

**Holmes Harbor Water Company
and
Greenbank Beach and Boat Club, Inc.**

Joint Board Resolution No. 2013-03 thru 2013-08

Board Procedural Policies

The resolutions below revise existing Board Resolutions 2003-03 thru 2003-08 which were adopted by a vote of the Board Members of the Holmes Harbor Water Company on December 22, 2003. The intent of this revision is to bring these resolutions current with the current conditions.

Boards Resolution 2013-03: Facilities Maintenance (Pump House, Beach and Other Property).

The Boards of Trustees or their designee shall be responsible for maintaining the property of the Holmes Harbor Water Co. and Greenbank Beach and Boat Club. All paid landscape or other property maintenance and reimbursement for same shall be approved by the majority of the respective board members in advance, by polling the members or at a regular board meeting.

First Reading 09/09/2013 Second Reading 10/14/2013 Final Reading 02/17/2014

Boards Resolution 2013-04: Documentation and Information for Board Members

Each new Trustee will review the Holmes Harbor Estates website when assuming their duties. The contents will be updated at least annually, shortly after the annual meeting. In addition to the By-laws and Covenants, it shall include a list of current members of the community. It will contain the Trustees' names, phone numbers, mailing addresses, e-mail addresses and the expiration of their terms. It will also include minutes, budgets and other relevant data necessary for the successful completion of their duties.

First Reading 09/09/2013 Second Reading 10/14/2013 Final Reading 02/17/2014

Boards Resolution 2013-05: Financial Matters

The Treasurer of each Board is responsible for all financial matters of their respective Boards. The treasurer will prepare an Operating Budget for the upcoming calendar year and present it at the December meeting for Board discussion and approval. The approved budget will then become the financial guideline for the coming year and will be presented to the community at the Annual Property Owners meeting held the second Saturday in January. The community members will have an opportunity to discuss and offer input on the coming year's budget.

The Treasurer will also prepare a financial statement each month and present that statement to their respective Board members. Additionally, all payments for the month in question will be presented for approval by the Board members prior to the payment being made. The Treasurer will prepare checks for the payments discussed and submit them to the appropriate Board members for signature.

The financial statement will cover the budgeted operating bank account(s) as well as reserve balances and investment accounts. From time to time the Treasurer, at the direction of the Board, will transfer funds between accounts to add to or take from reserves as needed.

The Treasurer of the Greenbank Beach and Boat Club will have the additional responsibility to manage the Community Funds derived from the Annual Property Owners assessment. Community expenses including insurance, legal and improvement projects will be paid from these funds. Community expenses and balances will be handled as described above.

First Reading 09/09/2013 Second Reading 10/14/2013 Final Reading 02/17/2014

Boards Resolution 2013-06: Collections

Dues and Assessments of the HHWC, GBBC and HHE are due upon receipt of the bill by the member. After thirty (30) days a monthly fee of \$10 will be charged for each delinquent account.

Accounts which are ninety (90) days past due will be labeled "delinquent" and will receive a Certified Letter (Return Receipt Requested). The certified letter will request payment within one week ((7days) and if payment is not received or a payment plan is not agreed to between the property owner and the Boards, water service or beach access may be discontinued.

If discontinuance of service is required, a formal notice will be posted on the member's property. Reinstatement of service will be provided subsequent to payment in full of the amount owed or establishment of a reasonable payment plan.

Special consideration of individual accounts will be reviewed by the Board of Trustees to alleviate a hardship if the member appeals to the Boards in a timely manner.

The above actions will be the responsibility of the Treasurer of each corporation or designee. The Treasurer will keep all Trustees aware of current actions underway.

First Reading 09/09/2013 Second Reading 10/14/2013 Boards Approval 02/17/2014

Boards Resolution 2013-07: Financial Matters – Appointed Board Members and others.

The Boards of Holmes Harbor Estates respect the fiduciary responsibility entrusted to the Boards by community members. The Boards further believe that all Board members with signature authority to financial accounts should be elected by the membership at large.

Therefore, members appointed to the Board between Annual Meetings shall not have signature authority on financial accounts until they have been elected by a vote of the entire membership at the annual meeting.

No other un-elected employees, contractors or representatives shall have signature authority on the financial accounts of the corporations.

First Reading 09/09/2013 Second Reading 10/14/2013 Final Reading 02/17/2014

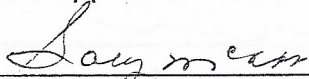
Boards Resolution 2013-08 Board member qualifications.

Only one member of a household may serve on a Board. If another member of the household desires to serve, the current member must leave the Board. Other members of a household may serve on the other community Board or serve on a project basis on either Board.

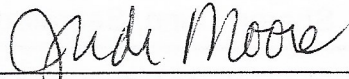
Only members of the community in good standing with respect to dues and not engaged in any legal action against the community may be elected to either Board.

First Reading 09/09/2013 Second Reading 10/14/2013 Final Reading 02/17/2014

Board Approval Date: 02/17/2014



Sally McAdoo, President
Holmes Harbor Water Company



Judi Moore, President
Greenbank Beach and Boat Club, Inc.

ATTEST:
Sharon Dunn, Secretary HHWC & GBBC 