

**SPECIAL BOARD OF DIRECTORS MEETING
BUDGET MEETING
WEDNESDAY, JANUARY 9, 2013, 2:00 P.M.
COMMUNITY CENTER**

MINUTES

Prayer and Pledge of Allegiance President Foland

Call to Order and Roll Call Directors Foland, Koplen, Benedict, Malchuski, Coyner, Oglesby, Stewart present and Orfe Absent with Notice. Manager Carl Forrest was also present.

Proof of Notice dated and posted Thursday, December 27, 2012 at 12:30 P.M.

Order of Business the review and approval of the 2012 – 2013 Operating Budget which was mailed out to Stockholders on 12/27/12 was presented by Director Benedict, Treasurer. Director Benedict stated he wasn't going to go through it line by line, but if anyone had any questions about any item he would answer it.

Director Stewart asked if the amount for Fire, Police and EMS included the amount the Town contributes to the total cost.

Sue Thaler stockholder explained that it does not. This is strictly the 30% that we pay. Stewart then asked if we have the total cost of the Contact, and Thaler said yes we do and it is readily available, though the exact figure was not available at the moment.

It was stated by Thaler that the bottom line was a per unit amount of \$370.75 per unit on common expenses, she asked for that to be verified, and Director Benedict stated that was correct. Thaler then asked for verification that the Operating Budget 2012-13 was \$1.34 higher per share than the 2011-12 budget, bringing it from \$68.55 from last year to \$69.89 for this year per share. This was also verified By Director Benedict.

Don Faron questioned the line item of Salary Adjustments \$13,000 and inquired if this would be raises or Bonuses. The reply was this was allowed to the Manager for disbursement at his discretion after reviewing employee performance. Manager Forrest replied that this would be determined sometime in the future and would be reported to Shareholders as requested by Dave Bayless.

Tom Goudreau inquired about 2 separate charges from Auto Owners Insurance and stated he only knew of 1 vehicle owned by the Corporation. Shareholder Thaler responded that Auto Owners was the name of the Insurance Company and that 1 was for Insurance on the truck, but the other was for General Liability Insurance.

Director Benedict moved the Operating Budget for 2012-13 be approved 2nd by Oglesby and passed unanimously.

The Reserve Budget was discussed next with the inclusion of partial funding of Reserves. Discussion of whether there should be additional fund directed to the funding for updated Engineering studies for the seawalls. The consensus was we already have approximately \$70K in the Seawall reserve, which would be enough, Director Benedict stated we have already used \$42K of that for repairs.

Benedict motioned to approve \$241,000 Reserve Budget funding with stockholder approval for partial reserve funding. 2nd by Director Oglesby and approved unanimously.

Director Oglesby wanted an additional issue to be added, but it was invalidated and will be addressed at the 2/13/13 Board Meeting.

Meeting Adjourned 2:38 P.M.

Submitted 1/24/13

Marcia Malchuski~Secretary

Board of Directors~Briny Breezes Inc.