

SPECIAL MEETING OF THE MIDDLE ISLAND PROPERTY OWNERS ASSOCIATION: ANNUAL BUDGET MEETING

December 3, 2018 at 5:00 PM by Conference Call

The *Annual Budget Meeting* of the property owners association to consider the proposed operating budget, reserve fund budgets, and annual dues was held by conference call on Monday, December 3rd at 5 PM. This year, budget development was delayed because of Hurricane Florence and its aftermath, which required a reassessment of the state of our assets. The meeting notice requirement was met, and the meeting held as specified in the covenants.

The *budget documents* circulated to all property owners included:

- the proposed 2019 Operating Budget
- the proposed 2019 Reserve Funds Budget
- the proposed 2019 Annual Assessments
- a summary spreadsheet of the preliminary reserve study
- the 3rd quarter 2018 MIPOA financials.

The Board made a few budget adjustments. Expenses that occur unpredictably (such as replacement of the beach access over the frontal dune) were moved out of the operating budget and into the reserve budget for multiyear planning. We have completed a preliminary reserve study, identifying several additional assets (such as our vehicles and bridges) that should be included in capital reserve plans, and identifying reserve funds that are overfunded or underfunded. The full reserve study will be performed in 2019. After these adjustments, the bottom line is: **dues for 2019 are unchanged from 2018.**

The reserve philosophy was reviewed, which aims to have 100% funding available for capital repair and replacement projects.

The call was opened to any questions. Nonie Williams asked about what work was done on Middle Island with FEMA and State funding. The major development following Hurricane Florence was the confirmation that vegetative debris, construction and demolition debris, and white goods can be collected from private roads by the Village's contractor. The Village approved collection from private roads, so apart from David Ward's work, MIPOA has incurred no costs for post-Florence debris removal. There were no other comments.

Without objection, the proposed budgets and annual assessments were adopted, and the meeting was adjourned at 5:22 PM.