

**Keys at Kure Beach Homeowners Association**  
**BOARD OF MANAGERS MEETING - August 6, 2009 - 6:00 PM**  
**MINUTES**

**Board present:** Harry Birch, Micki Hobson, Tim Upton, Ed Wilkinson,

**Not present:** Bryan Strickland

**Accountant:** Grace McGee

**Committee Coordinators/members present:** Barbara Upton

**Special meeting - Board of Managers & Committee Members**  
**Purpose: 2010 Budget Preparation**

Worksheet prepared by Grace & Micki provided to members prior to meeting included all items with exception of YE Projections (Column G) for Irrigation Repair and Landscaping & Pond - lines 13 - 16 which were determined during meeting.

**2010 Proposed Budget to be included with Annual Mailing -- Attachment A**

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**Process/Discussion:**

- **EXPENSE** items discussed first. Reference notes on attachment reflects rationale for any significant changes in budget items. Of particular note are:
  - ACCOUNTANT to receive first increase since beginning April 2006 due to increase in number of hours required to accommodate additional time/tasks related to delinquencies, communication with legal counsel, research and updating of records. Note: Recommendation by Board, not accountant. Unanimous approval for \$100 per month increase.
  - POND - 2009 expenses over budget due to pump repairs, legal expenses incurred for title searches, and the first of periodic dredging of pond floor and input pipe cleaning to be incurred this Fall. Note: These expenses will be shared with KBV at 60/40 rate (Keys/KBV); KBV obligation to be invoiced in 2010.
  - IRRIGATION: Significant savings is expected as result of installation of new rain sensors on all clocks.
- **INCOME** - Dues were discussed after projected expense total of \$99,000 was determined. Harry recommended reducing dues to accommodate current financial stress hitting majority of owners. Dues increases in subsequent years may seem less palatable, but Board agreed that easing current situation for owners would be worth taking future complaints. Unanimous agreement to reduce dues from \$436 per quarter to \$400.

- RE-PAINTING -- reminder: all items, including design expense, to be taken from escrow account and are not included in Annual Operating budget.

### **ESCROW ACCOUNT STATUS / PROJECTIONS:**

\$ 406,000 account total as of 7/31/09  
- 124,000 in reserve for re-shingling payments  
  
 \$ 282,000 balance as of 7/31/09  
  
+ 58,000 projected addition YE 2009  
 @ \$ 340,000 total as of 1/1/10  
  
+ 58,000 projected addition YE 2010  
  
 \$ 398,000 projected total YE 2010  
  
- 250,000 re-painting HIGH ESTIMATE, to be incurred 2011  
  
 \$ 148,000 will be available for emergency driveway repairs and initial savings for re-painting projected for 2016 or 2017.

### **Other Projects to be researched:**

#### **- FRONT STEPS & DRIVEWAYS - power washing**

Recommendation from Tim, unanimous Board agreement to research expense for power washing these areas for all units. Expense not included in 2010 budget; Board to vote at next meeting on including this as additional expense. Note: This will not be in time to include in budget proposal, however, expense will be within \$5,000 limit permitted for additional Board expenditures. Assignment: Tim

#### **- PICNIC TABLES near POND**

Recommendation from Barbara Upton. Pro/Con discussion: Pro -- Makes pond more welcoming and useful to all owners, including KBV residents. Con -- Increased usage equals increased liability. Unanimous agreement that expense be researched, including only tables and attached benches with zero maintenance and installation mechanism that will insure safety during extreme weather conditions such as hurricanes. Assignment: Barbara

Meeting adjourned 8:30 PM

Submitted by Micki Hobson, Secretary - 8/ 7/ 09

