

**Kenwood Townes HOA
Board Meeting
November 4, 2012**

Minutes

Board Members in Attendance: Haroon Wassel, Ric Katnik, Claudia Katnik, Esperanza Rey

Other Attendees: Robin Perrin, Gloria Nelson, Donna Settles, Brenda Koch

Meeting was scheduled for 4pm; called to order at 4:05, with a quorum of Haroon, Ric and Claudia.

1. Replacement of Director. First order of business was to select a replacement for director Gloria Nelson, who had resigned, effective November 1. **Ric motioned and Haroon seconded to elect Robin Perrin to the Board. Motion passed with all in favor. Esperanza was not present for this vote.**

2. Election of Officers. The next order of business was to elect officers. Since communication prior to the meeting had emphasized the importance of having all board members present when electing the officers, Haroon suggested that we wait for Esperanza. He excused himself and called her. She arrived about 10 minutes later.

It was suggested by Haroon and insisted on by Esperanza that since Esperanza had just arrived we ought to vote for the board member again. No formal motion or vote was made on this issue. Robin and Brenda were nominated for the position. Vote was 2 to 2 so no new board member was elected.

Acting Secretary's note: Since Robin was duly elected by a unanimous vote of the three directors present after the meeting was called to order, and never resigned, there technically was no vacancy to fill.

Haroon was elected VP, Ric Treasurer. Both Esperanza and Claudia wished to be President – vote was 2 to 2 so no President or Secretary was elected.

The meeting then devolved into an attack on Ric, both personally and as to the legitimacy of his holding office, with directors Rey and Wassel asking him to resign. He refused.

Budget. Ric presented proposed budgets with 0% and 3% increases in assesment. Discussion suggested that the membership might feel uncomfortable with a 3% increase during these difficult economic times. Haroon suggested we limit the increase to the increase in the CPI (1.7%); there was no objection. It was also the consensus that the snow removal item be increased from the proposed \$3,000 to the previous year's budgeted amount of \$5,000. When Ric pointed out that this would leave a significant budget shortfall the consensus was to reduce the replacement reserve contribution from

the reserve study recommended amount of \$19,716 to the 2012 budgeted amount of \$12,000. This left us with a budget surplus of \$4,429.

Replacement Reserve Contributions. Since the Replacement Reserves account was going to be underfunded at the end of 2012, and the now budgeted contribution for 2013 would leave us even further underfunded at the end of 2013, Ric suggested that we should move \$4,225 from the Prior Years' Retained Earnings to get the 2012 end-of-year balance to the recommended level, and to move an additional \$7,716 to get the 2013 end-of-year balance to the recommended level.

Motion to not increase monthly reserve contribution (\$12,000 in 2013), move \$4,225 from Prior Years' Retained Earnings to reserve fund at the end of the year 2012 to reserve fund, and move an additional \$7,716 from Prior Years' Retained Earnings at the end of 2013 to bring the reserves to the Reserve Study recommended level. This was motioned by Claudia, seconded by Haroon and motion passed unanimously.