

**Ceres Gleann Homeowners Board/TAC meeting
Tuesday, January 7, 2014, 3:30 p.m., Community Center**

APPROVED 2/4/2014

Minutes

1. Welcome and Introductions

At 3:30 p.m. Mike Stewart welcomed everyone to our Ceres Gleann HOA Combination Board/TAC Meeting.

2. Ascertain if a Quorum is Present

Mike Stewart, Jim Fowler, Ron Dodge, Mike Holland and Ray Olmstead were present. Ron Hannegan and Randy Rohman were absent. A Quorum of both the Board and the TAC are present. There are approx. 18 homeowners in attendance.

3. Proof of Notice of Meeting

The meeting was noticed in the January HOA Newsletter, in the HOA's Weekly Announcements & Reminders E-mails. The meeting agenda and all attached informational documentation were placed in the purple binder in the Community Center 3 days prior to the scheduled meeting.

4. Approval of the Minutes of December 3, 2013 TAC Meeting – (attachment 1 – previously distributed via e-mail)

Mike Stewart asked for any comments/corrections from the Board/TAC members. With no comments being raised, Mike Stewart stated that the draft December 3, 2013 meeting minutes stand approved as presented.

4. Comments/Concerns/Questions/Topics from Homeowners

One homeowner asked the Board/TAC members to talk a little louder. Mike Stewart indicated that all the Board/TAC members would do so.

A question was asked by a homeowner about the current status of the Aging A/R debt owed by some homeowners. Mike Stewart indicated that the Board would take another look into the status of the accounts and discuss potential actions to be taken with the Board & TAC.

6. Committee, Resource and Service Group Reports

Priority

- a. Finance – 11/30/2013 HOA Financial Reports – (attachment 5 – distributed via e-mail)

No comments were made regarding the above HOA Financial Reports as presented.

- b. Other

Regular

- a. Other

7. Unfinished Business

Priority

- a. Update on Discussion of HOA Corporate Records Policies and Procedures – Mike Holland - (attachment 2 – distributed via-email)

Mike Holland presented the HOA Corporate Records Policy and Retention information documented in attachment 2 titled, “Essential Documents to be Maintained by Ceres Gleann HOA”.

Mike Holland explained that a Vial Fotheringham Law article discussing the subject of the essentials of HOA record keeping was utilized as the starting point for this report. Mike included information regarding the necessity of the HOA eventually receiving any Ceres Gleann Community Creation documents currently held by the Declarants. Mike said the report is assuming that the declarants are to provide any Community creation documents. Mike also included a list of HOA documents that must be available to print or copy at homeowner request.

Mike Holland explained that we had agreed to a 3-step plan at last month’s Board/TAC meeting. That plan consisted of the following:

- 1) January - Create a List of the most essential HOA records;
- 2) February - Determine what the current status is of what the HOA already has on file and what may be missing; and,
- 3) March - Deliver a final overview of what record keeping changes are needed to implement a corporate record keeping and retention policy for our HOA.

A discussion followed.

- b. Update on Discussion of Chartering the HOA Business Operations Committees – Ray Olmstead – (attachment 3 – distributed via e-mail)

Ray Olmstead presented a draft Resolution packet to the TAC & Board for their comments/input. The packet included: 1) a draft “Business Operation Committees Charter” resolution; 2) a draft Exhibit A titled, “Business Operations Organizational Flowchart for Ceres Gleann Homeowners Association, Inc. 2013-2014”; 3) a draft Exhibit B titled, “Ceres Gleann Homeowners Association, Inc. HOA Business Operations Overview Statement”; and, 4) a draft Exhibit C titled, “Ceres Gleann Homeowners Association, Inc. Packet of Individual Business Operations Committee’s Statements of Purpose”.

Ray Olmstead explained that after learning from our local insurance agent in November during our annual HOA insurance review that none of our unchartered HOA committees are covered by our HOA Directors & Officers Insurance Policy, he began searching online for HOA committee chartering examples. Ray utilized other HOA chartering resolutions as a guide in the creation of this resolution for our HOA.

Ray Olmstead indicated that he wanted to try this General Business Operation Committees Charter resolution approach first. If it is found to be impractical to implement, then the HOA will need to request each of the Business Operation Committees to create their own individual charter resolution packets.

Ray Olmstead noted that a couple of the committee “Statements of Purpose” documents needed to be updated so that they reflected the current business

operation. Ray also noted that any of the resolution packet documents could be changed at a later date using the resolution process, so minor discrepancies should not prevent the resolution from being signed.

Mike Holland noted that the insurance company needs to know what they are insuring. We shouldn't delay approving this resolution. We can always come back later to clean any problems discovered in the next few months or a year.

A discussion followed.

The Board and TAC decided that Ray Olmstead should send out via-email the entire Business Operation Committees Charter Resolution packet to the Chairs of affected HOA Committees and ask for their comments. The Board also instructed Ray to send the entire Business Operation Committee Charter Resolution packet via e-mail to any homeowner that requests it.

The Board and TAC would like to approve the charter resolution packet at our next scheduled Board/TAC meeting which is on February 4, 2014 at 3:30 p.m.

- c. Update on Discussion of Sample Formats for Committee Created Resolutions – Ray Olmstead – (attachment 4 – distributed via e-mail)

Ray Olmstead presented a document titled, "Sample Resolution Format" that originated on the Community Association Institute (CAI) website. This was done to assist the HOA Business Operations Committees Chairs and Secretaries with the creation of any resolution for their committees. Since creating a proper resolution is not a simple matter, Ray suggested a good follow-up plan would be to hold a Resolution Creation Seminar/Discussion with all the HOA Business Operations Committees Chairs & Secretaries. Ray noted that TAC member, Mike Holland, had volunteered to help with the information meeting on resolutions. Ray indicated that he could make up a packet for each committee that included the CAI "Sample Resolution Format" document and several examples of resolutions that our HOA has already approved. A discussion followed.

The Board and TAC agreed that a follow on resolution creating seminar/discussion sounded like a good approach. The Board and TAC directed Ray Olmstead to send an e-mail to the Chairs and Secretaries of the Business Operation Committees to inquire as to what would be a good date for the seminar.

- d. Other

Regular

- a. Other

8. New Business

Priority

- a. Finance Committee Leadership Resolution – Mike Holland – (attachment 6 – distributed via e-mail)

Mike Holland presented a Ceres Gleann Homeowners Association, Inc. resolution whose subject was to "thank" Gladys Moorman for her service as Finance Committee Chairperson; and, to appoint LaVonne Wilson to serve as the Finance

Committee Interim Chairperson until a regular Chair can be recruited and appointed to that position by the Board.

Mike Holland made a motion to approve the resolution and it was seconded. The TAC and Board members present voted unanimously to approve the appointment of LaVonne Wilson as the Finance Committee Interim Chairperson. The resolution (2014-01) was adopted and signed by the Board members present.

b. Discussion Item: Declarant Loan

In the early years of operation of the Ceres Gleann Homeowners Association, Inc., the HOA's income (assessments) didn't meet its operating expenses. The declarant, Ceres Gleann LLC, covered those unfunded HOA operating expenses with the understanding that those unfunded HOA operating expenses would be repaid to the declarant, CERES Gleann LLC, at sometime in the future and that no interest would be charged. The declarant also funded improvements (TV, Sound System, Tables, Chairs, etc.) to the HOA Community Center and these expenses were also to be included in the declarant loan debt.

The declarant, Ceres Gleann LLC, has raised the subject of repayment of the HOA debt in the coming years. Jim Fowler mentioned that no formal repayment agreement exists. Jim mentioned that it would be good if a debt repayment plan was agreed to and documented. A discussion followed.

The following questions and comments were made by those present:

- What brought about this discussion about at this time?; and, the person indicated that it was their understanding that the declarant loan debt was not to be settled until all lots were sold. Answer: 1) The declarant, Ceres Gleann LLC, wants to get the repayment plan documented and agreed to; and, 2) The declarant has been carrying some of the HOA loan debt for nearly 12 years now and the building market has not completely recovered, so there is no telling when all lots will be sold. In all fairness to the declarant it would show good faith on the part of the homeowners for the 98 non-declarant owed lots to agree to a repayment plan for their fair share of the HOA loan debt now.
- Any declarant loan debt repayment plan should not affect the planned funding for the Reserve Fund established to fund the maintenance of our HOA Common areas.
- One attendee indicated that not just the current non-declarant lot owners should be saddled with the entire declarant loan debt. It should be divided equally between all 133 lots.
- It was suggested that accounting for homeowner payments go through and be recorded by the HOA accountant.
- Another attendee wanted to know what the exact current amount of the declarant loan debt. Answer: \$20,852.

- It was suggested that the declarant loan debt (\$20,852) be divided by 133 (total number of lots) = \$156.78 per lot; non-declarant lots pay their portion now and to have the declarant include their unsold lots portions in the price of the lots when sold.

Hike Holland indicated that the Finance Committee should put together a draft plan for the repayment of the declarant loan debt and report back to the TAC & Board.

c. Other

Regular

a. Other

9. Next Meeting Dates

a. Regular TAC Meeting, Tuesday, February 4, 2014, 3:30 p.m., Community Center

10. Adjournment

The meeting was adjourned by Mike Stewart at 4:30 p.m.

Ray Olmstead
TAC secretary

Attachments:

- December 3, 2013 Board/TAC Meeting Minutes – (attachment 1)
- Essential Documents to be Maintained by Ceres Gleann HOA – (attachment 2)
- Ceres Gleann Homeowners Association, Inc. Business Operation Committees Charter Packet– (attachment 3)
 - Business Operation Committee Charter Resolution
 - Exhibit A “Business Operations Organization Flowchart for Ceres Gleann Homeowners Association, Inc.”
 - Exhibit B “Ceres Gleann Homeowners Association, Inc. HOA Business Operations Overview Statement”
 - Exhibit C “Ceres Gleann Homeowners Association, Inc. Packet of Individual Business Operations Committee’s Statements of Purpose” includes the following:
 - SOP Transitional Advisory Committee
 - SOP Architectural Review Committee
 - SOP Community Facilities Committee
 - SOP Communications Committee
 - SOP Garden Committee
 - SOP Lot Committee
 - SOP Landscape Committee
 - SOP Finance Committee
- Sample Resolution Format from Community Association Institute – (attachment 4)
- Finance Committee Reports - (attachment 5):
 - General Fund Budget vs. Actual November 30, 2013
 - Special Activities Budget vs. Actual November 30, 2013
 - A/R Aging Summary November 30, 2013 (Confidential)

Finance Committee Resolution “thanking” Gladys Moorman for her service as Finance Committee chair and appointing LaVonne Wilson Finance Committee Interim Chair – (attachment 6)