

Present: Marty Yonas, President  
Fred Peterson, Vice President  
Dwight Freeburg, Treasurer  
Tom Hutchinson, Director  
Faith Dodge, Director  
Pat McKinney, Director (late arrival)  
Buddy Darby, Director (late arrival)

Joe Bunting, Staff  
Teresa Cooper, Staff  
Tammy McAdory, Staff  
Joe Croughwell, Staff  
Carrie Cross, Staff

1. Call to Order, Verify Quorum – Mr. Yonas called the meeting to order at 2:03 p.m. with a quorum of directors by Messrs. Yonas, Peterson, Freeburg and Hutchinson, and Mrs. Dodge.
2. Approval of Minutes –
  - A. January 12, 2004 (enclosure) – **Mr. Hutchinson moved approval of the January 12 board minutes with corrections. Mr. Peterson seconded the motion. This vote was carried unanimously by those in attendance.**

[Pat McKinney arrived at 2:04pm]

3. Administrative Reports
  - A. Joe Bunting, General Manager
    1. Overview of Covenants (enclosure) – Mr. Peterson recommended replacing the words “as of the writing December 2003” with “as of printing February 2004” throughout the document. **Mr. Hutchinson moved approval of the Overview as amended. Mr. Freeburg seconded the motion. This vote was carried unanimously by those in attendance.**
    2. Security/Covenant Compliance Status Report (enclosure) – Status Report.
    3. Long Range Plan (enclosure)
      - a. LRP Cycle III (enclosure) – The nine goals were reviewed and explained by Joe Bunting. This will now be posted to the web.

[Buddy Darby arrived at 2:16pm]

- b. LRP Cycle IV (enclosure) – The LRP is a revisable document. The fact that the document is revisable was clarified in the event that the new board wishes to make revisions should it choose to. **Mr. Freeburg moved approval of the LRP Cycle IV. Mr. Darby seconded the motion. This vote was carried unanimously.**
        - c. Governance & Planning Committee Recommendation – The GPC recommended that a tri-fold brochure be postponed until it can be determined whether the Overview of Covenants or the Maze of K’s fill this need. The CSC volunteered to refer the materials to members at new member welcome gatherings.
4. Annual Meeting Agenda (enclosure) – **Mr. McKinney moved approval of the agenda. Mr. Peterson seconded the motion. This vote was approved unanimously.**
5. Mail Votes – No mail votes were taken since the last meeting.
6. Member Comments from January 12 board meeting (enclosures) – Joe reviewed the response given to the comment.
7. Ratification of votes taken at the January 12 Executive Session – The following committee appointments were approved at the January 12 Executive Session: Richard Frisch to Human Resources Committee and Russ Crane as Vice Chair of the Human Resources Committee. **Mr. Hutchinson moved ratification of the above committee**

- appointments. Mr. Freeburg seconded the motion. This vote was carried unanimously.**
- B. Teresa Cooper, Controller
1. 2003 Year-end investment schedule (enclosure) – Teresa reported to the board the investment schedule for year-ending 2003.
  2. Audited 2003 year-end financial statements will be available by the Annual Meeting.
4. Committee Reports
- A. Major Repair & Replacement (enclosure) – Ron Tedesco, MRRC Chair and Steve Orban, MRRC subcommittee chair gave a status report on the proposed maintenance site construction and provided Exhibit A as a board handout. The MRRC recommends Liollo Architecture for the design of the proposed KICA Maintenance office building. We are looking to have the project essentially completed in the spring of 2005. **Mr. Darby moved approval of the architect. Mr. Hutchinson seconded the motion. This vote was approved unanimously.** After more discussion, **Mr. Darby moved \$45,000 for initial building design and engineering fees to obtain a firm cost for the building. Mr. Hutchinson seconded the motion. This vote was approved unanimously.** The timing of this project was discussed. MRRC will continue with the project, get a firm price on the cost of the building, meet with the FAC regarding financial needs, and finally bring it back to the board to be approved. It was also suggested that an article be run in the *Digest* to help inform the members of the project.
- B. Covenant Compliance (enclosure) – Diane Bennett, CCC Chair gave a status report on the Covenant Compliance Committee, its activities and its progress. Mrs. Bennett provided a list of the properties not in compliance with the Covenants for an extended period of time (Exhibit B - confidential) to the board.
5. New Business – No new business
6. Unfinished Business –
- A. Landscape Maintenance Guidelines for Members (enclosure) – To clarify approvals for lake-edge pruning, **Mrs. Dodge moved to approve the ARB recommended addition of sentence under section I.G.4 that states, “Routine maintenance activities, previously approved by these two entities may be conducted without receiving written permission for each occurrence.” Mr. McKinney seconded the motion. Motion passed 5 to 1, as follows: Messers. Yonas, Peterson, Darby and Freeburg and Mrs. Dodge in favor, Mr. Hutchinson opposed.** When the next Rules & Regulations Handbook is published, the language will be changed so there is no discrepancy as to the handling of any dead trees.
- B. Financial Controls Manual, Chapter 17, Investments (enclosure) – Teresa Cooper provided the board with two handouts. The first, Exhibit C, was an updated Authorization form to sell or purchase investments. The second, Exhibit D, showed the difference of using all funds on a one-year time limit versus reserves funds on a two-year limit. An additional change recommended by the FAC is to change the first sentence of the chapter from “The Association will invest excess funds i.e. certificates of deposit, government securities, or money market funds” to “The Association will invest consolidated fund balances, excluding property fund and unrealized gains on investments, in accord with policies and procedures described herein.” Further review of this issue will be undertaken and presented at the next board meeting.
- C. General Manager Remarks – Joe Bunting made a formal thank you, on behalf of staff, to Mr. Yonas for serving on the board of directors.

KICA Board of Directors Meeting  
February 23, 2004  
2:00 p.m. - Sandcastle

APPROVED

7. Adjournment - Having no further business to conduct, the meeting was adjourned on motion duly made and seconded.
8. Member Comments – There were no member comments.

Submitted by

Approved at the March 29, 2004 meeting

Carolyn Cross  
February 25, 2004

Faith Dodge  
Secretary