

**BRIAR BAY COMMUNITY ASSOCIATION
BUDGET & BOARD OF DIRECTORS MEETING
NOVEMBER 16, 2010**

1. CALL MEETING TO ORDER:

The following Board members were in attendance:

Brian Dowling, President ----- Present
Ed Zakarian, Vice President----- Present
Ashlee Curtis, Treasurer ----- Present
Susan Ritchie, Secretary----- Present
Jurate Meister, Director----- Present
Stacy Kelly, Director ----- Present
Maxine Wilson, Director----- Present

Also in attendance were Bruce King, Andrea King and Kristin Klingman of Kings Management Services, Inc.

A quorum of the Board being present, Vice President Ed Zakarian called the meeting to order at 6:30 p.m.

2. APPROVE MINUTES:

MOTION: It was moved by Jurate Meister and seconded by Susan Ritchie to waive the reading of the minutes of the October 12, 2010 Board meeting and to approve them as published.

VOTE: Unanimous.

3. FINANCIAL REPORT:

Following are the account balances as of October 31, 2010 from the finance report previously distributed to the Board of Directors:

Operating/BB&T ----- \$121,249.47
Reserve/BB&T ----- \$253,158.54
Reserves/Sun Trust ----- 96,959.67

Each Director is provided with copies of the complete monthly financial reports along with all bank statements and reconciliation reports.

4. 2011 BUDGET

The Board reviewed the following 2011 Proposed Budget. Among other variations, the following items were adjusted. Estimated legal fees were reduced due to the Board voting to transfer delinquent accounts from the association's attorney to a collections service. Common Property maintenance was increased due to 2010 expenses being significantly higher than budgeted. Landscaping items were increased. Other than changes in security man hours, there is no increase in the security expenses. Under the reserves portion of the budget, the Budget Shortfall line item was increased due to the increase in unpaid assessments.

To account for changes in expenses and reserves, the 2011 Budget proposed a 10% increase in assessments. The Board would like to note that no increase has been made to the assessments since the 2009 budget.

MOTION: It was moved by Susan Ritchie and seconded by Jurate Meister to accept and approve the 2011 budget as proposed. **VOTE:** Unanimous.

	<u>2011</u> <u>Annual Budget</u>
Ordinary Income/Expense	
Income	
INCOME	
4050 · Maintenance Fees LB-LI-SH-TT-WE	1,376,496.00
4055 · Maintenance Fees CV1-CV2	207,360.00
4115 · Legal Fee Reim Income	50,000.00
4170 · Transmitters/Pass Cards Income	<u>1,000.00</u>
Total INCOME	<u>1,634,856.00</u>
Total Income	1,634,856.00
Expense	
EXPENSES	
Administrative Expenses	
5005 · Accounting *	3,000.00
5010 · Bank & Credit Card Fees*	600.00
5015 · Legal Fees Collections*	50,000.00
5017 · Legal Fees Other*	4,800.00
5020 · Licenses, Permits & Fees *	480.00
5025 · Insurance *	27,200.00
5030 · Management Fees *	90,000.00
5035 · Misc Administration Expense	1,000.00
5045 · Office Expense/Coupons *	6,000.00
5055 · Software/Technology	15,000.00
5060 · Taxes Federal/State/City *	2,500.00
5070 · Web Site - briarbayonline.com *	480.00
5075 · Web Site - briarbay.org	<u>480.00</u>
Total Administrative Expenses	201,540.00
General Repairs & Maintenance	
5105 · Air Cond Repair & Contract	1,200.00
5110 · Clubhouse Supplies	1,500.00
5115 · Common Property Maintenance	25,000.00
5120 · Exercise Equipment R&M	10,000.00
5135 · Janitorial/Maint. Man	30,000.00
5140 · Janitorial Supplies	500.00
5145 · Misc Repair & Maintenance	6,000.00
5150 · Pest Control Clubhouse	2,160.00
5160 · Tennis Court Repair/Maintenance	1,200.00
5170 · Golf Cart Maint/Repairs	<u>1,800.00</u>
Total General Repairs & Maintenance	79,360.00
Landscape Maintenance	

6205 · Irrigation Repair	1,200.00
6210 · Landscape Extras	20,000.00
6215 · Mowing & Trimming	54,000.00
6220 · Mowing & Trimming Frt Ent *	30,000.00
6230 · Mulching	15,000.00
6235 · Mulching *	4,000.00
6245 · Tree Trimming	15,000.00
6250 · Tree Trimming *	1,500.00
Total Landscape Maintenance	140,700.00

Pool Expense

6305 · Pool & Fountain Repair	1,200.00
6315 · Pool Cleaning Service	25,000.00
Total Pool Expense	26,200.00

Security

6402 · Burglar/Police Alarm Monitoring	480.00
6405 · Camera System Repair/Maintenanc	2,400.00
6415 · Fire Alarm Monitor & Inspection	1,000.00
6417 · Gate Repair/Maintenance	6,000.00
6420 · Transmitters/Pass Cards Expense	1,000.00
6425 · Passport System Repair/Maint	1,200.00
Guards	
6435 · Gate House Guard	144,000.00
6440 · Pool/Clubhouse Guard	44,400.00
6445 · Road Patrol Guard	40,000.00
Total Guards	228,400.00

Total Security	240,480.00
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Utilities

6505 · Cable Television *	518,400.00
6510 · Electric	38,000.04
6515 · Internet-Comcast	1,200.00
6520 · Phone Expense *	7,500.00
6525 · Water/Sewer/Trash	15,000.00
Total Utilities	580,100.04

Total EXPENSES	1,268,380.04
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Total Expense	1,268,380.04
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Net Ordinary Income	366,475.96
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Other Income/Expense

Other Expense

RESERVE FUNDING

Budget Shortfal	230,500.00
Celebration Blvd-Inside Gate	12,000.00
Clubhouse/Guardhouse	10,000.00
Contingency CV1, CV2	6,000.00
Contingency LB, LI, SH, TT, WE	45,076.00
Entry Roads *	2,400.00
Exercise Equipment	25,000.00
Irrigation Pumps **	1,200.00
Painting	5,000.00
Parking Lot	1,500.00
Pool Resurfacing	12,000.00
Pool Heaters	5,000.00
Pumps, Motors, A/C	6,000.00
Roofing	2,400.00
Tennis Courts	2,399.96
Total RESERVE FUNDING	366,475.96
Total Other Expense	366,475.96
Net Other Income	-366,475.96
Net Income	0.00

THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR ADEQUATE RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS. OWNERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION 720.303(6), FLORIDA STATUTES, UPON OBTAINING THE APPROVAL OF A MAJORITY OF THE TOTAL VOTING INTERESTS OF THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT.

5. OFFICER'S REPORTS:

No Officer's Reports.

6. UNFINISHED BUSINESS

Mountain Air conditioning provided three bids to replace the air conditioning air handler and compressor in the gym. The first bid was for a five ton Rheem unit for \$3,395. The second was for a five ton Trane unit for \$3,413 with a five year warranty. The third unit was also for a five ton Trane with a ten year warranty for \$3,822. **MOTION:** It was moved by Stacey Kelly and seconded by Ashlee Curtis to replace the current air conditioning unit with the Rheem unit for \$3,395. **VOTE:** Unanimous.

A proposal was provided by Meister Consultants to repair the drywall and closet where the existing air conditioning unit leaked. The bid was \$500. Jurate Meister informed everyone that she is related to the contractor and abstained from discussion and voting. **MOTION:** It was moved by Susan Ritchie and seconded by Maxine Wilson to accept the proposal. **VOTE:** All voted in favor except for Jurate Meister who abstained.

7. NEW BUSINESS

New Business discussion ensued during the budget discussion.

8. OPEN FORUM

Community discussion ensued during the above items.

9. ADJOURNMENT

MOTION: There being no further business Ed Zakarian moved to adjourn the meeting at 7:34 pm and was seconded by Susan Ritchie.

The 2011 Annual Membership meeting is scheduled for February 8, 2011 at 6:30p.m. at the Briar Bay Clubhouse.