

ORLEANS COURT CONDOMINIUM
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ANNUAL OWNERS' MEETING MINUTES
Saturday, May 17, 2014
DRAFT

I. CALL TO ORDER

President Craig Smith (224) called the meeting to order at 10:30 at St. Peter's Lutheran Church, 10301 Coastal Highway, Ocean City MD. Board members present were Craig Smith, Barry Bleiweis (113), David Wessels (305), Andrea Hutt (101), and Neal Jarvis (320). Brett Staley of Mana-Jit Property Management was also in attendance. Membership packets included a Meeting Agenda, a copy of the 2013 Annual Owners' Meeting Minutes, the Treasurer's Report, and a Board of Directors ballot.

II. ROLL CALL

A quorum was present. Craig Smith reviewed the agenda and explained the election of board members for three available seats, two with three year terms, and one with a two year term. Craig also noted that Orleans Court owner Joe Cain passed away recently; Joe had been responsible for setting up and managing our website, and was also on the board.

III. APPROVAL OF PREVIOUS MINUTES

The meeting minutes from May 18, 2013 Annual Owners' Meeting were reviewed. Barry Bleiweis made a motion to approve the May 18, 2013 meeting minutes. Andrea Hutt seconded the motion and the motion carried.

IV. REPORTS

A. President's Report

1. WIFI: The Board is currently working to improve Orleans Courts' WIFI capability, particular in the bedrooms of the units. Neal Jarvis spoke with four different vendors, including our current vendor. The Board will discuss in more detail.
2. Stairwells: Craig Smith noted that there are now industrial-quality drains at the bottom of the stairwells. The stairs were recently erroneously repainted a lighter gray than the walkway color, and Craig will be working to have them repainted according to original specifications. In addition, lights have been added at the bottom of the stairwells that previously did not have them.
3. Insurance: Our Master Policy was up for renewal, and was quoted with a 25% price increase and a \$10,000 deductible, based on updated catastrophic coverage needs and two open Orleans Court member claims. As a result, a new policy was secured from Insurance Management Group; the deductible is less than last year's.
4. Parking Lot: The issue of the conflict between our Master Deed and the original building plat has been resolved; a settlement was reached and noted in a Consent Decree, a copy of which Craig had available for review. There are no designated parking spaces.
5. Unit Status: Of units where financials are in question, Craig noted that one unit is going to settlement, one has paid outstanding bills in full, one has a lien against it, one is going into foreclosure, and one is currently in litigation for collection of past dues and assessment fees.

B. Treasurer's Report

1. Andrea Hutt reviewed a handout of condominium finances in detail. As of May 16, 2014, there was \$35,564.96 in the Special Assessment Account, \$29,835.62 in the Operating Account, and \$114,647.91 in the Reserve Account. There is \$115,216.36 in Accounts Receivable.
2. All bank accounts are now with the Bank of Ocean City.
3. 2013 federal and state tax documents were prepared and submitted by PKS.

Treasurers Report (cut and pasted from submitted report)
Annual Owners Meeting, May 17, 2014

1. Balances in bank accounts as of December 31, 2013:
 - a. Special Assessment Account: \$ 58,120.17
 - b. Operating Account: \$ 10,332.33
 - c. Reserve Account: \$ 110,511.18

2. Balances in bank accounts as of May 15, 2014:
 - a. Special Assessment Account: \$ 40,071.96
 - b. Operating Account: \$ 25,328.62
 - c. Reserve Account: \$ 114,647.91

3. SA account Interest earned:
 - a. 2013 \$ 78.35
 - b. To date 2014 \$ 79.44

4. Reserve account Interest earned:
 - a. 2013 \$ 144.83
 - b. 2014 to date \$103.60,
(Break out is \$ 26.80 {0.15%APY} BBT and \$78.28 {0.60%APY} BOC).

5. At the September 29, 2013 BOD' meeting, the board unanimously voted to move all bank accounts to the Bank of Ocean City, (BOC). The primary reason was that Bank of Ocean City is now the only local bank that accepts drop box payments.
 - a. On 1/09/2014 we opened a new operating account and special assessment account at the Bank of Ocean City and transferred balances from PNC to BOC.
 - b. On 3/21/2014 we opened a new reserve account at the Bank of Ocean City and transferred balance from BB&T to BOC.

6. Reserve account activity since last Homeowners meeting:
 - a. Deposits
 - i. Q2, 3 and 4 from 2013 transfers of \$22,787.25, (\$7,595.75 x3)
 - ii. Q1 2014 transfer of \$ 9,965.25
 - iii. Total Reserve deposits 32,752.50
 - b. Payments
 - i. Transfer to operating fund to cover stairwell project expense of \$5,934.

7. Payments made from the SA account for FY 2013 and 2014 to date are:
 - a. Ayers Jenkins and Gordy \$12,615.00
 - b. Russell Hammond Surveying, Inc. \$ 2,285.00
 - c. James Thomas, Architect \$ 664.78
 - d. Coates and Coates \$ 5,000.00
 - e. Total payments \$ 20,564.78

Payment due from SA account:

\$ 9,507 to operating account for hardscapes deposit

\$ 15,493 Balance due to complete Hardscape and Landscape

Payment due to SA account

\$5,000 from owner deposited to operating account to be transferred.

Net balance of \$ 20,071.96.

2013 tax documents were prepared by PKS, signed by Andrea and returned to the IRS and State of Maryland.

- f. No tax payment or refund due to or from IRS.
- g. Overpayment of \$ 2,429 to Maryland credited toward 2014 estimated taxes.

8. PKS prepared financial statements for 2013

- a. No significant findings
- b. \$5,934 for stairwell project was paid from operating account and transfer needed from reserve to operating account.

9. Accounts Receivable as of May 16, 2014: \$ 115,216.36

C. Management Report

- 1. Brett Staley of Mana-Jit Property Management reported that they have been continuing bookkeeping, phone/email, and property-walking activity. Stairwell drains have been replaced, stairwell recoating will be done (probably in the fall), WIFI issues are being addressed, bank accounts have been changed, and additional property signage is being reviewed.
- 2. A proposal for mailboxes has been tabled (they will cost approximately \$10,000).
- 3. A three-year contract with Direct Energy Services has been signed.
- 4. We have changed insurance brokers, and the new Certificates of Insurance will go onto the Orleans Court website.

V. OLD BUSINESS

A. Insurance

Craig noted that all owners should have HO6 coverage, which is designed for condominium owners, and covers personal property and the inside of units.

B. Parking

- 1. Parking in the north alley is not permitted, as a car parked in the alley would be partially on Sunsatation's property, and is a safety hazard. Loading and unloading of cars is permitted. Signage to this effect will be considered.
- 2. Craig recognized Sid King (112), who discussed his appointment as chair of the new 7-member Parking Committee. Sid said that he has two volunteers for his committee, and Craig said that once the additional four Parking Committee members have been named by the Board, the Board will vote to confirm the committee membership. The mission of the Parking Committee is to develop a plan to maximize Orleans Court parking for Board approval.

C. Shut-Off Valves

Craig mentioned that many of the water shut-off valves in condo units are original valves, and should be replaced by a qualified plumber.

D. Bicycle Racks

1. A recommendation was made to remove unlabeled and inoperable bicycles from the bicycle racks and store them in the basement for a period of time so that owners can claim them if they want them. Craig said that the Board will need to take this up so that there is a reasonable way to handle this.
2. It was suggested that we use left-over pavers to pave part of the bicycle areas for aesthetic reasons and so that owners don't need to walk through mulch to get to their bicycles. The return of unused pavers would result in a restocking fee otherwise. Neal emphasized that all bikes should be operable and labeled if parked in bike racks somewhat permanently, the same as if they were cars in our parking lot. Brett is obtaining pricing for paving the bicycle areas.

VI. RECOGNITION OF UNIT OWNERS

- A. Barry Bleiweiss discussed the damage done to his and Sid King's units as a result of water damage from overhead units. He stressed the need again for every unit owner to have HO6 insurance coverage. Barry proposed that Orleans Court send a letter to homeowners stating that by December 1, unit owners should have winterized their units. A discussion ensued as to whether it made sense to have a third party enter the units to ensure that appropriate winterization measures have been taken. Also mentioned was the fact that many of our current water heaters last only about 10 years, and are at risk of leakage as they age. A discussion ensued as to whether we should have water heaters inspected.
- B. Ed Chambers (109) mentioned a few issues that he wanted noted, namely that the light on the west side roof seems to operate intermittently, that we need a trash can in front of the building, that there are white spots on some unit front doors where contractors had removed tape and pulled off paint, and that the light fixture outside his unit needs to be fixed because contractors knocked it off its base. In response to a question about elevator keys, Brett Staley said that anyone needing that key should contact his office (there is a fee for the key). Ed also asked whose responsibility it is to enforce rules; suggestions were made for unit owners to discuss infractions with offenders politely, to inform Mana-Jit of problems, or to call the police, as appropriate.

VII. ELECTION OF BOARD MEMBERS

- A. Craig explained that there were three vacancies to be filled, two with three-year terms, and one with a two-year term. The positions would be filled in such a way that the nominee with the most votes would fill the first three-year vacancy, the nominee with the next most votes would fill the second three-year vacancy, and the nominee with the next most votes after that would fill the two-year vacancy. Ballots were distributed to those unit owners who had not sent one in previously. Ballots were counted, and Neal Jarvis, Mary Ellen Morris (206), and Andrea Hutt were elected to the respective Board positions.

VIII. ADJOURNMENT

Barry Bleiweiss motioned that the meeting be adjourned; Brenda Turnbaugh (301) seconded the motion, and the motion carried. The Board adjourned the Owner's Meeting at 12:00. Craig requested that the new board members meet briefly after the Owner's Meeting.