

Briar Bay Community Association, Inc.
Board of Director's and
Annual Budget Meeting Minutes
November 11, 2008

1. CALL MEETING TO ORDER

The following board members were in attendance.

Brian Dowling, President-----Present
Ed Zakarian, Vice President -----Present
George Born 2nd Vice President -----Present
Debra Nickolos, Secretary -----Absent
Jurate Barkauskaite-Meister, Director -----Present
Ashley Curtis, Treasurer -----Present
Jennifer Brugger, Director -----Present

A quorum of the Board of Directors being present the meeting was called to order at 6:30PM by President Brian Dowling.

2. APPROVE MINUTES

MOTION: It was moved by Ed Zakarian and seconded by George Born to waive the reading of the minutes of the October 14, 2008 Board of Directors meeting and to approve them as published. **VOTE:** Unanimous.

3. FINANCE REPORT

Ashley Curtis presented the financial report. The following are the account balances as of October 31, 2008.

Operating ----- \$136,026.41
Money Market ----- \$57,366.61
Sun Trust CD ----- \$88,114.72

4: COMMITTEE REPORTS

Ed Zakarian reported that some residents had inquired about the cutbacks in security due to budget shortfalls

Jennifer Brugger reported she has been receiving numerous phone calls regarding parking violation issues. This is believed to be the result of the cutback in hours the rover guard is patrolling the streets.

A security representative from K-9 Security was present and reported no major concerns in the community.

5. MANAGEMENT REPORT

None presented.

6. 2009 PROPOSED BUDGET

Mr. Dowling gave an overview of the current financial condition of the Association. Due to the increased number of foreclosures and delinquent owners in the community, which is directly related to the present poor economy, the cash flow is currently scarcely able to pay the bills for the association.

In an attempt to continue to cut cost several meetings were held with Comcast Cable, as they receive over \$35,000 per month for their services, to see if the Association could terminate or modify the contract. Comcast stated that they would consider suspending the contract for a two year period but afterwards the contract would again resume and an additional two years would be added to the end of the current agreement. Discussion followed with all Board members commenting and many from the audience expressing their views. Among the board members and the audience many logical and well-thought out ideas were presented. However, none of the ideas were declared to be foolproof as there is no way of

knowing where the economy will be in 6 to 12 months. It was generally agreed upon by those present that suspending or modifying the Comcast agreement was not a good idea.

Mr. Zakarian felt that the most prudent way of handling a budget shortfall was to levy a Special Assessment. Discussion followed with some in agreement and others who felt it would be better to initiate a modest increase in the regular Maintenance Fees and to collect them monthly instead of quarterly to help owners to better budget for the increase. It was generally agreed upon by those present that initiating a modest increase in the regular Maintenance Fees was the best way to handle the budget shortfall.

Mr. Dowling then presented the 2009 proposed budget as follows which is based upon an increase in Maintenance Fees to \$120.00 per month per unit for all of the units within the security gate and \$55.20 per month per unit for all of the units in The Cove.

	2009 Proposed		
	Annual Budget	Monthly	
Ordinary Income/Expense			
Income			
INCOME			
4050 · Maintenance Fees LB-LI-SH-TT-WE	1,251,360.00	104,280.00	\$120.00 month
4055 · Maintenance Fees CV1-CV2	190,771.20	15,897.60	\$55.20 month
4112 · Legal Fee Reim Income	80,000.00	6,666.67	
4170 · Transmitters/Pass Cards Income	10,000.00	833.33	
Total INCOME	1,532,131.20	127,677.60	
Total Income	1,532,131.20	127,677.60	
Expense			
EXPENSES			
Administrative Expenses			
5005 · Accounting *	3,000.00	250.00	
5010 · Bank Fees *	500.00	41.67	
5015 · Legal Fees Collections *	100,000.00	8,333.33	
5017 * Legal Fees General	5,000.00	416.67	
5020 · Licenses, Permits & Fees *	500.00	41.67	
5025 · Insurance *	25,000.00	2,083.33	
5030 · Management Fees *	90,000.00	7,500.00	
5045 · Office Expense/Coupons *	12,000.00	1,000.00	
5055 · Software/Technology	7,500.00	625.00	
5060 · Taxes Federal/State/City *	500.00	41.67	
5070 · Web Site - briarbayonline.com *	1,000.00	83.33	
5075 · Web Site - briarbay.org	2,500.00	208.33	
Total Administrative Expenses	247,500.00	20,625.00	
General Repairs & Maintenance			
5105 · Air Cond Repair & Contract	1,920.00	160.00	
5110 · Clubhouse Supplies	750.00	62.50	
5115 · Common Property Maintenance	12,000.00	1,000.00	
5120 · Exercise Equipment R&M	1,000.00	83.33	
5135 · Janitorial/Maint. Man	30,000.00	2,500.00	
5140 · Janitorial Supplies	500.00	41.67	

5145 · Misc Repair & Maintenance	500.00	41.67
5150 · Pest Control Clubhouse	2,200.00	183.33
5160 · Tennis Court Repair/Maintenance	2,400.00	200.00
5170 · Golf Cart Maint/Repairs	1,200.00	100.00
Total General Repairs & Maintenance	52,470.00	4,372.50
Landscape Maintenance		
6205 · Irrigation Repair	1,500.00	125.00
6210 · Landscape Extras	24,000.00	2,000.00
6215 · Mowing & Trimming	48,120.00	4,010.00
6220 · Mowing & Trimming Frt Ent *	26,400.00	2,200.00
6230 · Mulching	8,000.00	666.67
6235 · Mulching *	4,000.00	333.33
6245 · Tree Trimming	3,600.00	300.00
6250 · Tree Trimming *	1,200.00	100.00
Total Landscape Maintenance	116,820.00	9,735.00
Pool Expense		
6305 · Pool & Fountain Repair	5,000.00	416.67
6315 · Pool Cleaning Service	18,000.00	1,500.00
Total Pool Expense	23,000.00	1,916.67
Security		
6402 · Burglar/Police Alarm Monitoring	500.00	41.67
6405 · Camera System Repair/Maintenanc	3,500.00	291.67
6415 · Fire Alarm Monitor & Inspection	4,000.00	333.33
6417 · Gate Repair/Maintenance	4,700.00	391.67
6420 · Transmitters/Pass Cards Expense	5,000.00	416.67
6425 · Passport System Repair/Maint	5,000.00	416.67
Guards		
6435 · Gate House Guard	138,740.00	11,561.67
6440 · Pool Guard	35,000.00	2,916.67
6445 · Road Patrol Guard	36,500.00	3,041.67
Total Guards	210,240.00	17,520.00
Total Security	232,940.00	19,411.67
Utilities		
6505 · Cable Television *	452,000.00	37,666.67
6510 · Electric	35,000.00	2,916.67
6515 · Internet-Comcast	1,250.00	104.17
6520 · Phone Expense *	7,500.00	625.00
6525 · Water/Sewer/Trash	10,000.00	833.33
Total Utilities	505,750.00	42,145.83
Total EXPENSES	1,178,480.00	98,206.67
Total Expense	1,178,480.00	98,206.67
Net Ordinary Income	353,651.20	29,470.93

Reserves

Reserve Funding

Budget Shortfall	240,355.20	20,029.60
Celebration Blvd-Inside Gate	12,000.00	1,000.00
Clubhouse/Guardhouse	1,200.00	100.00
Contingency CV1, CV2	6,264.64	522.05
Contingency LB, LI, SH, TT, WE	40,151.36	3,345.95
Entry Roads *	2,360.00	196.67
Exercise Equipment	2,400.00	200.00
Hurricane	10,000.00	833.33
Irrigation Pumps *	4,500.00	375.00
Painting	2,500.00	208.33
Parking Lot	1,800.00	150.00
Pool Marcite	12,000.00	1,000.00
Pumps, Motors, A/C	12,500.00	1,041.67
Roofing	1,620.00	135.00
Tennis Courts	4,000.00	333.33
Total RESERVE FUNDING	353,651.20	29,470.93
Total Other Expense	353,651.20	29,470.93
Net Other Income	-353,651.20	-29,470.93
Net Income	0.00	0.00

MOTION: It was moved by Jurate Meister and seconded by Jennifer Brugger to approve the budget as proposed and to begin collecting the Maintenance Fees monthly.

VOTE:

For- Brian Dowling, George Born, Jurate Barkauskaite-Meister, Ashley Curtis and Jennifer Brugger.

Opposed - Ed Zakarian

MOTION PASSED.

Mr. Zakarian commented that he opposed solely for the reason that he felt the financial outline he presented during the discussions for a one-time special assessment would better correct the current situation of budget shortfalls.

7. UNFINISHED BUSINESS

None reported.

8. NEW BUSINESS

No New Business

9. OPEN FORUM

All comments and discussion surrounded the budget shortfall and Comcast Cable.

10. ADJOURNMENT

There being no further business the meeting was adjourned at 8:50PM.