

BOARD OF DIRECTORS SPECIAL MEETING
September 16, 2024
MINUTES

Call to Order – Scott Hente called the meeting to order at 11:00 a.m.

Attending – Quorum was established with board members Scott Hente, Mark Holthouse, Steve Durham, Barbara Rist, Tim McMahon and Brad Harvey present.

Also present: Mindy Gutierrez, Community Manager

Ballot on Amendment to CC&R's

David Firmin reported last Friday that the ballot sent on July 20, 2024 for an amendment to the KCPOA Declaration of CC&Rs, known as Amendment 2 “Short-term Rentals”, was incorrect with regards to the voting requirements for a “Use Restriction”. The “Short-term Rental” amendment requires a higher voting threshold, with a minimum of 67% of all eligible voters required to return ballots. This ballot, as written, was requiring a 51% voting threshold only which is below the minimum needed for a “Use Restriction” amendment. Because of this error, the ballot for this amendment must be voided and the voting terminated.

The Owners must be given notice of this error and the Board’s actions and next steps. A draft letter was reviewed and finalized, informing Owners that their vote on Amendment @ “Short-term Rentals” will be invalidated due to error. The Board will made a determination at a future date whether or not to restate this amendment and send it to the Owners for another vote. The letter to the Owners will be emailed today.

The vote on Amendment 1 “Assessments per Dwelling Unit” will conclude on September 20, 2024. David Firmin will be asked to review and verify the ballots after the September 20th closing date.

Operating Surplus from last Fiscal Year

The issue of “surplus income” (assessment revenue in excess of actual expenses), from last Fiscal Year, was raised and voted on at the Annual Homeowner’s Meeting. The Owners voted for the Association to retain the surplus income and contribute it to the reserve fund for future expenditures. Because this item was not placed on the Annual Meeting Agenda and election forms for this matter were not sent out in the meeting packet, the vote was not binding. The Board discussed the steps that must be followed to have a binding election, by the Owners, to retain the surplus income and apply it the next fiscal year operating fund. IRS and CCIOA rules dictate the specific procedures which must be followed to avoid taxation of the funds. The Association has time to take the needed steps to fulfill all requirements. Actions to be taken on this matter will be discussed at the next regular board meeting.

The next meeting will be held on September 26, 2024.
The meeting was adjourned at 11:51 a.m.

Respectfully submitted, Barbara Rist, KCPOA Executive Board, Secretary