

August 27th 2007 Annual Board Meeting Minutes

Present:

**Bob Pelletieri
Michael Ebeling
Jo Moyes
Kristina Holmes
Marty Prouty**

Call to Order

Pelletieri introduces the board and CPA, Sharon Courter and Nicole (last name). Asks Sharon, we have 92 homes, we need 1 more than half to reach quorum. We have a total of 52 either in proxy or person.

Reviews meeting guidelines – according to Robert Rules. Will have opportunity to ask questions on various subjects, reading of minutes, overview of past year, financial review, ratify '07 budget, then hear from DRC, then election (need to re-elect 2 places out of 7). Michael responds – 1 re-election, 1 elect).

Association's 10th meeting.

Was a fairly usual year – some of the year's issues revolve around mainlanders buying homes and renting them out. Currently about 25 (1/4) of the homes are rented. This presents new issues for our neighborhood.

Our focus going forward are: 1) landscaping (doing a blanket letter urging people to take care of their landscaping), 2) increased number of request for home alterations (last year major renovations expanding square footage by two or three times have become prevalent).

Insurance

In annual report, I've outlined the insurance: 1) General liability, up to \$1 million including body injury, 2) Director's and Officer's Liability, up to \$1 million against wrongful action of the board members or directors, 3) Fidelity bond against board wrongful actions at \$50,000, and 4) Commercial umbrella policy which takes the total up to \$5 million (for entire association, not just the board). Total insurance costs are about \$4,000 a month.

Financial Report

Reported in the annual report. Taking questions with CPA on the balance sheet. Reserve fund has been increasing by about \$3K a year – exists in the event an asset of the association (common areas, retention basin, easements) needs taking care of.

Most things are either on-budget or under-budget. No questions raised by homeowners.

Budget to be ratified for 2007

Any questions? No.

Ebeling makes motion, Marty Prouty seconds, motion approved to approve 2007 budget approved. (2007 budget needs to be changed to appropriate year instead of 2006)

Ratify 2006 Minutes

Ebeling makes motion to approve Minutes pending change of Karen Chun's name, Marty seconds, motion approved to dispense ratification of the minutes.

Design Review Committee

Moyes: We've had 23 applications in the past year, everything from residing to extensive modifications. It's been encouraging to see those involved in the lawsuit that people are using that money to replace the siding, repaint and fix up their exterior. There are 5 people on the DRC. It's free to submit applications and we work as a team to process applications. Applications are available at drop-box at Laelua and online on the association's website. The board will review the application and we'll vote at meetings we hold every month to two months, depending on community need.

As the community gets older, we'll find more applications and more extensive renovations. With input from the community, it helps guide us to concerns and thoughts on trends. We always try to let the homeowners aware of applications placed, but the CC & Rs aren't explicit about our authority to deny applications. If the county won't oppose, we're limited in what we can deny, even if other homeowners aren't in love with the design. We attempt to process applications quickly and to take into consideration everyone's points of view.

Any questions on application process? No.

Grievance Committee Report

Our website, kuaubayview.org, provides information on grievances and the procedure involved. Homeowners don't follow the protocol. Please understand there is a process.

Any questions? No.

Election of 2 board

Bridget Reardon's position expired; beginning of last year Stephen Bielowski retired from the Board and was temporarily replaced by Kristina Holmes.

Ebeling renominates Kristina Holmes for the position of secretary.

Pellettieri: Brenda Chong/Lot 52 has worked for First Hawaiian Bank for 19 years, great financial background and now works for a construction company. Brenda is an original owner since 1996, I nominate her to serve on the board.

Michael Ebeling: I nominate Mike Houston for a committee.

Any other nominations? No.

Pellettieri closes nominations.

No other challenges, so Kristina and Brenda are elected to the board by default.

Governing Document Review

P: We have our CC& R's (covenants and restrictions) – in order to make changes, it requires a 2/3rds vote at next annual meeting. Moyes worked on the speed bump issue. It's a fairly arduous task to get the CC&R's changed, however any homeowner can elect the changes and we'll bring it to the next annual board meeting.

Robert's Rules for Homeowners

David Erwin/Lot 50 – has problem with a bill he's been receiving. Only lived here for 4 years, have talked to Ebeling about it and try to pay it off. Made 4 years of payments, yet you are still billing me more. Would like to work it out. Worked out in June of 2003, worked out a deal with Stephen to pay the amount. There seems to be a problem with proration.

P: Advises David that this is not a community matter, will discuss after meeting.

Nancy Snow (Lot #?): Commends the board for a great job. Things have been much better since the board changed 3 years ago.

P: Thank you. One of the things our board hopes to do is make them more community-oriented and pleasurable, rather than hostile as they sometimes become. We've been pleased that things run smoother now with the neighborhood.

Lot 69/Mike Houston: Lives in a homeowner's association in Seattle, and have found when it's a community run association, people tend to become more involved. Part of my reason to be here this week is make home improvements and would like to make a request for color variance on the home (yellow/green versus brown).

P: We can deal with this after the meeting. In theory, a home that's being rented should not be a problem so long as tenants are monitored, rules are enforced, landscaping tended to. This can sometimes not be the case and other homeowners often don't make issue.

Any other comments?

Marion (DRC committee): Just thanks for being there,

P: 7:24, hearing no other items the meeting is adjourned.