

Board of Directors Meeting
August 28, 2006

Attending: James Ramsey, Mary Fortey, Rich Paul, Allen Alchian, Pat Wasson.

1. NEPCO - Allen Alchian

Last meeting was primarily about ACC, but also addressed HOA management and covenant enforcement. The group discussed the challenges of managing an HOA through volunteers, by a management company, or with direct employees.

There is a potential to provide a service to some of the smaller HOAs in the area in the future if they would be interested in contracting for some aspects of their HOA management. Security is another area where multiple HOA's might be able to benefit by coordinating their needs. Pat has been contacted by one such HOA requesting our assistance in managing their HOA. While we're not in a position to take on that kind of obligation right now, we may want to consider it in the future.

2. ACC - Allen Alchian

There has been no new house construction since the beginning of July. Eighteen new houses have been approved for this calendar year.

a. Construction Drawings Storage. Allen requested approval of funds for the construction of a storage unit for construction drawings. Dennis Delhousay volunteered to do construct the unit for the cost of materials only, at about \$100 for each storage unit. Allen requested approval to have two constructed, after which we well then assess if a third is needed. Mary motioned for approval. Motion carried.

b. Appoint New ACC Member. Allen recommended the Board appoint George Penoncillo as the newest voting member of the ACC. George has attended the required 2 ACC meetings. James & Mary moved to approve the appointment. Motion carried.

3. Annual Water Meter Readings.

a. Meter readings will be during October. This year owners can log in to the web site and provide their meter readings directly into the database. Also, if someone needs help, we'll visit their home and do the reading for them. A post card about water meeting reading and/or letter with information will be mailed to each individual in September.

4. Newsletter

a. The next newsletter should be mailed after the special meeting on covenants (Sept 20) so we can publish the results of the meeting. A variety of topics to include in the newsletter was discussed.

5. Special Meeting

a. Rich reviewed the meeting and voting protocol document for the September 20 Special Meeting; James and Mary said everything looks fine. The First Notice and Second Notice of Special Meeting was reviewed, along with the Proxy and Directed Ballot. The First Notice will be mailed September 7 and the Second Notice will be mailed September 14. These will go by regular, not certified, mail. If anyone needs a copy of the proposed covenants, they are available for download from the web site, or a hard copy can be obtained from the King's Deer HOA office.

b. Details of the Special Meeting were discussed and approved. Registration will start at 6:30 PM and the meeting will begin at 7 PM. Balloting will begin not later than 8:15, ending not later than 8:45 PM. We must be out of the building not later than 9 PM.

6. Common areas

a. Maintenance - The ponds are being cleaned of algae. He hired people to do that and to mow around the gazebo. He is way behind on mowing because of the weather but is continues to work on trails; the recent storms have cost us a lot in materials and labor.

b. Sports field -Charging for team use of the sports field was discussed, but nothing specific was proposed at this time.

6. Management Office

a. Phone lines- Mary has requested a separate phone line/number. King's Deer will share fax line and DSL with Sales.

b. Furniture - Mary will have office furniture moved this week no later than next week.

c. Bookkeeping - A couple of individuals have expressed interest in supporting the HOA. Mary will also investigate software. Mary's action.

7. The directors agreed on having a budget meeting September 25 at the King's Deer Sales Office, beginning 5 PM.

7:02 pm adjourned.