

**GRAND HARBOR PROPERTY OWNERS ASSOCIATION on LAKE CONROE
(GHPOALC)
BOARD of DIRECTORS
RESOLUTION**

In a meeting of the GHPOALC Board of Directors (BoD), at 11301 Grand Harbor Blvd., Montgomery, TX 77356, duly called (per By-Laws: Art. III, Para. B, Sec. 4) and held on January 8, 2008, all directors in attendance, the following resolution was offered, and adopted:

"Texas law governing non-profit organizations dictates Board of Directors' prior approval of funds disbursed for payment of GHPOAC expenses. However, there is a large volume of reoccurring, -perfunctory expenses that clearly do not warrant the attention and attendant delay of BoD review prior to payment. Therefore, it is resolved that the following items may be paid from GHPOALC checking accounts with checks specifically prepared by the POA Manager and co-signed by the POA Treasurer or any other Treasurer-designated Board Member:

1. Re-occurring utility bills (monthly/quarterly/yearly, for example, phone, water, electric, septic, port-a-potty, etc.).
2. Re-occurring monthly contract labor bills (for example, security guards, lawn service, legal fees, etc.).
3. Initial down payment required by a new contract, once the overall contract amount is approved by the BoD, including, specifically, the contractually-required down payments.
4. Final payment on an existing contract, once the contract is completed, including final inspection by POA Management and BoD acceptance of the completed work per contract.
5. GHPOALC employee payroll and payroll taxes. All overtime must be approved by the POA Manager (with justification) and submitted for BoD review on a quarterly basis.
6. Tax deposits/payments required with quarterly tax reports.
7. Checks written from the POA Refundable Account, after POA "Refund Request Inspection Checklist" is completed by POA Management and reviewed by the Treasurer."

"It is further resolved that all payments made as above will be entered on an incremental listing containing check number, date, purpose, and amount. Said list increments shall be provided for full board membership examination at least monthly."

I certify that the foregoing is a correct representation of the resolution passed by a majority of the Board of Directors of the GHPOALC on the date specified.