



**Board of Directors Meeting Minutes
June 11, 2007**

Board members present: Allen Alchian (president), Dan Rivers (vice president), Richard Robertson (secretary), Corinne Solano (treasurer), Penny Dyer (common areas), Mike Abplanalp (ACC).

Members absent: Marshall Boss.

Guests present: Diane Boggs, Carol Hatstrup

1. Meeting was called to order at 3:15 PM by Dan Rivers who served as chair for this meeting.
2. The Board immediately went into executive session to discuss concerns related to KD finances, actions by previous boards, bank accounts, and the purchase of the King's Deer tractor from Cathedral Pines. The executive session ended at approximately 4:00 PM. The regular session resumed after a five-minute break.
3. The BoD agreed to take no action in reference to previous Boards, but to get authority over the discussed account. Board decided to write policies for board transition. Board reiterated the strong need to have a 2005 audit done.
4. Cathedral Pines had invoiced KD for a tractor "For Farm Use." The Colorado Department of Revenue told the treasurer that the association is indeed not a "farm" and is required to pay the applicable taxes. The BoD decided that the Association paid all its necessary taxes (Colorado Use Tax of \$539 and Colorado RTA tax of \$186) and no further actions are required by the Board in reference to the invoice stating "For Farm Use." The treasurer submitted an abatement letter for the late payment penalty.
5. Solano presented to the BoD a document stating all the issues in reference to the 2006 preliminary (draft) audit by Biggs & Kofford that she identified. The concerns were echoed by the other directors. Alchian agreed to reword the issues document from Solano, keeping all issues, and submit it to the BoD to finalize. The BoD discussed its options on the audit and how to negotiate the terms with Biggs & Kofford regarding their incomplete 2006 audit.
6. Robertson moved that Solano include with her initiative to obtain an audit of the 2005 records, to also obtain a second bid for an optional audit of the combined 2005 and 2006 records. Abplanalp seconded. Approved unanimously.
7. Solano gave a white-board presentation of the opening and closing of the HOA's various bank accounts during 2006, the transfers of funds and the current account balances. She brought to the Board's attention that not all accounts have been properly signed over to the current directors and that she notified the bank to flag the account not properly signed over and for the bank to immediately provide the necessary forms for signature authority transition. All directors acknowledged that the transition of business from the former directors who resigned, to the current directors, has been less than ideal, and a lack of any transition books or documentation in all areas has aggravated the transition process. Consequently the directors agreed that a principal goal for each director to accomplish before leaving office is to prepare a transition book to ensure similar lapses in association business do not occur in the future.
8. Robertson moved to adjourn. Abplanalp seconded. Unanimously approved. Meeting adjourned at 4:53 PM.

Approved: _____ 2007

president

secretary