

**MINUTES**  
**KIRKLAND CENTRAL OWNERS ASSOCIATION**  
**BOARD MEETING**  
**Nov 9<sup>th</sup>, 2009**

**Date and Time:** Pursuant to Article 3 Section 3.7 of the Kirkland Central Association, a regular session and executive session of the Board was held on October 12<sup>th</sup>, 2009, at 6 pm at the Kirkland Central lobby, 211 Kirkland Ave, Kirkland, WA 98033.

**Officers:** The President, Marna Hanneman, opened the meeting at 6:11 pm. Secretary, Greg Peszek, was present to record the meeting.

**Quorum:** The following Board Members were present:

Marna Hanneman – President

Stan Hill – Vice President

Greg Peszek - Secretary

Melissa Lising – Treasurer

Bill Anspach – Member-At-Large

Sally Barkley – Facility Manager

Andrew Person – Member-At-Large

Bob Dodson – Member-At-Large

**Suhrco Residential Properties, LLC:** Jean Norberg

**Absent:**

**Call to Order:**

The meeting was called to order at 6:07 pm.

**Budget Ratification:**

- Need 51% of the voting power to reject and a motion from the floor
- Items:
  - Payroll: -35% (reduction in facility manager hours and benefits)
  - Administrative: -0.7% (similar to 2009)

- Utilities: -1.2% (lower due to lower energy prices)
  - Maintenance: +36.0%
  - Professional fees: +4.2%
  - Taxes and insurance: -7.8%
- Overall 0.25% increase in expenses
- Net reserves increased by 16.7%
- 4.33% increase in assessments for 2010
- 2 units owe the association \$17,000 however both units are in short sale and there is no guarantee of those funds being reclaimed
- Update from Bill about the status of the building inspection and the status of the budgeting for the process. An extension (called a tolling agreement) is being worked on to keep the warranty duration (~6 months) until the agreement is dissolved.
- Homeowners questions:
  - What does the \$70,000 “net to reserves” item mean? Reserves account is a contingency account as per the recommendation of the reserve study.
  - Mortgage companies are looking at homeowners dues as a factor when considering a loan.
  - How often are the reserve studies done? Numbers are updated every year and revisited every 3 years.
  - What is the net to reserves this year? \$60,000 will be the number and any difference will likely be rolled in to next year.
  - What is the breakdown of the \$45,000 “contingency/warranty” line item? To cover for an insurance claim deductible (\$5,000), protection against potential cost run-ups due to the building inspection and protection against delinquent dues.
  - Reduction of hours for facility manager? Board has looked at the age of the building and looked consider the actual needs of the building.
  - Why didn't Suhrco reduce their fees? Suhrco came in with an increase and the board negotiated to no increase. The board feels that a professional property management company is critical especially during the difficult process of the building inspection.
  - With these cuts in the facility manager position how will affect the hours? The board has proposed the office be open 5 days a week between 12-6 but the details will need to be worked out between the board and the facility manager.
- With no motion to reject the budget, the budget is ratified.

**Adjourn:** There being no other business, a motion was made, seconded and unanimously approved to adjourn the meeting at 6:58 pm.

GREG PESZEK, Secretary

Marna Hanneman, President

Date:

Date: