



701 Sailor Court  
Kure Beach, NC 28449  
(910) 707-0843  
[kbvhoa@gmail.com](mailto:kbvhoa@gmail.com)  
[www.kurebeachvillage.com](http://www.kurebeachvillage.com)

## **Kure Beach Village**

### **Board of Directors Meeting Minutes**

### **August 16, 2022**

#### **DIRECTORS PRESENT**

Bob Cooil  
Jeff Martin  
Gary Merkle – by phone  
Howard Spallholtz  
Ed White

#### **STAFF PRESENT**

Grace McGee

#### **ATTENDEES:**

Bruce Yergler, Merritt Jones

#### **CALL TO ORDER**

President Jeff Martin called the meeting to order at 5:00pm

- A. **APPROVAL OF PRIOR Month's MINUTES** with inclusion of note that Gary holds that the owner of the vacant lot at 434 Settlers Ln. is in violation of the Architectural Control Guidelines by storing dirt on the lot more than two weeks before the start of construction:

**MOTION** – Bob Cooil

**SECOND** – Ed White

**VOTE** – Unanimous

#### **B. Bruce Yergler, Acting President of The Keys HOA**

Bruce introduced himself and informed the Board that he wanted to let them know that The Keys was pursuing the possibility of hiring a property management firm to handle all the operational aspects of the HOA with the exception of the accounting records and the website. The Keys has a continuing problem in recruiting owners to be board members. Many owners are part time residents or absentee rental owners or do not want to have to deal with their neighbors in a management role. The Keys is hopeful that having a professional company perform that owner interface, will encourage more owners to join the board that is still needed to oversee. Additionally, the firms they are interviewing manage multiple projects and have clout with an extensive list of contractors they can draw on to perform operational functions such as landscaping, irrigation, painting and legal issues. Bruce stated that The Keys move in this direction will not impact the Village as it wants to continue using the joint office staff to handle administrative functions and its Board will continue to work with the Village Board on matters that affect both HOAs.

Jeff stated he appreciated Bruce taking the time to visit with them and explain their plans.

#### **C. FINANCIAL REPORT** – Howard Spallholtz & Grace McGee

- a. Check Detail and P&L – July bills were all routine monthly charges but the July charge for water at the Cabana was high as a result of the extra use of water on 2 days in that period. The Board knew of that high usage but does not know what is causing the spikes in usage that’s occurring periodically.
- b. A review of the profit and loss statement for the period Jan. – July 2022 was omitted as it is to be covered in the projected budget review.
- c. Balance Sheet – All dues have been paid by all owners for 2022. Bob suggested that the board consider transferring funds from the savings account to a 1-year cd as a 2.75% rate was now available at Live Oak Bank. All board members agreed to the transfer.

## **B. 2023 Budget Planning**

### **a. 2022 Operating Budget Forecasting -**

- Insurance Increase - This year insurance was budgeted for \$8,300, based on last year’s pricing. However, insurance rates have increased and the best premium prices we have come up with total \$9,900. Gary checked with an insurance broker he knew and the rates Ed obtained were comparable. The insurance premiums are paid annually in September. The board voted to exclude the pools from property insurance coverage this year as the premium cost (+/- \$1,100) is considered too high given the low risk of loss. Gary disagreed with this discision and voted to keep the pools insured.
- Landscaping - expenses are projected to be less than the 2022 budget.
- Maintenance – expenses may be slightly (+/- \$500) over budget due to hvac, lighting and entranceway repairs at the Cabana, repairs at the Guardhouse and an increase in the pond maintenance contract but offset by less pool repairs than budgeted.
- Office and professional fees - are projected to be less than the 2022 budget amounts.
- Utilities - are projected to be +/- \$1,000 higher than budget due to higher water charges/recycling charges at the Clubhouse, Cabana & Gazebo.
- Long term maintenance – expenses are projected to be +/- \$8,000 less than budget due to no pool leaks in 2022, a postponement of legal fees for rewriting and recording changes to the By-Laws, and deferment of remodeling of the beach bathroom but offset by adding new signage at the beach.

### **b. 2023 Operating Budget -** The group discussed key budget items for 2023.

- **Insurance** – Ed suggested increasing insurance premiums by 14% due to likelihood of rates continuing to increase.
- **Landscaping**- The mowing contract with Sam’s will be going up \$100 per month (16.5 %) to \$8,580 for the year (\$ 715 per month). Mulch will also likely increase.
- **Pools**– waiting on quote from Pool Professionals and also checking other companies. At this time, a 10% increase in 2023 is projected
- **Maintenance** – \$600 added to supplies for locks for pool gates.

### **c. 2023 Capital Budget -**

- **Signage at the beach gazebo** can be replaced in 2022 rather than 2023.
- **Resurfacing of Clubhouse pool** – Howard to look into price estimate.
- **Replacement cost for Self- Insured Facilities** – Board agreed that cost estimates should be increased 6% for 2022. Ed mentioned he believes replacing the crossover oats at the beach dunes is the Town’s responsibility, not the HOA’s. He will check on this.

### C. Old Business

1. **Architectural Committee update**- Ed reported on the following construction in progress:

#### New Construction:

**728 Gulfstream** – Construction in progress and on track. Builder has until 11/1/22 to complete construction

**737 Sailor Court**– Building is framed and roofed. Needs garage door, siding, doors/windows. 9/21/22 is due date for exterior completion.

**801 Ketch Court** – Ground broken on 8/12/22 marking start of construction. Materials were stored on site for +/- 2 months before construction start.

#### Renovations:

**786 Sloop Pointe** – Sunroom addition- Eastern Shore advised that this takes 6-7 months for orders to process. No permit yet. No work done.

**733 Sailor Court** – exterior completed. Some interior work remains.

#### Vacant Lots:

**434 Settlers Lane** – Owner brought in more dirt and will level it out and put straw down tomorrow (8/17). Jeff noted that storing dirt onsite is normal in the building business and is not considered construction material. Gary maintains that moving dirt is site preparation and should require board approval of plans before it’s done. He believes the builder is not following the HOA’s construction guidelines. **Gary made a motion that the owner/builder was in violation of the Architectural Guidelines for not submitting construction plans for approval and should be fined. The motion was not seconded. Jeff, Ed and Bob agreed that moving dirt is part of the construction process but did not agree that it starts the clock for construction deadlines; that the construction clock starts at foundation work.**

2. **Capital Maintenance** – Bob noted:

- that construction of the Clubhouse mailboxes framing is underway and should be completed by the end of next week (8/26). Framing for the new Cabana boxes will begin once the Clubhouse is completed.

- The Cabana had a 21-hour water leaked for which the cause has not been identified. The toilets were ruled out as a possibility and there are no other obvious sources of the leak.

- The Cabana needs a new GFI switch in the pump room and we need an experienced electrician to handle the work.

- The thermostat in the Clubhouse needs to be replaced.

3. **Landscaping committee** – The committee is on hold until the new framing for the mailboxes is complete and the boxes installed.

**4. Bylaws** – Gary has scheduled a Zoom meeting on 8/22 with an experienced hoa management lawyer to review the revisions suggested by the committee.

**5. Pools** – Jeff talked with the owner of Pool Professionals about the problems we've encountered with his local staff. He wants to get the issues resolved. Howard mentioned that the chemical tests he had run on both pools indicated the balances were all off and also that the sensors were off. He repaired the bad sensors. He has requested a meeting with the local manager but has not had any response. He believes the local staff do a bad job maintaining the chemical log sheets and is dissatisfied with how the pool cleaning work. Bob suggested that Howard communicate solely through emails and copy the owner on all the emails. Howard will send an email.

**6. Office** – Grace mentioned that the 2023 Budget package needs to be emailed or mailed by the end of the 1<sup>st</sup> week in September.

**7. Social** – Jeff noted that Bettie Slusser is arranging a community social in September and that she will be reimbursed for +/- \$25.00 for supplies.

**8. Volunteer Workday** – Jeff mentioned we will hold a workday in October to pressure wash the Clubhouse & Cabana and replace the entry way at the Cabana.

**9. Annual Meeting** – Jeff mentioned that due to family commitments he will not be attending the October 1 annual meeting. He also noted that he will resign his board seat effective Oct. 1 to pursue an opportunity with the Red Cross. Consequently, three board seats will be vacating. To date, two residents have volunteered to run for board seats.

**Next meeting date** is Tuesday, September 20<sup>th</sup> at 5pm at the Clubhouse.

ADJOURNMENT

**MOTION** – Jeff moved to adjourn the meeting

**SECOND** – Bob

**VOTE** – Unanimous

Meeting was adjourned at 6:50 pm.

Respectfully Submitted,

*Grace McGee*

KBV HOA Staff