

MINUTES OF BOARD OF DIRECTORS MEETING
SAGE PORT HOMEOWNERS ASSOCIATION
February 13, 2006

Meeting was called to order at 7:05 p.m. Board members present were Mark Hesse, Carol Kumpost, CJ Meyer, Sandy Anderson and Steve Coffin. Also in attendance was Gail Hesse.

The first order of business was the **Secretary's Report**. The minutes from the January 9, 2005 Board Meeting and from the January 25, 2006 Annual Meeting of Members were unanimously approved with no changes and will be posted on the HOA website.

Treasurer's Report: Carol presented the 2005 Profit & Loss statement. In 2005, the HOA had income of \$8,396.80 and expenses of \$19,931.26. Carol reported that she had completed the 2005 Tax return for the HOA. The form was signed and will be mailed, well in advance of the March 15, 2006 deadline. Regarding 2006 HOA dues, it was reported that \$4900 was collected so far this year. This equates to 98 lots that each paid the \$50 annual dues.

Lot 19, Blk 12 had submitted a dues payment check, but prior to the January 25, 2006 elections, the owners made a written request for their money back. Their check had not been deposited, so the original check was returned. Lot 1, Blk 12 had submitted a check to the HOA with the comment "paid under protest" written on the check. Since membership in the HOA is voluntary, the check was returned to the owner. Lot 15, Blk 14 had submitted a dues payment check in the amount of \$648.75. The HOA deposited the check and wrote a check to the owner in the amount of \$598.75, the amount in excess of the \$50 annual dues.

Motion was made and unanimously approved to pay an \$18 invoice from the US Postal Service for the annual PO Box rental fee. The January 2006 Key Bank credit card bill in the amount of \$19.90 was paid. It included a monthly charge of \$9.95 from GoDaddy for hosting the HOA website and a monthly charge of \$9.95 from Voice Plus Communications for the voicemail service. The February 2006 Key Bank credit card in the amount of \$258.08 was also paid. It included a monthly charge of \$9.95 from GoDaddy for hosting the HOA website, a monthly charge of \$9.95 from Voice Plus Communications for the voicemail service, \$185.80 in postage stamps, and \$52.38 in envelopes and paper.

Election Results: Mark Hesse reported that he had spoken with Karen Ruffin, Chair of the 2005 Nominating Committee, and that the final election results were the same as the preliminary election results announced at the Annual Meeting of Members on January 25, 2006. Specifically, the individuals who were voted to the position of Director were: Leonard Westlake, Patricia Ryan, and Paul Stremick. They will take office March 24, 2006.

Sandy Anderson agreed to act as a “transition secretary”, doing what is necessary with the upcoming change in Directors.

Old Business:

ACC: In previous meetings, the Board of Directors has discussed the matter of Errors and Omissions (E & O) insurance coverage for the Sage Port ACC. Several alternatives were considered, but none that were mutually agreeable to the Board and the ACC.

As requested at the January 2006 Board meeting, the Treasurer reviewed the Sage Port HOA financial record. The review revealed that since 1992, \$21,973 in ACC fees have been deposited into the HOA accounts. The following motion was made:

MOTION:

Return \$19,415.70 in ACC funds to the ACC and allow the ACC to resolve their insurance matter on their own. The amount of \$19,415.70 was determined as follow:

\$21,973 in ACC collected fees since 1992
less \$360 in recent legal fees paid by the HOA that related to this E&O insurance matter,
and
less 10% (\$2,197.30), a fair and reasonable “agent fee” for holding the funds

Mark Hesse, Carol Kumpost and CJ Meyer voted in favor of the motion. Sandy Anderson and Steve Coffin abstained. The motion passed. Carol Kumpost was directed to write a check to the ACC in the amount of \$19,415.70 in order to return these funds collected by the ACC to the ACC.

Covenants: Related to Document Review and a rewrite of the Sage Port Covenants rewrite deadline of August 6, 2006, Mark Hesse presented copies of proposed revisions to the Sage Port Covenants for the Boards review.

New Business: Mark had received a voicemail from a member of the community complaining about the front yard appearance of Lot 7, Blk 12. The Board unanimously agreed to send the owners of Lot 7, Blk 12 a courtesy reminder regarding the Sage Port Covenants. Mark volunteered to write the letter.

The next Board meeting is March 13, 2006 at the Hesse residence.
Meeting was adjourned at 9:00 p.m.

Respectfully submitted,

Mark Hesse
for
Karen Ruffin
Secretary