

**MINUTES
KIRKLAND CENTRAL OWNERS ASSOCIATION
ANNUAL ASSOCIATION MEETING
March 21st, 2011**

Date and Time: Pursuant to Article 2 Section 2.2 of the Kirkland Central Association By-Laws, the third annual meeting of the Association was held on March 21th, 2011, at 6 pm at the Kirkland Central lobby, 211 Kirkland Ave, Kirkland, WA 98033.

Officers: The President, Marna Hanneman, opened the meeting at 6:04 pm. Secretary, Greg Peszek, was present to record the meeting.

Quorum: The following Board Members were present:

Marna Hanneman – President
Greg Peszek - Secretary
Mike Reph – Treasurer
Bill Anspach – Member-At-Large
Stan Hill – Member-At-Large
Stefanie Dozal – Member-At-Large
Sally Barkley – Facility Manager

Suhrco Residential Properties, LLC: Jean Norberg

Absent: Melissa Lising – Vice President

Call to Order:

The meeting was called to order at 6:04 pm.

Roll Call:

The requirement for a quorum was met as set forth in Article 2 Section 2.6 of the By-Laws.

Proof Of Notice of Meeting:

Notice was distributed in accordance with Article 2 Section 2.5 of the By-Laws.

Approval of Minutes:

- **Marna Hanneman motioned to approve the minutes of March 29th 2010. Stan Hill seconded and was unanimously approved.**

President's Report:

- Envelope study
 - Work on the envelope study is coming to completion
 - Scope of work is still being completed including work items for decks, garage and pavers
 - Building overall is very sound and the association has had a pleasant working experience with Kurt Rehm with Continental.
- Rental restriction amendment has not passed yet and our FHA endorsement may be at risk. Rental restriction updates will be under old business.
- Outer doors have been refitted with break-in resistant covers as a pre-emptive measure.

Vice President's Report:

No report.

Secretary's Report:

No report.

Treasurer's Report:

Operating Funds	\$	24,582.69
Petty Cash (included in Operating Funds)	\$	500.00
Reserve Funds – Foundation Bank: Common	\$	52,984.39
Reserve Funds – Foundation Bank: Residential	\$	43,920.58
Reserve Funds – Chase Common (58.3%)	\$	47,032.35
Reserve Funds – Chase Residential (41.7%)	\$	30,314.79
Insurance Reserve Funds: Wells Fargo Bank	\$	44,423.35
CD: Foundation Bank – Common #980 (9/30/12)	\$	32,852.58
CD: Foundation Bank – Residential #980 (9/30/12)	\$	43,548.79
CD: Foundation Bank – Common #981 (9/30/12)	\$	32,852.58
CD: Foundation Bank – Residential #981 (9/30/12)	\$	43,548.79

\$ 396,660.89

Outstanding Financial Commitments:

None

Delinquencies over 30 days:

\$33,561.83 – See Aged Delinquency Report for details

Delinquencies over 30 days have increased substantially which is reflected by a handful of units that are in foreclosure, bankruptcy or have been discharged from bankruptcy. The board is actively perusing all of its interests in these matters.

Reports of Committees – Envelope study:

- Still taking a long time to get the final approval as some of the contractor bids are due to return in April.

Election of Inspectors of Elections:

- Avril and Alice volunteered to assist with the vote tabulation.

Election of Directors

- Only two candidates are running for two board positions. **Avril motions to elect Melissa Lising Bill Anspach to the board by unanimous consensus. The motion was seconded and unanimously approved by the association.**
- **Commercial unit #1 made a motion to elect Stefanie Dozal as the commercial property board member. The motion was seconded by commercial unit #2 and approved.**

Old Business:

- Rental Restriction Amendment
 - Current approval is at 48% and the commercial property will be voting soon.
 - The committee will be asking those who have not voted to vote shortly.

New Business:

- High risk item inventory and inspections
 - The board has been working with Harbro to inventory and inspect the high risk components in each of the units. These high risk items include the water heater, washing machine/dryer, and water hoses.

- Sally will be coordinating with unit owners to schedule the inspections.
- These inspections are being provided free of charge, reports will be sent out to each unit owner.
- For units that are in bankruptcy or foreclosure notice to unit owners will be provided and if the inspections and repairs are not done in a timely manner the association will step in and complete the work at the owner's expense.

Homeowners' Forum:

- Were we ever paid by Verizon? Yes – the money was paid to the HOA.
- What is a “sheriff’s sale”? If the association were to foreclose on the unit the sheriff would conduct the auction as opposed to a trustee sale which would be initiated by the bank.
- How much of the bankruptcy/foreclosed liens are we entitled to? The HOA is entitled to 6 months of past dues before the date of the bankruptcy discharge and any dues after. Typically the HOA will follow up with a collection agency which generally returns about 50% of the amount looking to be collected. The best result is a foreclosure which will get someone to pay the dues or potentially the HOA will own the unit and then has the ability to rent it.
- How many units are in arrears? 5 accounts are in collections. Accounts are handed off to collections after 90 days. Collection lawyers could ultimately initiate the foreclose process which has been the case in a couple of units.
- The locks have been covered and there were police in the building recently, are they related? There was a bicycle stolen from the garage and the police recommended the lock covers.
- Is the deck repairs only for the two penthouse units or for the other units with the perforated deck floors? The decks on the 5th floor will need to be fixed to improve drainage and the balconies for each unit will need to be stripped, primed and repainted.
 - Will the repairs require access to the unit? The assumption is that the work will be done from the exterior.
- The hallway connecting the garage to the front of the building next to the commercial spots is supposed to be locked at night but has not been, why is this so? The French Bakery is supposed to lock the door and with employee changes this has gone to the wayside. The commercial owners are looking
- Is there a plan to get “do not duplicate” keys for the exterior doors? This has been talked about and will likely happen this year.
 - How expensive will this be? Getting keys that are simply stamped with “do not duplicate” is inexpensive however obtaining truly secure keys can be very expensive: \$70 an hour to rekey locks and \$2-3 per key.
 - Has the association looked in to electronic keys? Yes, the cost seems to be prohibitively expensive.

- Is there a way the association can be notified if there is an incident like the stolen bike? Since the web site is not secure the association would not want to post publically these issues though the facility manager can send an email. The board will look in to how to notify residents best and work on a plan to do so.

Adjourn: There being no other business, a motion was made, seconded and unanimously approved to adjourn the meeting at 6:50pm.

GREG PESZEK, Secretary

Marna Hanneman, President

Date:

Date: