual business meeting to fill an unexpired term. A Director that is found to be unsuited to serve on the Board for reasons given in Section 3, and listed under items 1, 2, or 3, will be required to resign by recommendation of the President and/or Board members and approved by AYE vote of a majority of Board members. His vacancy to be filled as outlined above. President of the board may appoint a replacement to fill a seat after three unauthorized absences, following the above formula.

SECTION 4. The Board of Directors shall meet the last Saturday of each even month; to wit, February, April, June, August, October and December; meetings to begin at 10:00 a.m. and continue until all business is accomplished. The President shall send or cause to have sent, a written notice to each Board Member at least four (4) days in advance of each meeting, stating the meeting place, the date, the time, and an agenda of business items to be covered. All meetings will be conducted at Indian Lake Subdivision or the immediate environs thereto. A majority of the current Directors shall constitute a quorum at any meeting. Any meeting date and time may be temporarily changed by a majority vote of a quorum of the Board of Directors where it is determined that serious meeting conflicts exist. The President or a quorum of Directors may call an emergency meeting between regularly scheduled meetings. Emergency Board meetings may be permitted by telephone communication.

SECTION 5. A Board Member, having resigned or unable to fill his/her term of office for any reason shall be replaced by appointment by the President. Name of the replacement Board member will then be submitted to Association members for final vote of approval during the next Annual Business Meeting to fill an unexpired term. The President, as stated above, shall appoint qualified members to fill any Directorship(s) if the members at the Annual Business Meeting fail to agree and subsequently fail to elect Director(s) to fill the existing vacancies on the Board. These appointed Directors shall serve until their names are submitted to the members for approval at the next Annual Business Meeting. A Board Member may be replaced after three absences in a calendar year or misuse of position as Committee Chairperson/Director, or flagrant violation of Association Rules, Restrictions and/or Bylaws. A Director that is found to be unsuited to serve on the Board for any reason(s) given in ARTICLE THREE SECTION 3, and listed under items 1, 2, 3, 4 or 5 or having missed three Board Meetings in a calendar year shall be required to resign upon recommendation of the President and/or any Board member and approved by a majority vote of the entire Board. His/Her vacancy is to be filled as outlined above.

SECTION 6. No Board member shall receive remuneration for services rendered to Indian Lake Owners Association while a member of the Board of Directors.

SECTION 6. No current Board member shall receive remuneration for services rendered to Indian Lake Owners Association. Board Member relatives and Committee Members may receive remuneration for services rendered for what shall be determined to be a special need in meeting the financial requirements or needs of the Association only after the approval of a majority of a quorum of the Board. Board Members and Committee Members can be reimbursed for out-of-pocket expenses when expending personal funds for Association supplies. i.e., gas, trash dumps, equipment repairs, and etc. upon presentation of paid receipts.

SECTION 7. The Board of Directors, by a majority vote of the entire Board may assess Special Assessments, not to exceed \$50.00 per calendar year or such other amount as may be approved by a two-thirds (2/3) vote of the Board and a two-thirds (2/3) vote of the membership, as required to cover emergency situations as determined by a majority of the entire Board and to meet the budgeting requirements of the approved categories of the Association's expenses. The approval of the categories of the Association's expenses shall be by a majority vote of the entire Board and which are represented by the Association's Annual Budget.

ARTICLE FOUR - OFFICERS

SECTION 1. The Officers of the Board of Directors shall be one President, one Vice President, one Secretary, one Treasurer, Pool Committee Chairman, Parks and Roads Committee Chairman, Lakes and Fish Committee Chairman, and Architectural Committee Chairman, all elected by the Board of Directors. A term of office shall be from Annual Meeting to Annual Meeting of the Association, the fourth Saturday in July. On the same day the Board of Directors shall meet to elect new officers for the ensuing year. All officers shall be qualified members of the Board of Directors and Indian Lake Owners Association.

ARTICLE FOUR - OFFICERS

SECTION 1. The Officers of the Board of Directors shall be; 1) one President, 2) one Vice President, 3) one Secretary/Treasurer, 4) one Pool Committee Chairman, 5) one Parks and Roads Committee Chairman, 6) one Lakes and Fish Committee Chairman, and 7) one Architectural Committee Chairman. A Recording Secretary/Bookkeeper, if appointed/hired by the Board will be an officer of the Board without voting privileges and with responsibilities as outlined in ARTICLE FOUR SECTION 4. All committee assignments will be made on an annual basis by the President upon the adjournment of the Annual Business Meeting. (See ARTICLE SIX SECTION 5) The term of all chairmanships and positions including the office of President, Vice President and Secretary/Treasurer shall be from annual meeting to annual meeting.

SECTION 2. The President shall be the chief executive officer of Indian Lake Owners Association and shall preside over the members Annual business meeting and shall, during his term, conduct all business matters for the Association with its best interest foremost. All such action must first receive an approval vote of the majority of the Board of Directors. He shall also preside over the Board of Directors in their regularly scheduled business sessions as well as any called emergency sessions. No action may be taken by the President until an approval vote by a majority of Board members is received.

SECTION 3. The Vice President shall exercise the functions of the President in his absence and shall perform such other duties as the Board of Directors may prescribe.

SECTION 4. The Secretary (see section 6 below) shall keep or cause to be kept, the minutes of all meetings, a complete list of all members and their addresses, updating said list throughout the year as required, shall mail such notices as required therein, and shall perform all duties required as a Secretary.

SECTION 5. The Treasurer (see section 6 below) shall be responsible for the collection of all fees, dues, and charges, and the handling and disbursing of all money. He shall be responsible for the proper accounting of the Association's financial affairs and the preparing of proper reports on financial matters and such other reports as may be specified by the Board of Directors.

SECTION 2. The President shall be the chief executive officer of Indian Lake Owners Association and shall preside over the members Annual Business Meeting and any Special Called Owner-Member Business Meeting and shall, during his term, conduct all business matters for the Association with its best interest foremost. All such action must first receive an approval vote of the majority of a quorum of the Board of Directors. The President shall also preside over the Board of Directors in their regularly scheduled bi-monthly business sessions. The Vice President shall preside in the absence of the President. The President or Vice President shall take no action until an approval vote by a majority of a quorum of the Board members is received. All owners of rental property within the subdivision shall be provided with a copy of the ILOA Restrictions and Bylaws and be encouraged to provide both documents to their renters and will be encouraged to include the proper language in their rental agreements. All ILOA Restrictions and Bylaws must be observed by the renter and failure to do so will be grounds for voiding the rental agreement. All legal actions, involving the courts or an attorney, taken by the Association must be approved by a majority vote of the entire Board of Directors.

SECTION 3. The Vice President shall exercise the functions of the President in his absence and shall perform such other duties as the Board of Directors may prescribe.

SECTION 4. The Secretary/Treasurer shall keep or cause to be kept (see SECTION 5 below), the minutes of all meetings, a complete list of all members and their addresses, updating said list throughout the year as required, shall mail such notices as required therein, and shall perform all duties required as a Secretary/Treasurer. The Secretary/Treasurer shall be responsible for the collection of all maintenance fees, and late charges, special assessments and other monies and the handling and disbursing of all monies. He/she shall be responsible for the proper accounting of the Association's financial affairs and the preparing of proper reports on financial matters and such other reports as may be specified by a majority vote of the Board of Directors.

SECTION 6. In lieu of Section 4 and 5 above, and approval vote of all members of the Board of Directors, a professional secretary/bookkeeper may be hired, preferably from the Smithville area. Equitable remuneration shall be established between the person so elected and all members of the Board of Directors. Duties of the Secretary/Bookkeeper shall include all those outlined in Section 4 and 5 above and he shall be responsible for the Minutes and Financial Report to the Annual Association business meeting, the Minutes of which shall be read at the first regularly scheduled business meeting of the Board of Directors.

SECTION 7. Pool Committee Chairman shall (1) be responsible for maintaining buildings and grounds in a safe and attractive condition, i.e. Pool, Pavilion, and Playgrounds; (2) hire employees and assign their duties and be responsible for same; (3) assign opening and closing dates and times for pool and restrooms. Monitors will check for current ILOA passes.

SECTION 8. Lakes and Fish Committee Chairman shall (1) be responsible for stocking of fish in lake; (2) checking for vegetation in lake and need for fertilization; (3) maintenance of dam and spillway, fishing dock and boat ramp; (4) patrolling for trespassers on lake, checking for current ILOA passes; and (5) observation and maintenance of lower pond.

SECTION 9. Parks and Roads Committee Chairman shall (1) check with Bastrop County for repair and maintenance of all roads except "dead-ends" and "cul-de-sacs", including mowing of grass along said roads; (2) hire person(s) to mow front entrance area, lower pond park, garbage dump area and boat ramp area; (3) check for replacement of County and all other road signs within the subdivision.

SECTION 5. With the approval of all members of the Board of Directors, a Recording Secretary/Bookkeeper may be hired preferably from the Smithville area. Equitable remuneration shall be established between the person so approved and a majority of the members of the Board of Directors. Duties of the Recording Secretary/Bookkeeper shall include all those outlined in ARTICLE FOUR SECTION 4 of the Secretary/Treasurer, including any additional duties and responsibilities as directed by the Board. The Secretary/Bookkeeper shall be responsible for the Minutes and Financial Reports to the Annual Association Business Meeting and all regular Board Meetings and special called Board Meetings. A Recording Secretary/Bookkeeper shall serve at the pleasure of the Board and may be relieved of duties and responsibilities at any time and without notice and without cause by a majority vote of all Directors.

SECTION 6. Pool Committee Chairman shall (1) be responsible for maintaining the pool area buildings and grounds in a safe and attractive condition, i.e. pool, pool equipment, restrooms, pavilion, playgrounds and playground equipment; (2) hire pool employees, (3) and assign their duties and be responsible for same; (4) assign opening and closing dates for the park, pool and restrooms and daily opening and closing times of operation for the pool, park and restrooms. The Pool Committee Chairman may appoint a special committee of one or more persons to exercise any or all of the above responsibilities with the direct approval of the Pool Committee Chairman.

SECTION 7. Lakes and Fish Committee Chairman shall (1) be responsible for stocking of fish in lake; (2) checking for and controlling the vegetation in the lake and determining the need for fertilization and fish cover; (3) maintenance of dam and spillway, fishing dock and boat ramp and (4) maintenance of the lower pond.

SECTION 8. Parks and Roads Committee Chairman shall be responsible for: (1) mowing of grass along subdivision roads; (2) hiring person(s) to mow front entrance and storage areas, and any other area designated by an agreement with other Chairpersons and/or as directed by a majority vote of the Board of Directors); (3) maintaining all maintenance equipment belonging to the Association and (4) checking for replacement of County and all other road signs within the subdivision and reporting to the Chairman delegated with the responsibility of coordinating with the County Commissioner. Mowing and maintenance of all Association maintenance areas may be assigned to any officer or Director with the agreement of the respective responsible Chairmen.

SECTION 10. Architectural Committee Chairman shall enforce deed restrictions and by-laws for Sections I, II, III, and IV.

SECTION 11. All records shall be audited annually. The incoming President will appoint an Audit Team consisting of three (3) Association members in good standing to perform an audit and report to the Board of Directors in regular business session. Should a further audit be required, the Audit Team shall recommend to the Directors that a professional Audit be obtained.

SECTION 12. All Funds belonging to Indian Lake Owners Association shall be maintained in a banking institution and/or Savings and Loan Association approved by the Board of Directors. Financial disbursement or fund transfer shall require signatures of both the Treasurer and President, or whom he appoint from the Board of Directors. Co-signers of any financial institution will require that each individual be bonded in the amount of \$10,000.00.

SECTION 13. All records of Indian Lake Owners Association shall be made available for inspection by any member, in good standing with the Association, at the Office of the Secretary by appointment.

SECTION 9. Architectural Committee Chairman shall enforce deed restrictions and Bylaws for all Sections within the Indian Lake Subdivision. The Architectural Committee Chairperson shall be the Chairperson of the Architectural Control Committee as outlined in ARTICLE FIVE SECTION 3. The Architectural Chairperson shall also be responsible for the bringing of any legal actions against any members for non-payment of maintenance fees, special assessments or other fees approved by the Board and for the violation of deed restrictions. This legal responsibility may be assigned to any other officer or Director by a majority vote of the entire Board. See ARTICLE FOUR SECTION 2, to-wit: All legal action(s) taken by the Association involving the courts or an attorney must be approved by a majority vote of the entire Board.

SECTION 10. All Association's financial records shall be audited annually. Where a Recording Secretary/Bookkeeper has been hired to manage the financial affairs of the Association and pay bills, the President will appoint an Audit Team consisting of the Secretary/Treasurer and any additional members that the Secretary/Treasurer may select that are in good standing. The Audit Chairman shall report the results of the audit to the Board of Directors in regular business session. Where the Secretary/Treasurer maintains the Association's financial records and pays bills the President shall appoint another Board Member and any additional members that the appointed Board Member may select to perform the audit. Should a further audit be required, the Audit Team shall recommend to the Directors that a professional Audit be obtained.

SECTION 11. All Funds belonging to Indian Lake Owners Association shall be maintained in a banking institution and/or Savings and Loan Association approved by the Board of Directors. Financial disbursement or fund transfer shall require the signature of the Secretary/Treasurer or the President. This responsibility may be delegated to the Recording Secretary/Bookkeeper, who shall be bonded in the amount of \$10,000.00, by a majority vote of the Board of Directors. Only the individual actually managing the financial affairs of the Association shall be required to be bonded, to-wit: The President, the Secretary/Treasurer or the Recording Secretary/Bookkeeper.

SECTION 12. Checking all persons for a current valid membership card for access and use of any ILOA recreational areas or amenities may be conducted by any Association Member in good standing.

SECTION 13. All records of Indian Lake Owners Association shall be made available for inspection by any member, in good standing with the Association, at the Office of the Secretary/Treasurer or the Recording Secretary/Bookkeeper by appointment.

ARTICLE FIVE - COMMITTEES

SECTION 1. The Board of Directors and/or the President may appoint certain committees from time to time and delegate each committee such duties as the Directors and the President may deem proper.

SECTION 2. The appointment of the nominating committee shall be made by the President as provided in Article Three-Section 3.

ARTICLE SIX - MEETINGS

SECTION 1. An Annual Meeting of Indian Lake Owners Association shall be conducted at Indian Lake Subdivision or the environs thereto each Fourth Saturday of July, commencing at 10:00 A.M. The President of the Board of Directors for the current year shall preside. With the President will also be Board Members acting in their official capacity, the official Secretary and Treasurer, or a representative, to keep Minutes and give required reports, and a parliamentarian who will judge on parliamentary procedures based on Roberts Rules of Order. A special emergency meeting may be called by the President or a majority of the Board of Directors.

ARTICLE FIVE - COMMITTEES

SECTION 1. The Board of Directors and/or the President may appoint certain committees from time to time and delegate each committee such duties as the Directors and/or President may deem proper.

SECTION 2. The President, as provided in ARTICLE THREE SECTION 3, shall make the appointments to the Nominating Committee.

SECTION 3. The President shall appoint three members to serve on the Architectural Control Committee. The persons appointed may be a combination of serving Directors and individuals from the community in good standing. Two of the three appointed members shall be active members of the Architectural Control Committee and the third person shall fill in as required during the absence of a regular member. The Architectural Committee Chairman shall be the chairman of the Architectural Control Committee which shall accept and review Construction Permit Applications as specified in ARTICLE FIVE - SECTION 4 and approve those that comply with Subdivision Restrictions and Permit Requirements. All permits shall require the approval and signatures of all three active members of the Architectural Control Committee.

SECTION 4. A Construction Permit shall be required for new home construction, the moving-in and placement of any mobile or modular home, the erection or moving-in of any type of storage building, any improvement to a property such as additions, exterior remodeling, roofs, garages, carports, fences, pools of any type, or any other type of improvement to property. All construction, exterior remodeling and improvements must conform to the Bylaws and Restrictions of the Association. Permit fees shall be set, and may be periodically updated, for the issuance of any permit by a majority vote of a quorum of the Board. Construction Permits shall not be issued unless required fees have been paid.

ARTICLE SIX - MEETINGS

SECTION 1. An Annual Meeting of Indian Lake Owners Association shall be conducted at Indian Lake Subdivision or the environs thereto each Fourth Saturday of July, commencing at 10:00 A.M. The President of the Board of Directors for the current year shall preside. With the President will also be Board Members acting in their official capacity. The Secretary/Treasurer or the Recording Secretary/Bookkeeper shall keep Minutes and give required reports, and a parliamentarian, if available, will judge on parliamentary procedures based on Roberts Rules of Order. The President or a majority of the Board of Directors may call a Special Owner-Member Business Meeting of all Association Members with fifteen (15) days notice to all members.

SECTION 2. The vote of a majority of the total votes cast by qualified voting members present in person or by signed proxies, shall decide any questions brought before such meeting, with the respective members to have such votes as described in ARTICLE ONE.

SECTION 2. The vote of a majority of the total votes cast by qualified voting members present, in person or by signed proxies, shall decide any questions brought before such meeting, with the respective members to have such votes as described in ARTICLE ONE SECTION 1 with the exception of amending the Association Bylaws which requires a two-thirds(2/3) vote of both the entire Board and a two-thirds(2/3) vote of all Association members attending an Annual Business Meeting or Special Called Owner-Member Business Meeting as per ARTICLE SEVEN SECTION 1 and ARTICLE TWO SECTION 1. All proxies received by the Board of Directors, or presented by any member, shall be verified by both the Association Secretary/Treasurer and the Recording Secretary/Bookkeeper or other Director, to be proxies received from members in good standing; i.e., all maintenance fees, assessments and other charges being current five days prior to the Annual Meeting or a Special Called Owner-Member Business Meeting.

SECTION 3. As per ARTICLE THREE SECTION 2 all Chairmanships and the offices of the President, Vice President and the Secretary/Treasurer are null and void with the adjournment of the Annual Business Meeting. A Special Board Meeting will be held immediately following the adjournment of the Annual Business Meeting for the purpose of electing a new President and making subsequent appointments. A quorum consisting of a majority of Directors must be present. The Recording Secretary/Bookkeeper will call the meeting to order if such person has been previously hired. Where a Recording Secretary/Bookkeeper is not available, the previous Secretary/Treasurer, President or Vice President, in that order, will preside. The presiding person will call the meeting to order and immediately accept nominations for the office of President. Upon close of nominations, a new President will be elected and shall require a majority vote of the Directors present. The newly elected President will assume immediate chairmanship of the meeting and immediately proceed to assign the positions of Vice President, Secretary/Treasurer and chairmanships of the authorized committees as per ARTICLE FOUR SECTION 1. Upon completion of assignments the meeting will immediately adjourn in that no other business may be transacted at this Special Meeting.

SECTION 3. Meetings of the Board of Directors shall be as provided in Article three, Section 4.

SECTION 4. Meetings of the Board of Directors shall be as provided in ARTICLE THREE SECTION 4.

SECTION 4. A written notice shall be mailed at least fifteen days prior to the Annual Association business meeting to all members stating date, time and pertinent business matters to be presented. A written notice shall be mailed at least ten days prior to the meeting of the Board of Directors, stating date, time, place and pertinent business matters to be covered. Emergency Board meetings may be permitted by telephone communication.

ARTICLE SEVEN - AMENDMENTS

SECTION 1. These By-Laws or any part, thereof may be amended, modified or repealed only by the unanimous vote of all members of the Board of Directors plus two-thirds (2/3) of the members present and voting in an Annual membership meeting.

SECTION 2. The Association shall not enter into any contract to pay, and shall not pay, any salary or other remuneration to any officer, Director or Committee members of the Association for their services as such nor in any capacity regardless of the capacity in which they act.

ARTICLE EIGHT - LIABILITY

SECTION 1. Members of the Indian Lake Owners Association Board of Directors, either severally or collectively, are to be absolved of any liability or lawsuit that may arise during their tenure of office as a result of any action he, she, or they may have taken in the performance of their respective duties as Board Members.

SECTION 5. A written notice shall be mailed at least fifteen (15) days prior to the Annual Association Business Meeting or a Special Called Owner-Member Business Meeting to all members stating date, time and pertinent business matters to be presented, including any proposed changes in the Association Bylaws. A written notice shall be mailed or delivered at least four (4) days prior to the Meeting of the Board of Directors, stating date, time, place and pertinent business matters to be covered. Emergency or special Board meetings may be permitted by telephone communication.

ARTICLE SEVEN - AMENDMENTS

SECTION 1. These By-Laws, or any part thereof, may be amended, modified or repealed only by a two-thirds(2/3) vote of all members of the Board of Directors, plus two-thirds (2/3) vote of the members present and voting in an Annual or Special Called Owner-Member Business Meeting, either attending in person or by proxy.

SECTION 2. The Association shall not enter into any contract to pay, and shall not pay, any salary or other remuneration to any elected or appointed Director or Committee member of the association for their services as such nor in any capacity regardless of the capacity in which they act except that Directors and Committee members may be reimbursed for special trips in their personal vehicles, at the rate-per-mile as approved by the IRS, for performing specific Association business as approved by the Board. Individuals who perform services for the Association under contract shall be compensated according to the terms of their contract.

ARTICLE EIGHT - LIABILITY

SECTION 1. The Indian Lake Owners Association hereby agrees to indemnify and hold harmless the Directors and Officers of the Association from any and all claims of liability, including the cost of defense that may arise, directly or indirectly, as the result of actions taken by them as Officers and Directors or Board Members on behalf of Indian Lake Owners Association to the full extent permitted by Art. 1396-2.22A of the Texas Nonprofit Corporation Act.

SECTION 2. The Board of Directors shall from time to time, by a majority vote of all Directors, designate a registered agent for service to receive notifications from the Secretary of State and service of process on behalf of the Association, and upon the resignation, removal or change of such agent for service, will designate an additional registered agent for service in the manner required by law with the Secretary of State.

SECTION 2. The Secretary of Indian Lake Owners Association is hereby designated as the registered agent to receive legal correspondence. Secretary may change from time to time and By-Laws will be updated to reflect these changes. At present, Secretary is Ernest W. Barnes, located at P.O. Box 808, Smithville, TX 78957.

ARTICLE NINE - POLICY STATEMENT

SECTION 1. Dogs must be kept within the boundary of owner's property. When walking dogs they must be on a leash. No dogs or cats allowed in the pavilion or pool area.

Section 2. Boat Docks must not exceed thirty (30) feet from normal water line when lake is full.

SECTION 3. A 25 MPH Speed limit or posted speed limit will be enforced on all streets in the subdivision.

SECTION 4. All vehicles must have a current registration and safety inspection sticker to be parked in the subdivision.

SECTION 5. Houses, mobile homes, campers, travel trailers, and storage buildings; must be kept in an attractive exterior condition.

SECTION 6. Lot or lots with any of the following; house, mobile home, campers, travel trailers, and storage buildings; must be kept clean of trash, brush, high weeds, and grass must be mowed.

SECTION 7. Trespassers on properties of Indian Lake Owners are liable to prosecution.

SECTION 8. Trotlines, jug lines, and unattended fishing lines are not allowed in the lake. State of Texas Parks and Wildlife Department Fishing Laws will be observed on length and number of fish in possession. No motor larger than 10HP will be allowed to power any type water craft on the lake. No water skiing or jet skiing allowed.

SECTION 3. The Secretary/Treasurer of Indian Lake Owners Association or the Recording Secretary/Bookkeeper, as provided for in ARTICLE FOUR SECTION 5, is hereby designated as the registered agent to receive all legal correspondence. The Association Recording Secretary/Bookkeeper may change from time to time and the Bylaws will be updated to reflect these changes. The Association Recording Secretary/Bookkeeper shall receive all correspondence for the Association at P.O. Box 808, Smithville, Texas 78957.

ARTICLE NINE

Regulations for use of Owners Association Facilities

SECTION 1. Dogs must be kept within the boundary of owner's property. When walking dogs they must be on a leash. No dogs or cats, or other domesticated animals, shall be allowed in the pavilion or pool area.

SECTION 2. Boat Docks must not exceed thirty (30) feet from normal water line when lake is full. All Boat Docks must be kept in good repair.

SECTION 3. A 25 MPH Speed limit or other posted speed limits will be enforced on all streets in the subdivision.

SECTION 4. All vehicles must have a current registration and safety inspection sticker to be parked in the subdivision.

SECTION 5. Houses, mobile homes, campers, motor homes, travel trailers and storage buildings must be kept in an attractive exterior condition.

SECTION 6. Lot or lots with any of the following: house, mobile home, campers, motor homes, travel trailers, and storage buildings must be kept clean of trash, brush, high weeds, and grass must be mowed.

SECTION 7. Trespassers on properties of Indian Lake Owners Association are liable to prosecution.

SECTION 8. Trotlines and jug lines are not allowed in the lake. State of Texas Parks and Wildlife Department Fishing Laws will be observed on length and number of fish in possession. No motor larger than 10HP will be allowed to power any type of watercraft on the lake. No water skiing or jet skiing allowed.

SECTION 9. Motorized vehicles prohibited on dam, in park, and in pool area.

SECTION 10. No Firearms will be discharged in Indian Lake Subdivision except for home protection.

SECTION 9. Motorized vehicles are prohibited on dam, in park(s), spillway area, in pool area or other ILOA common areas with the exception of those motorized vehicles that are used to mow and maintain such areas.

SECTION 10. No Firearms will be discharged in Indian Lake Subdivision except for home protection.

SECTION 11. The pool/park/pavilion area shall have signs posted for opening and closing times. No after-hours activities shall be permitted in this area. Loud music, boom boxes, or other noise devices shall not be permitted at any time.

SECTION 12. Appropriate fines approved by a majority of the Board of Directors may be levied against property owners found to be in violation of ARTICLE NINE SECTIONS 1, 2 5 and 6. Such fines will carry the same weight and sanctions as maintenance fees and special assessment with late fees imposed for non-payment.

SECTION 13. Failure to comply with the regulations or sanctions approved by a majority of a quorum of the Board of Directors may be made the basis for suspension or termination of the right to use the facilities, subject to the Association's regulations. Such suspension or termination may be imposed at any regular or special-called meeting of the Board of Directors, provided that fifteen (15) days written notice by certified letter has been furnished to the affected owner. The suspension or termination of an owner's right to use any Association facilities does not negate the responsibility of the owner to pay all maintenance fees, special assessments or other fees as imposed by the Indian Lake Owners' Association.

SECTION 14. A Renter's failure to comply with the regulations or sanctions approved by a majority of a quorum of the Board of Directors may be made the basis for suspension or termination of the renter's right to use any and all Association facilities, subject to the Association's regulations. A Renter's privileges to use any Association facilities, previously granted as a courtesy by the Board of Directors, may be suspended or terminated at any time, without cause. Notice to the Renter can be delivered verbally by any Officer or Director of the Board. The suspension or termination of a Renter's privilege, granted by the Board of Directors, to use Association facilities does not negate the responsibility of the Landlord/Owner to pay all maintenance fees, special assessments or other fees as imposed by the Indian Lake Owners' Association.

SECTION 15. Each landlord or acting landlord of rental property in the subdivision shall be encouraged to include an appropriate clause in their rental agreements that all tenants will abide by the Bylaws and Restrictions of the Association.

SECTION 16.**NOTICE**

ANY NOTICE REQUIRED OR PERMITTED BY THESE BYLAWS SHALL BE CONSIDERED GIVEN WHEN, IF DEPOSITED IN THE UNITED STATES MAIL, POSTAGE PREPAID, IN A PROPERLY ADDRESSED ENVELOPE AND SENT AS CERTIFIED MAIL. THE ADDRESS TO WHICH NOTICE WILL BE SENT SHALL BE PRESUMED TO BE THE SAME AS THE ADDRESS FOR WHICH AD VALOREM TAX NOTICES ARE SENT BY BASTROP COUNTY, UNLESS A WRITTEN NOTICE IS FURNISHED TO THE SECRETARY/TREASURER OR THE RECORDING SECRETARY/BOOKKEEPER OF THE OWNER'S ASSOCIATION REQUESTING NOTICE AND NOTIFICATIONS AT A DIFFERENT ADDRESS.

Summary of Proposed Changes

ARTICLE 1 :

- SECTION 1.** (Clarified to specify when maintenance fees are due and that maintenance fees are the same for all property owners regardless of the number of lots owned.)
- SECTION 2.** (Clarifies that members account must be current in regard to all fees imposed by the Association.)
- SECTION 3.** (Clarifies that maintenance fees are paid on all rental properties and that Renters access to Association amenities are a privilege and may be revoked.)
- SECTION 4.** (Clarifies the rights of member's guests.)
- SECTION 5.** (Clarifies when access to Association amenities may be revoked.)

ARTICLE 2 :

- SECTION 1.** (Clarifies that the Board may present a Maintenance Fee increase to the Annual Meeting for approval by a two-thirds vote and that a 'contingency development' may be determined by the Board.)
- SECTION 2.** (Clarifies when late fees take effect.)

ARTICLE 3 :

- SECTION 1.** (Same but Reworded)
- SECTION 2** (Clarifies that all Director Positions are null and void upon the adjournment of the Annual Meeting.)
- SECTION 3** (Add qualification numbers 3 and 5.)
- SECTION 4.** (Changed Directors notice of meeting from 10 days to 4 days.)
- SECTION 5.** (Clarified that new appointments must be approved by the Board. Clarifies reasons that a Board Member can be removed from the Board.)
- SECTION 6.** (Clarifies when Board Members can be reimbursed for expenses.)
- SECTION 7** (**NEW - Previously approved at Annual Membership Meeting But not reflected in July 23 2005 amended By-Laws** - Gives the Board the authority to assess Special Assessments up to \$50.00 a year without membership approval.)

ARTICLE 4 :

- SECTION 1** (Clarifies Board Positions and the renames the office of Treasurer to Secretary/Treasurer.)
- SECTION 2** (Added information concerning Renters and Rental Property Owners)
- SECTION 3.** (No Change)
- SECTION 4.** (Defines the responsibilities of the Secretary/Treasurer Officer which was previously two positions)
- SECTION 5.** (Previously **SECTION 6**) (Clarifies that the Secretary/Bookkeeper may be dismissed at any time and without cause.)
- SECTION 6.** (Previously **SECTION 7**) (Clarifies the duties of the Chairman of the Pool Committee)
- SECTION 7.** (Previously **SECTION 8**) (Clarifies the duties of the Chairman of Lakes and Fish Committee)

- SECTION 8.** (Previously **SECTION 9**) (Clarifies the duties of the Chairman of Parks and Roads Committee)
SECTION 9. (Previously **SECTION 10**) (Clarifies the duties of the Chairman of the Architectural Committee)
SECTION 10. (Previously **SECTION 11**) (Expands on audit procedures)
SECTION 11. (Previously **SECTION 12**) (Specifies that only the authorized person normally signing checks be bonded)
SECTION 12. (Previously **SECTION 13**) (No change)
SECTION 13. (NEW - Clarifies who may check for valid membership cards.)

ARTICLE 5 :

- SECTION 1.** (No Change)
SECTION 2. (No Change)
SECTION 3. (NEW - Clarifies appointments to the Architectural Committee)
SECTION 4. (NEW - Clarifies Architectural Committee authority to issue Construction Permits)

ARTICLE 6 :

- SECTION 1.** (Added 15 days notice requirement for special meetings)
SECTION 2. (Modified to clarify the verification of proxies)
SECTION 3. (No Change)
SECTION 4. (No Change)
SECTION 5. (NEW – Clarifies procedure for conduct of Special Board Members Meeting following Annual Business Meeting)

ARTICLE 7 :

- SECTION 1.** (Changes requirement to 2/3's of the Board to present changes to the Annual Meeting.)
SECTION 2 (Permits reimbursing the Directors for mileage expenses on special trips.)

ARTICLE 8 :

- SECTION 1.** (Added legal reference.)
SECTION 2 (Deletes specific names)

ARTICLE 9 :

- SECTION 1.** (No Change)
SECTION 2. (No Change)
SECTION 3. (No Change)
SECTION 4. (No Change)
SECTION 5. (No Change)
SECTION 6. (No Change)
SECTION 7. (No Change)
SECTION 8. (No Change)
SECTION 9. (Clarifies Restriction of Motorized Vehicles on Dam and in Parks excludes those used for Maintenance and Mowing)
SECTION 10. (No Change)
SECTION 11. (NEW – Requirement added for posted operating hours of Pool/Pavilion area and Noise Restrictions)
SECTION 12. (NEW – Board approval of Fines for Violations of Sections 1, 2, 5 and 6 of ARTICLE 9)
SECTION 13. (NEW – Basis for suspension or termination of a Member's right to use any and all Association facilities)
SECTION 14. (NEW – Basis for suspension or termination of a Renter's right to use any and all Association facilities)
SECTION 15. (NEW – Encourage Landlords to add Compliance to By-Laws and Deed Restrictions Clauses to Lease Agreements)
SECTION 16. (NEW – Legal Requirement Added for NOTICES)

**Minutes of the Executive Board Meeting
Of the Indian Lake Owners Association
Held on October 27, 2007**

Board members present: Richard Goranflo, John Young, Lee Latham, Leonard Kujawski, Sherrie Wilson and Cynthia Johnson

Board members absent: Stella Pease

Member Guests: Please see attached sign in sheet which reflects all guests present for the meeting.

Board President Richard Goranflo called the meeting to order at 10:10 am. A roll call was taken and it was established that a quorum was present. Minutes from the previous Board meeting were read. A motion was made by Leonard Kujawski and seconded by Lee Latham to accept the minutes as read. Motion carried.

Reports by Board members:

Financial Report

Lee Latham reported that Ernie Barnes had turned over the check book, files, and records to him as of 10/27//07. Lee will update the financial records in the next week. A budgetary report from Ernie Barnes was presented by Lee Latham.

Cynthia Johnson made a motion to accept the financial report and Sherrie Wilson seconded. Motion carried.

Discussion followed about how to fill the positions that had been the responsibility of Ernie Barnes. ILOA needs to hire a bookkeeper, a recording secretary and a contact person who can answer questions regarding the subdivision.

A member asked about having some of the point of contact questions answered by additional information being included on the ILOA web site. Permission will have to be granted by each homeowner before including personal ownership information.

A member informed the Board that the comment section of the web site had some derogatory remarks on it that needed to be removed, and that the web site did not seem to be well maintained at present. Richard Goranflo asked for volunteers to maintain website. No volunteers came forward.

Discussion returned to the subject of hiring a bookkeeper and or recording secretary. One local person who was contacted ultimately declined the position. Richard Goranflo said that if we separated the two positions we would need another kind of

software other than Quick Books. Lee Latham will issue checks to pay the Association bills until this person is found, and Richard and other members of the Board will pick up some of the other responsibilities.

A member suggested that we put up an Association postal box on site. Richard Goranflo pointed out that the Association address is registered with the Secretary of State and other entities, and that a mail box on site would be subject to vandalism.

*Action Item – Richard Goranflo and Lee Latham will continue to look into hiring of a bookkeeper and secretary, and would delineate the responsibilities of the position. Cynthia Johnson and Metta Johnson were asked to help in this endeavor and both said they would.

There was a suggestion by a member that we have the books audited up to the current date, and it was pointed out that current reports do not reflect the Association assets.

Leonard Kujawski suggested that the ILOA Members Action Committee bring things to the Board for consideration. He suggested that these issues would be included on the Board Meeting agenda if they were presented to the Board at least two weeks before the next meeting of the Board.

Member Bill Nance introduced himself as the spokesman for the ILOA Members Action Committee, and suggested that any issues brought to the Committee by homeowners who are not able to bring them to the Board be brought to the Board by the Committee.

Richard Goranflo said that he would certainly be willing to put a space in the agenda for the Committee at every Board meeting.

Mr. Nance further said that there are things that have taken place on the Board that the Committee does not approve of and submitted a request from the Committee that Richard Goranflo resign as President of the Association.

Richard accepted the proposal from Mr. Nance and said the Board will consider the proposal and take appropriate action.

A suggestion to change the site of the Board meetings will be on the agenda of the next Board meeting.

Architectural Committee

Sherrie Wilson reported that there were no new permits applied for or approved since the last Board meeting.

Swimming Pool

Leonard Kujawski reported that there was a new cover installed over the barbeque pit thanks to Ernie Barnes, and Jeff Johnson and his crew. The lights have been fixed by the basketball court, and new flush valves were purchased for the ladies and means rooms, and will be installed by Clarence.

Discussion was held regarding painting the roof of the pavilion, and mention was made that Rhonda's brother had volunteered to do some concrete work for free.

Lakes and Fish Committee

John Young reported that he had spoken to the Texas Parks and Wildlife Department and that they recommended two items to rejuvenate the lake, those being spreading lime on the lake and aeration. Discussion ensued about quality of water in the lake and the possibility of having the water tested by the county health department or some other entity.

Roads and Parks

Stella Pease was absent from the meeting, so there was no report.

Old Business

Cynthia Johnson thanked all the people that had come out to help with the highway clean up.

Schedule of Next Board Meeting

Richard Goranflo asked if there were any scheduling conflicts with any members of the Board for a meeting on December 8, 2007. Availability of the room at the Library will have to be verified before confirming this date.

Bill Nance commented that there was a better spirit of volunteerism amongst the membership currently and invited the Board to call the Committee for any help it needs.

Richard Goranflo said that more participation was welcome from the association membership. He requested that the Committee sit down with the Board to discuss changes in the by-laws.

Mr. Nance said that the Committee will invite the Board to attend a future Committee meeting.

Leonard Kujawski made a motion to close the meeting which was seconded by John Young. Motion carried.

Respectfully Submitted

Cynthia Johnson
Vice President

ILOA BOARD Meeting GUEST LIST

10/27/07

Bill Nand

DAN COX

Carolyn Koopman

~~Marybeth Strong~~

~~Mark Strong~~

Lloyd W Koopman

Nick Wilson

GAIL BYLER

Travis Sheffield

Crystal Lukachik

Ted Lukachik

PHIL WEBB

Chin Earle

Star Earle

Charles Johnson

~~Star~~

Margaret Adkins

Ramona Bradford

~~Collet Bradford~~

Ken Miller

Gordon Miller

Clifford Asak

Holly Titus

Nyna Evans

~~Bill Evans~~

Judy Latham

Woodie RLO

Roland Merrill

Robert Fry

Hanna Barrett

Ann Barrett

Matt Fry

Mary Appleton

Richard Appleton

Stephynne Appleton

Angela Armstrong

Honore Johnston

Attach to
ILOA Board meeting
Minutes for
10/27/07

INDIAN LAKE OWNERS ASSOCIATION

Special Board Meeting – November 4, 2007 – 4:00 P.M.

Cindy Johnson's Home 128 Big Bow

- AGENDA -

RICHARD GORANFLO'S POSITION AS PRESIDENT OF ASSOCIATION

Minutes:

Boar Members present:

Cindy Johnson --- Vice President
Sherri Wilson --- Architectural Chairperson
Stella Pease --- Road and Parks Chairperson
Lee Latham --- Treasurer
John Young --- Fish and Lake Chairperson
Leonard Kujawski --- Swimming Pool Chairperson

Meeting called to order by VP Cindy Johnson at 4:00 PM to vote on Richard Goranflo's position as President of Association.

Cindy called for a vote or discussion. Sherri Wilson, Architectural Chairperson wanted to discuss the situation of retaining or removing Richard as President.

Submitted a petition signed by Association members and other family members calling for Richard's resignation. Reasons given: Camera at pool and in pool bath rooms. New By-Laws have too many unnecessary changes, and fee charges or excessive. Special favors to Jeff Johnson, Builder on all the lots he has bought. Richards IRS problems show that he is not of good moral turpitude, and his financial status to serve as President is questionable. She would also like to see the proof that we paid an attorney to re-do the By-Laws.

Other than that, her comments that he is evil & crooked should be disregarded.

Cindy explained that other than the one correction she had suggested concerning By-Laws (which was amended) the By-Laws were both fair and should be approved.

Lee stated that he probably would have voted against new By-Laws in order to have more time to study them. Was very upset with Sherri and some of the Petitioners for coming to his home in a threatening manner.

Leonard stated if we could get more volunteers they would understand exactly how a Home Owners Association works and be more inclined to approve of what we're trying to do.

John stated that he is not a professional but is willing to do what he can as far as his position on the Board. The Lake & Dam is his first priority, and it is probably cost upward of \$150,000 to \$200,000, to do the improvements that need to be done. The \$20,000 we have in reserve is just a drop in the bucket.

He commented on what a great job Ernie had done for the Association even though he might have been wrong in a few things.

As for Richard, he hasn't seen any thing he has done that would warrant asking for his resignation.

Stella suggested that we needed to get back on track – as the purpose of the meeting was to vote for Richard being retained or removed.

A rather heated discussion pursued and Sherri left at 4:50 P.M. before meeting was over. Her vote being NO on retaining Richard as President.

With the exception of Sherri's vote to remove Richard from office the remaining Board Members voted unanimously to retain him as President of the Association at least until the Annual Meeting next year.

Meeting closed at 5:00 P.M. by Cindy Johnson.

**Minutes of Executive Board Meeting
Of the ILOA Board of Directors
Held on November 18, 2007**

President of the Board Richard Goranflo called the meeting to order at 2:15 PM.

Board members present were Richard Goranflo, Cynthia Johnson, Lee Latham, John Young, Leonard Kujawski and Stella Pease.

Board member absent was Sherri Wilson.

Required Removal of Board Member

Pursuant to Article Three, Section Five of the ILOA by-laws discussion was held regarding the suitability of Sherrie Wilson to serve on the Board any longer. The Board discussed Article Three, Section Three of the ILOA by-laws which requires Board members to be of "congenial nature" and not be "guilty of flagrant violation of association rules, restrictions and by-laws".

After careful consideration of the above mentioned by-laws a motion was made and seconded to require the removal of Sherri Wilson from the ILOA Board of Directors. The motion was passed unanimously.

Hiring a Recording Secretary/Bookkeeper

After interviewing several local bookkeeping/secretarial services and having references checked, two of the Board members recommended a service to handle all of the responsibilities outlined in Article Four, Sections Four and Five of the association by-laws. After discussion a motion was made and seconded to hire the recommended service. The motion was passed unanimously.

A motion was made and seconded to purchase a QuickBooks program for the new Recording Secretary/Bookkeeper. The motion was passed unanimously.

December Board Meeting Cancelled

Because of scheduling problems with the Smithville Library and also scheduling problems with Board members a motion was made and seconded to cancel the December, 2007 Board of Directors meeting. The motion was passed unanimously.

Board Member Resignation

The Board accepted the resignation of Treasurer Lee Latham effective November 18, 2007.

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Minutes of Executive Board Meeting
Of ILOA Board of Directors
November 19, 2007

Board of Directors Resignation

After discussion the entire Board of Directors voted individually to resign their positions on the ILOA Board effective 12/07/07. A motion as made and seconded to inform the membership of this decision via a letter from the Board, to be mailed to every member of the association. . The motion was passed unanimously.

Respectfully Submitted,
Cynthia Johnson
Vice President ILOA Board of Directors