

## 03 KC4 Letter to Owners 07252023

July 27, 2023

Fellow Owners,

Over the past year I have written you a number of letters updating you on the latest news, both bad and good. This letter is different. This letter is about the big picture, the core principles that overlay the bad and good and that are essential to guiding decisions about our Association. As President, I am a fiduciary, as are the other members of the Board of Directors. What that means is that I am legally obligated to always act in the best interest of our Association. To do that effectively, I need to base my actions on core principles that support the best interests of our Association.

I have thought quite a bit about what those core principles should be. They aren't written down anywhere. They aren't in an instruction manual I was handed when I started my service on our Board -- because there is no such manual. They aren't explicit in our bylaws -- although I've read all 300+ pages. Nor are they contained anywhere in state law.

There are many candidates for the core principles that should guide the decisions about our Association and I have considered most of them. There is one principle which is paramount, but for me it's implicit: safety -- I will always make the decision that will increase the safety of our building and grounds, after all I live here with my family and I could never live with a decision that resulted in someone being harmed.

Assuming the principle of safety, I keep coming back to just three core principles.

1. Maximize the value of our Association to its owners. This is a financial principle -- and I think it has to be supreme. We can disagree as individuals on the importance of money or the importance of the value of our ownership units of Botanica but, as a fiduciary, I believe that I must always do what will maximize our investments in this Association. This principle can also be measured -- with a degree of precision -- as units in our building and comparable buildings are sold/valued frequently.

2. Optimize the lifestyle of our residents. This is a qualitative principle. We have diversity in our building: young families, older individuals, full-time residents, snowbirds, renters, and owner-occupants. Each individual will define an optimal lifestyle differently. So this value is about making sure that amenities are maintained, rules are enforced, and everyone's rights and opportunities for enjoyment are honored. This is a harder principle to measure objectively but, as our Association is a collection of homes, it seems to me to be an essential one.

3. Efficiently manage and maintain our property. This principle is about ensuring that the money that each owner contributes monthly to operate and preserve our building and grounds is well-spent. It is about making sure that our manager is effective, that our employees are productive, that our limited resources are respected, and that best-practices are employed and professional advice is sought and followed. This principle can be measured through benchmarking versus other properties, regularly bidding out services, and tracking and reviewing performance.

These principles are the core. There are other principles that range from important to nice to have -- but these three are essential. When something happens or a decision needs to be made, these principles are my

guide. I ask myself questions like . . .

- \* Which choice is most likely to maximize the value of our properties?
- \* Which choice will assure the best lifestyle for our residents?
- \* Which choice will use our resources most efficiently?

There are lots of other principles that I hold and value. I value long-term employees, for example. I value seeing familiar faces. I value loyalty, reliability, and consistency. I respect every single person -- and especially people that I have some degree of responsibility for -- and, as President of our Association, that includes every one of our employees.

Sometimes important but lower-value principles can conflict with the three core principles. When that happens, I am not happy about it. I don't relish making difficult and potentially unpopular decisions -- especially as a volunteer, unpaid, community leader. But, as a fiduciary, I don't really have a choice -- at least I don't believe I do -- I must act in the best interest of the Association as a whole and for me that means following the three core principles stated above.

Without going into gruesome detail (and those that want to know more on this can call me at 786-972-4580 for an honest discussion), our Association was in dire need of change a year ago. Changing an organization, especially one in which a significant number of employees have been employed for 20+ years, is not easy. Maximizing value, optimizing lifestyle, and efficiently managing and maintaining our property does not come about overnight, after many years of apathy and neglect, without disrupting the status quo. Employee roles and responsibilities need to be clarified. Processes and procedures need to be implemented and followed. None of that is easy -- and very often long-term employees are resistant to the necessary changes. But, as a fiduciary, committing to the necessary changes, despite resistance, is my duty.

The changes we are starting to implement are having a positive effect on our Association. There should be no doubt about that. As I have already shared with you, we rescued ourselves from a disaster with our roof and insurance; we have implemented improved financial processes; we are upgrading key services including landscaping and janitorial maintenance; and many more things have been or are being improved. There is much more to be done, but meaningful progress is being made. And the three core principles are at the heart of guiding that progress.

Owners that want more information about the improvements we are working towards or who want to provide feedback can attend our Board of Directors meetings. I offer my phone number and email address in every letter I send, and this letter is no exception. I welcome discussions with owners -- call me or email me, I will answer and respond. We are all equal owners -- in responsibility -- we will be a stronger Association when we are more equal in information and perspective. Increasing that strength is the motivation for writing and sending this letter.

In order to amplify the strength of our Association and community, I am spearheading increasing our use of an app and a service we have had available for a few years but not effectively utilized. This is congruent with the third principle of efficiently managing our resources. ONR is a community communication tool that facilitates electronic voting and a great deal more. With ONR we can easily distribute information, send out surveys, and allow owners and residents to communicate securely. If you aren't already enrolled with ONR, please make an effort to get it setup. Here is a link to the enrollment or you can contact our Association office for assistance.

One final thing that can strengthen our Association is more owners willing to volunteer their time and talent. We are currently trying to fill positions on two crucial committees. Despite multiple communications and other efforts, we have been unable to get sufficient volunteers.

1. Our Finance Committee is responsible for helping to formulate our annual budget for approval by the Board of Directors. Serving on this committee is an ideal opportunity for owners that are interested in a crash course in our Association as the budget is connected to everything we do. Serving on the Finance Committee was how I first got involved in serving this community. It's a meaningful commitment, but you will learn a lot and be able to have an impact.

2. Our Fine Review Committee is necessary, per state law, for our Association to issue and enforce fines. Members of this committee cannot be Board Members. This committee is responsible for reviewing fines issues by the Association for rule violations and upholding or dismissing fines. Serving on this committee allows owners to contribute to improving our community by seeing to it that we have the ability to enforce rules using fines.

Any owner interested in serving on a committee should volunteer to the manager by coming into the office or sending an email to [manager@keycolony4.org](mailto:manager@keycolony4.org).

The value of our Association and the quality of our community is our shared responsibility.

Sincerely,

Matt Bramson  
President, Key Colony IV Condo Association