



Board of Directors Minutes
November 11, 2008

Members Present: Allen Alchian (President), Rich Paul (ACC), Penny Dyer (Covenant Director), Anthony Winslow (Secretary), Dick Robertson (Director at Large), Dan Rivers (Vice President)

Guests Present: Jim Hazuka, Charles Zink, John Highhouse

- I. Meeting was called to order at 5:30 PM at the American Electric Vehicles conference room, 707 County Line Road, Palmer Lake.
- II. President
 - A. Director Election. Alchian presented the letter and ballots to be used for the director election by mail-in ballot. This ballot will allow election of directors in lieu of having another membership meeting. The election could not occur at the Annual Meeting because a quorum of members was not present. The ballot also seeks membership approval of the 2007 Annual Meeting minutes which have been posted on the web site for several months. Balloting period is November 14, 2008 thru November 30, 2008. Election results will be certified by the Secretary and made public shortly thereafter.
 - B. Retain Treasurer. The directors agreed that Charlotte Christensen has done a great job as Association Treasurer; she is willing to continue in that position. Paul moved to approve Christensen as treasurer. Motion seconded and approved unanimously.
 - C. Hazuka asked for a description about what each board member does. Alchian identified each office and presented a synopsis of the duties. Other directors provided additional information on their respective duties.
 - D. Alchian stated that he received a request from one of the Woodmoor Improvement Association (WIA) directors about assisting with the election of directors at their annual meeting in late January 2009, and in return the WIA could provide the same assistance to King's Deer. After some discussion the directors felt it would probably be an impractical arrangement unless the directors themselves made the personal commitment to volunteer for the work. King's Deer has resolved challenges to its past balloting procedures by establishing documented, rigorous voting procedures that protect the rights of each member, and ensure voter fraud will not occur. King's Deer also has joined the Colorado Springs Coalition of Neighbors and Organizations (CONO) to obtain their oversight of our processes. Therefore, the directors see no value in engaging with the WIA in a quid-pro-quo on the election process.
 - E. On October 20, 2008, the Board approved the October 14, 2008 Board minutes. The vote was 4 in favor, Roberson against, and Rivers abstaining because he was absent from the October 14, 2008 Board meeting.
 - F. Paul moved to approve the appointment of Grace Highhouse, 1818 Pennyroyal, as a member of the ACC. Alchian seconded; approved unanimously.
 - G. Alchian reviewed Board decisions at Board meeting and hearing on November 3, 2008.
 1. Director Tony was appointed chair of the 2009 Nominating Committee.

2. A hearing was conducted on 830 Newgate Court concerning whether or not the minimum landscape standards had been met by the September 30, 2008 deadline. After reviewing the history and supporting documentation, the Board imposed a \$500 fine for failure to meet the minimum landscape standards by September 30, 2008. Additionally, the Board set a new deadline of June 1, 2009 to achieve compliance or face additional consequences. Paul moved to approve. The motion was seconded and approved unanimously.

H. The Board agreed to set the next board meeting and hearings for 5 PM, December 15, 2008. Violations to be included in the hearing are:

1. 19180 Lochmere Court, (Lot 37 Highlands filing 2) non-compliance with the minimum landscape standards.
2. 19205 Sixpenny Lane, (Lot 1 Highlands filing 2) for not removing numerous dead trees.

V. Officers' Report

A. Secretary

1. A draft of the Annual meeting minutes was circulated for discussion and corrections. The directors agreed additional work on the minutes was needed before adopting for presentation to the membership on the web site. Alchian is to work the details with Rivers.
2. Directors discussed proposed dates for 2009 events in King's Deer
 - a. Mowing deadline - Dyer recommends June 15, 2009
 - b. Garage Sale(s) date(s) - Leave this to the new directors.
 - c. 2009 water reporting date. Discussion is needed with the Department of Natural Resources before we set our reporting period.
 - d. Annual meeting date. No date set.
 - e. 2009 Board meeting days and time. No dates set.
 - f. Office closing dates in December. Alchian reminded the Board that the office is closed December 24 through January 1.
3. Conflict of interest statements for new Board members. Candidates for the Board of Directors who were present at this meeting, along with continuing Directors, were given the King's Deer HOA Conflict of Interest Statement. Alchian asked they take the document and review it. Returning directors should return the signed document at the next Board meeting, and candidates who are elected to the Board should return the signed document at their first Board meeting.
4. Newsletter. Directors should be thinking of what they want to write to the membership in the next newsletter. Alchian recommended the newsletter be published in late January to facilitate notifying people about their 2008 water usage.

C. Treasurer

1. October 2008 financial report. Paul noted that funds should not be reflected as transferring from the refundable Compliance Fee account into the general operating account until the ACC has finalized and closed the project, and approved any residual compliance fee refund. This is because owners will often seek to resolve the discrepancy that led to the compliance fee withhold before the ACC closes out a project, and that leads to the ACC reversing the compliance fee withhold. Therefore, the Association should not be recognizing compliance fee withholds as income until there is no longer an opportunity for the owner to resolve the discrepancy.
2. Annual Assessment. Winslow recommended notice of the \$300 annual assessment be mailed December 1, 2008 and the due date will be January 1, 2009. After much discussion the Board agreed to have the \$300 annual assessment notice mailed to the membership on December 1, 2008, and the assessment due date to be January 1, 2009; a late fee of \$50.00 per month will be imposed on February 1, 2009 and each month thereafter until the assessment is paid in full. Beginning March 1, 2009 unpaid assessments will also incur monthly interest charges on the unpaid assessment at the same rate imposed on the 2008 assessment.

V. Directors' Reports

- A. Covenant Enforcement. Covenant Violation Report. At the CEOC meeting on Monday November 10, the members discussed the 26 landscape violations.
- B. Architectural Control Committee.
 1. Currently the King's Deer ACC has 45 active projects on file.
 2. A \$500.00 compliance fee deduction was assessed against each of 4 projects for failure to complete the minimum landscape requirements within the required timeline. A new deadline of June 1, 2009 was approved for all four projects to meet the minimum landscaping requirements and the balance of the compliance fees on those projects will be retained pending that determination.
 3. 2 landscaping projects, and 1 new garage addition has been approved since the last ACC report.
 4. Up-date on 19516 St. Giles:
 - Weathered in with scratch coat stucco, windows and roof installed.
 - The extended completion deadline date is December 31, 2008.
 - Executive Director will contact builder to verify the status of the project.
 5. Paul and Alchian are reviewing filing fee requirements and amounts for various types of projects within the new application packets. A final recommendation will be ready shortly for the Board of Directors consideration and approval.
 6. Because of winter and the ongoing economic situation, the ACC approved Richmond Homes request for an extension on the construction starting date of 19525 Royal Troon. The new deadline is April 30, 2009.

C. Executive Director

1. Office Closure.

- a. Other than the fact that the HOA was ejected from its office today due to health safety concern, the office will be closed for a half day on Thursday, November 13, and for the Thanksgiving holiday, November 27 and 28, 2008.
- b. As of today, the King's Deer office is located in a room at American Electric Vehicles, 707 County Line Road. Phone lines have not yet been transferred. All HOA property was removed from the Woodmoor Barn office this afternoon by directors who loaded the HOA resources into their vehicles and moved all to the interim location. Mold is the most immediate issue at the "ex"-office, and tests are being conducted this week. If asbestos is also found, this will compound the remediation problem. We understand that we should plan for at least a 30 day outage. We expect to know more in the next few days. Winslow moved to formally approve the relocation of the HOA office to Palmer Lake, 707 County Line Road, because of adverse environmental and health safety concerns that have been discovered in the facility leased by the Association.. Motion seconded and approved unanimously.

- 2. Water Meter Readings. We have received all but 22 meter readings. A second notice to the delinquent owners will be mailed this week, certified and first class. Those owners who have not reported by November 24, 2008 will receive a third notice, certified and first class, that will advise a board approved (ref. Oct 14, 2008 Board minutes) fine of \$200 per week will be imposed December 1 until the reading is received. Alchian commented that the State has been asking for our water report and he advised that it will be sent to them by the middle of December.

VI. Other Business.

- A. Paul suggested that in light of the recent events concerning the forced office relocation, the Board should consider extracting the *Office Options* and *Entrance Sign* PowerPoint presentations from the 2008 annual meeting and posting them on the website. The Board concurred.

Next meeting: December 15, 2008, conference room at 707 County Line Road.

Winslow moved to adjourn at 8:38 PM. Motion seconded and approved unanimously.

Minutes approved on November 18, 2008.

/ signed /

President

/ signed /

Secretary

- 2 Attachments
- 1. October 2008 financials
- 2. ACC Report