

Keys at Kure Beach Homeowners Association
Annual Meeting–October 2, 2010—10:00 AM
Minutes

Before the beginning of the meeting, Tim advised to have a valid meeting a quorum of the Board of Managers is required. (By-Laws, Article II, Section 8. Quorum of Board of Members.) Joy Bryant was appointed as alternate member for the period of the Annual Meeting.

Board Members Present: Tim Upton, President/ Bryan Strickland, Vice President/ Joy Bryant, Appointed Substitute Secretary/ Ed Wilkinson, Treasurer/ Harry Birch, Architecture Chair

Not Present: Micki Hobson, Secretary and Grace McGee, Accountant

Owners Present: 28/ Proxies received: 10 – Total: 38

CALL TO ORDER: 10:15 AM by Tim Upton, President

As specified in the By-Laws– Article II– Section 6 Order of business at all meetings of the Unit Owners shall be as follows:

1. ROLL CALL: Taken at sign in. Quorum of 37 was met.
2. PROFF OF NOTICE OF MEETING: 9/10/10 mailing presented.

ON FILE under “Annual Meeting Notices.”
3. READING OF MINUTES of previous HOA Meeting –10/3/2009–waived.
4. REPORTS OF OFFICERS none this meeting.

Note: In lieu of
Treasurer's Report,
Financials listed in
Budget proposal.

5.

REPORTS OF
COMMITTEES:

TERMITE INSPECTION- Oct.1, 2010 - Tim Upton reported 22 garages were not accessible and moisture readings were not taken due to our recent wet weather. ATTACHMENT A

RE-PAINTING - Ed Wilkinson and Micki Hobson, Co-Chairs Report by Ed

Committee members, currently: Barbara Upton, Linda Newton, Carol Malicki and Joy Bryant

- Our plan is to put stain on our homes beginning in the spring of 2011
- Paint colors were chosen by the committee while working with interior designer Jennifer France of Blue Sky Design Inc. and it is our hope that each homeowner will get one of their choices for their home's paint color.
- First, all homes will be inspected by a Home/Building Inspector to identify water damage.
- Notification of damage with a deadline to have work completed will be mailed to homeowners.
- Damage is to be repaired by homeowners.
- If not repaired by homeowner the HOA will have work done and charges will be billed to homeowner.
- See Carol Malicki or Linda Newton at the end of meeting to pick up packets with paint colors and ballots.

-Owners will pick three colors and number them from 1 to 3 in order of their preference. (Submitting only once choice will not guarantee that you will receive it.)

-Attached owners need to discuss and agree on the 3 color choices for the building. If owners cannot agree on color for their building or they have no preference the committee and designer will choose color.

-11/15/10 is deadline to have color choices back to the committee. If no form is received by deadline it will be assumed that you have no preference.

-Jennifer France presented the seven colors chosen by the committee.

ATTACHMENT B

-trim, porches, and lattice beneath rear decks will remain the same as currently painted.

-decks are not part of the re-painting. The upkeep of back deck area is the individual homeowner's responsibility.

This started a lengthy discussion on the ownership of rear decks and the use of the wrong paint on decks at last painting.

Ed Wilkinson suggested that "an action item" for the next board will be to look into reviewing the present policy of deck ownership and a proposed amendment of the present policy at their first meeting.

BUDGET-Ed Wilkinson presented the proposed budget due to Grace McGee's absence

-we saved 1.1 million gallons of water/approximately \$10,000 in savings due to the installation of water sensors this past year

-we are on target with dues. We have a judgment on an owner/ 10 owners owe approximately \$13,000 with one owing \$4,500.

-we made less in interest of CDs due to the economy but we are still quite solvent

-26 units have not reroofed as of this date

Tim asked if we wanted a time limit (suggested 30 days) to place liens on delinquent dues instead of the dollar amount we have now (\$1,000).

This started a lengthy discussion on the merits of giving a time limit to place liens instead of the \$1000 overdue limit we have now.....

-Andy McVey, Esq. spoke of our legal responsibilities in our bylaws

Tim made the motion to place liens on properties that are 30 days past due to replace the present policy to place liens on properties that are \$1,000 in arrears. Ed seconded motion and it passed.

-Tim mentioned that the \$25,000 in escrow and the increase in legal fees were explained in the mailing sent with notice of meeting.

-The proposed budget has an increase in fees to \$458 a quarter. This is the amount that was originally proposed for this past year not the \$480 that had been estimated for 2011.

RE-ROOFING-Tim advised owners can re-roof now thru the end of the year and the Board hopes to have the contract to re-roof remaining units by the 2nd of January.

When Tim asked Harry to give the Architecture Committee report he stated that he (Tim) had taken care of it. This got a laugh from the attendees.

6.

ELECTION OF BOARD OF MANAGERS

Harry Birch, Tim Upton and Ed Wilkinson will complete the second year of their first three-year term and will continue their third year in 2011.

Micki Hobson and Bryan Strickland will complete the third year of their first three-year term and will be candidates for a second three-year term.

-Tim then asked if we have any candidates from the floor. No one was nominated.

7.

UNFINISHED BUSINESS

Andy McVey, Esq. gave the retention pond update.

-the Keys has used a good faith calculation of the required contributions and recommends \$25,000 be placed into an escrow account for pond maintenance.

-we now have a cost sharing agreement with Kure Beach Village HOA for 40% reimbursement of actual expenses incurred for pond maintenance on an annual basis

-Phase III of the Village would not have been built if it were not for the retention pond.

-Mr. McVey discussed Department of Environment and Natural Resources (DENR) meeting that took place in September and that Joey Hill, our engineer must satisfy DENR to comply with the Kure Beach town ordinance.

Questions:

What do owners not on pond get out of pond? Simple answer is that the units would not have been allowed to be built if not for the retention pond.

Why can't we sue the developer (Weinbach)? Mr. McVey advised the development was an "S Corporation" and that the corporation was since dissolved. There isn't anyone to be sued.

8.

NEW BUSINESS

Tim advised that according to our by-laws all committees must be released at this meeting and new ones will be established at the first

meeting of the new board. He thanked the following committee members:

Landscape Committee: Jennifer Scott, Peg Fisher, Betty Swann and Evelyn Bowman

Legal: Ed Wilkinson and Tim Upton

Paint Committee: Ed Wilkinson, Micki Hobson, Barbara Upton, Linda Newton, Carol Malicki and Joy Bryant

Architectural Committee: Harry Birch

Question: Property owner Sally Shafer asked about her personal landscape at 650 Sloop Pointe Lane, she wanted to know when her juniper bushes that had died would be replaced. Betty Swann advised that the committee was working with Sam's Landscaping to replant several areas in October when the weather is cooler.

The budget was approved 35 to 3 and Micki Hobson and Bryan Strickland were unanimously reelected to the board.

9.

ADJOURNMENT –
12:13