

BOARD OF DIRECTORS MEETING

SAGE PORT HOMEOWNERS ASSOCIATION

AUGUST 23, 2006

The meeting was called to order at 6:04 p.m. Present were Bill Smallwood, John Koller, Mark Hesse, CJ Meyer, Sandy Anderson, and Chairman of the Welcome Committee, Sue Koller.

SECRETARY'S REPORT:

Minutes of the June 21, 2006 Board of Directors Meeting have been posted on the website. Minutes of the July 19, 2006 Board of Directors Meeting, and July 25, 2006 Board of Directors Executive Session were attached to the Agenda for comments before voting for approval.

Referring to the July 19th minutes and the July 25th minutes as presented, Mark raised multiple objections with the language used. A significant amount of discussion ensued regarding language specifics. Do to the time constiants relating to the up-coming community meeting, it was agreed to defer the approval until a later time and Mark was instructed to forward his comments on these minutes electronically to the Secretary.

TREASURER'S REPORT:

In Pat Ryan's absence, Sandy said a full report would be given upon Pat's return, and noted John, Bill and Drew have incurred some expenses pertaining to the recent mailing to all lot owners, these expenses will be included in the Treasurer's Report at the next meeting.

COMMITTEE REPORTS

DOCUMENT REVIEW COMMITTEE:

John reported the committee is still moving forward with its research. One thing that has been successfully done is all previous counsels for the HOA dating back to 2001 have been notified by letter sent from the HOA's attorney, that the HOA will not waive privilege, should anybody attempt to engage them for any activities around the HOA, they are not allowed to represent them, especially if it is against the HOA. Mark asked what it cost for the attorney to prepare that letter and who approved it. John stated it was included and approved during a discussion about notifying attorneys in a previous meeting. Mark inquired whether or not a bill from the attorney has been received yet, to which John responded we still are waiting for a replacement bill; our first bill was apparently stolen out of the P.O. Box, and we are working with the Postal Service on that issue. John also reported, that according to information provided by the Postal Service, there were two keys signed out to the last board and as this board had received only one during the transistion - that leaves one key unaccounted for.

Note: In the first draft of the April 13, 2006 Board Meeting Minutes, it was stated that Steve and Paul would get the mailbox keys from Mark. Mark insisted the draft minutes be adjusted to show only one key, which was done before the minutes were approved and posted on the website. Sandy noted she has changed only her draft copy of those minutes to reflect "keys" as originally written, no change has been made to the minutes posted on the website, and which are part of the historical HOA records. A key discrepancy remains.

Mark asked the amount of the bill from the attorney. The amount presently is unknown as we are waiting for a replacement bill. Mark insisted on being given an estimate or ballpark figure, to which Bill replied \$1,000. This will be brought up to date and presented for board approval upon Pat's return.

In a continuation from the last meeting, John raised some issues surrounding significant gaps in the association's historical records. He also reported that Mark has sent the officers a certified letter containing a lot of information, but at no point did Mark answer any of the real questions, i.e., there are a number of electronic records created between 2003 and 2006 when the present board was seated; these records were not transferred with other materials we received. In the letter Mark talks about providing pre-2003 material, and that the nominating committee had used an access database to tally preliminary election results and other HOA business but he doesn't have access to a copy. He was informed that database became HOA property when used for that purpose. Further, it was discussed that there are a lot of references in the legal documents about emails and letters, from Mark, from Cannon, from other various HOA / ACC individuals (paid for by the HOA) to/from lawyers. None of those emails or documents are contained in any of the materials that were conveyed, so there is a giant gap in the records, which basically lends itself to the idea that the former secretary (Karen Ruffin) and president (Mark Hesse) were deficient in their responsibility for maintaining proper HOA's records. John asked Mark, if he had as he claimed, conveyed all of the records to the new officers, how had Mark produced a CD with 9.7 MB of data and given it to us, months after claiming to have turned over all the records. Mark replied, "if you want more stuff, if you have requests, put it in writing." John stated Mark will be sent a formal request for all electronic and paper records, emails and everything else that are property of the HOA; which means as president, when you were interacting with attorneys, all emails you sent to the attorneys are property of the HOA.

COMMUNICATIONS COMMITTEE:

Drew was unable to attend tonight's meeting, however he sent his report which Bill discussed. Bill has noticed a lot of slash sitting out in front of people's homes, and the first and most important issue is how to disseminate specifics to the community on slash pick up.

CJ had a coupon produced that members may use to sign up, send in their \$25.00 and have their slash picked up. She also discussed that most of the material she had requested Drew to be post for the Slash program had not been posted. John asked CJ to forward the

material to him by email and he will put it on the website. C.J. also pointed out the slash will be picked up on September 25th, not September 5th. CJ was also asked to provide the documentation for due diligence for inclusion in the records, showing the best possible deal for the community was negotiated. *(Note: Post meeting follow-up confirmed all requested material except the date change had already been posted by Drew at C J's request.)*

Mark indicated he had sent Drew a request for a draft of the newsletter before it is mailed to the community. Mark was informed the newsletter will be provided to the board by email approval prior to mailing.

CJ and Mark asked what the Focus Group was and its purpose. As the details were unknown, it was deferred to Drew to elaborate on at the next meeting.

WELCOME COMMITTEE:

Due to insufficient time, Welcome Committee business is tabled until the next meeting.

OLD BUSINESS:

Ballots that were sent out for the ACC issue need to be opened and counted. There will be a meeting tomorrow evening at 7:00 p.m., at John's home, at which HOA officers will be present as observers, and three to four property owners who are not associated with the HOA or the ACC will do the ballot counting, and will sign affidavits for the court. John told CJ she could attend as an observer only, if she wished to. *(Note from post meeting follow-up: The Counters were unavailable for the Thursday counting day and the counting was rescheduled for the following Monday.)*

NEW BUSINESS:

Framework and guidelines for the Sage Port Community Meeting to follow this meeting were discussed. A separate agenda has been prepared and will be followed. As noted on the agenda, Bill and John will speak for the present board's position; Mark agreed to speak for the past board's position as regards the structure of the ACC. To maintain order, property owners wishing to participate will be invited to sign up, and will be given three minutes to speak. After which opportunity will be given to people to vote if they have not already done so, or if they wish, to change their vote. Any votes collected will be placed in a box, sealed and opened tomorrow evening at the counting session. There being no further business, John made a motion to adjourn the business meeting, Bill seconded, all voted in favor. Meeting was adjourned at 6:54 p.m.

Respectfully submitted,

Sandy Anderson
Secretary