

BOARD OF DIRECTORS MEETING

SAGE PORT HOMEOWNERS ASSOCIATION

JUNE 21, 2006

Meeting was called to order at 7:03 p.m. Present were Steve Coffin, Mark Hesse, C.J. Meyer, Pat Ryan, Paul Stremick, Leonard Westlake, Sandy Anderson.

APPROVAL OF MINUTES:

Motion was made and seconded to approve the Minutes of the March 27, 2006 Transition Meeting, the April 13, 2006, and May 17, 2006 Board of Directors Meetings. C.J. Meyer abstained, Mark Hesse opposed, all other Directors voted in favor

TREASURER'S REPORT:

On May 25, 2006, Pat sent the following email message to Board members:

“I need your approval/concurrence to pay the following bills:

Key Bank \$19.94 for the monthly website charge and the Voice Plus Communications Telephone. Reimburse Patricia Ryan \$19.90 for last month's Key Bank bill. Van Gilder Insurance Corporation, \$2,206.00 (invoice #252234) for renewal of Directors and Officers Liability Policy. Please note the increase in the premium due to their changing the effective date from May to September to coincide with the General Liability policy.”

All Board member emailed their approval to Pat to pay the bills.

The following bills were paid from the HOA checking account:: Insurance Policy - \$2,206.00, Key Bank for May - \$19.94, Pat was reimbursed \$19.90 for the April Key Bank charges which she paid by personal check. A dues deposit of \$100.00 was made. Pat said she has the Key Bank bill for June, which she will pay.

Pat reported the following balances in the HOA's accounts: Savings: \$7,549.25; Checking: \$573.71; Grant: \$9,012.73

AUDIT UPDATE:

Leonard made a motion to task the Document Review Committee to explore the potential improprieties of the past Board, with emphasis on that Board having given two-thirds of the HOA's funds to the ACC. This could include seeking and receiving advice from legal counsel and/or auditors, and after doing a body of research report back to the Board with findings and recommendations. A board member will be on this Committee. Motion was seconded. CJ and Mark opposed, all other Directors voted in favor.

The following motions were presented via email to the Board on June 7, 2006:

“I make a motion, that we seek legal services to represent the current Board of Directors on legal matters pertaining to current and past board activities in order to reduce organizational risk.”

'Background: As treasurer, I feel it is imperative that we protect the current board from risk by seeking immediate and ongoing legal council. As an officer of the Sage Port HOA, I feel this is an immediate priority.'

"I also make an additional motion that we retain the law firm Grimshaw and Haring, given their experience on HOA matters."

Patricia V. Ryan, Treasurer

The motion was seconded. CJ Meyer abstained; Mark Hesse voted no on the second motion, remaining Directors voted in favor of both motions. Motions passed.

Mark asked what specific activities the law firm could be asked to provide an opinion on. Leonard stated the firm would help establish improprieties, if there are any, and will also serve as legal counsel in general.

### COMMITTEE UPDATES:

#### Communications:

Drew DiGiovanni has volunteered to chair this committee; Sandy Anderson remains a member. Drew presented his Report comprised of an Assessment Summary, Overall Recommendations, Recommendations for Sage Port Web Site, Recommendations for the Newsletter, and discussed in general some changes and modifications. Drew is able to produce for cost at his workplace, 250 11"x17" single sheet copies, including folding for \$40.00, as opposed to Kinko's quote of \$120.00, plus 13 cents for single fold.

Leonard made a motion that Drew, because he is Chairman of the Communications Committee, be added to the distribution of voicemail recipients. Motion seconded and unanimously passed.

Go Daddy has been removed from the Key Bank credit card and transferred to Drew's credit card. The voice mail has not been changed. Mark made a motion that Drew transfer voice mail, if possible before the next billing date. Drew will be reimbursed monthly for these charges. Motion was seconded and unanimously passed. Mark asked Drew to let him know when transfer is complete so the Key Bank credit card may be cancelled.

A note will be included in the newsletter to solicit volunteers for positions remaining unfilled on various committees.

#### Wildfire Mitigation:

Steve Lechner has agreed to chair this committee. CJ Meyer is a member. There followed an in depth discussion of how best to utilize the \$9,000 grant received from the U.S. Forest Service. After considering several options, CJ made a motion to proceed with the slash pick up program, for HOA members only at a charge \$25.00 per member. Mark seconded and the motion was unanimously approved. More detailed information regarding requirements, limitations, sign up, pick up dates, etc., will be in the newsletter.

Steve explained the rules for applying for grants have been changed. It is now necessary to follow Perry Park's model plan. We must have a detailed community action plan, coordinated with the help of the Fire Department, to include community response to a major fire incident, education of residents through website, newsletters, pamphlets, etc., not simply a once a year slash pick up. Steve Lechner pointed out presently we are looking at preparing a grant application for 2008, and our main challenge here is getting back into the cycle. He believes we should determine the level of community participation in this year's slash pick-up program before proceeding with an application. The Forest Service website contains pertinent wildfire mitigation and related information. This resource will be included in the newsletter.

#### Document Review:

Leonard announced three people have volunteered for this committee: Bill Smallwood will chair, Pat Ryan volunteered to be the Board's member, and John Koller volunteered. As the committee's work progresses, and in order to manage costs as tightly as possible, there should be only one point of contact with outside sources. Leonard made a motion the Chairman of the Committee be the single point of contact with legal counsel, auditors or financial resources. The Committee's findings will be presented to the Board, and the Board will decide then how to proceed. The motion was seconded. CJ and Mark abstained, the remaining Directors approved.

This committee is requested to consider further the matter of the Covenants, proposed changes, as well as determining whether or not there is sufficient time to accomplish changes before the August 12, 2006 deadline.

#### ACC:

Steve has sent an email to Bob Backle asking for feedback on ACC activities. He has received no response.

#### Welcome Committee:

John Koller said Sue has volunteered to chair this committee if the position is still open.

#### Open Discussion:

Mark asked for an update from Steve whether or not he is doing the paperwork to become a signer on the HOA's bank accounts. Steve responded this would not be necessary, as within the next month or so he would resign his position as President, but will remain a Director.

Terrie Westlake inquired about the status of the ACC, their activities, whether there is any building going on, etc. Steve reiterated he had tried to contact Bob Backle, but has had no response. Leonard noted prior history showed the ACC performed, behaved and operated as a committee within the HOA, only recently has that changed. Mark noted the ACC was formed by the 1971 Covenants, while the HOA was formed under the By-Laws of 1986, so they are separate entities. Leonard pointed out while they are legally separate

entities they historically have never behaved as such, until this year. This is one of the points the Document Review Committee will look into.

There being no other business, motion was made, seconded and unanimously carried to adjourn. Meeting adjourned at 8:12 p.m.

Respectfully submitted,

Sandy Anderson  
Secretary