

ORLEANS COURT BOARD OF DIRECTORS MEETING MINUTES

January 22, 2011

I. CALL TO ORDER

President Craig Smith called the meeting to order at 10:05 AM at the offices of Mana-Jit, Inc., 4100 Coastal Highway, Unit 104, Ocean City, MD, 21843. Board Members present were: Craig Smith, John Bleiweis, Andrea Hutt, Jim Mills and Steve Turnbaugh. Brett Staley of Mana-Jit was in attendance. Owners and others present were: Don Brown, Unit 118, Jim McGrath, Unit 124, Regina McCoy, Unit 126, Keith Warner, Unit 218, Richard Nuzback, Unit 308, Betty Feehley, Unit 321 and Leon Rickards, Unit 326.

II. APPROVAL OF MINUTES

The minutes of the November 14, 2010 Board Meeting were distributed and reviewed. Jim Mills moved and Steve Turnbaugh seconded a motion to approve the minutes. The motion was carried by a unanimous vote. The minutes will be posted on the website.

III. REPORTS

A. President's Report

1. In response to a formal request by Sid King, an audit of the renovation project was conducted by the association's accounting firm, PKS. Craig Smith introduced John Stern of PKS who presented the highlights of the report. They found a \$3,000 difference between the amounts paid to Lindman and the contract; however, PKS did not review all of the change orders and invoices. Craig pointed out that the original scope of work was completed for \$60K under budget. Leon Rickards had an issue with the roof contract, contending that the engineer should have included the fire dampers in the original contract.
2. The association is moving to foreclose on Unit 222, since we won a judgment against them and they lost their appeal.
3. The courtyard renovation has begun on January 3rd.

B. Treasurer's Report

Andrea Hutt reported the following Bank Account Balances:

PNC Operating Account Balance as of 1/21/11:	\$ 72,707.85
BBT Reserve Account Balance as of 1/21/11:	\$ 10,338.48
PNC Special Assessment Account Balance as of 1/21/11:	\$ 119,261.39

1. In December, checks were sent to the owners for the reimbursement of excess membership income from 2008. The total amount paid back was \$38,768. Each owner was paid based on their percentage of ownership, with an amount in the neighborhood of \$400. Funds were transferred from the Reserve account to the Operating account to cover this expense.
2. On January 10, 2011, Brett Staley opened a new Special Assessment account

at PNC bank and the payment coupons for the Courtyard Renovation will be paid directly into this new account.

3. On January 18, 2011, Andrea Hutt closed the Special Assessment account at BB&T with a cashier's check made out to Orleans Court for the balance of \$43,589.39. This check was sent to Brett Staley for deposit into the new PNC special assessment account. Andrea has sole check writing privileges for this account.
4. New payments have been paid into the new Special Assessment account in the amount of \$75,672 as of January 21, 2011.

C. Management Report

1. Brett reported that the second and third floor laundry rooms were re-tiled before Christmas.
2. Brett indicated that condo fees and special assessments for the courtyard are being collected.

IV. OLD BUSINESS

1. Craig Smith stated that we need to resolve the conflict between the condominium documents regarding the parking spaces at the annual meeting. The owners need to vote on whether they want to pursue the legal steps necessary to make the parking spaces common elements or whether they want to continue to own their own parking spaces.
2. With regard to the near term, the courtyard renovation will not expand into the front driveway because of the parking spaces. The owners of those spaces will be asked if the Association can put plantings there. There are 11 such spaces. Jim Mills will speak to the owners and our attorney Jim Almand will draft a letter agreement.
3. The annual meeting will be on Saturday May 21st, 2011 at 10:00 AM. Brett will try and obtain the same church as last year.
4. Craig Smith will talk to Joe Moore and/or Jim Almand to get a paper explaining the parking space problem to send to the owners so that those who cannot attend will be able to vote by proxy.
5. Legum & Norman still owes us money from 2 years ago. Craig will contact their corporate counsel again.

V. NEW BUSINESS

1. Two Board positions will be open at the annual meeting. Craig Smith's term is up and he will not be running again. Andrea Hutt's position will be open. Andrea was voted in last year to complete the term of Carolyn Remington. Both of these positions will be for 3 years. The Call for Nominations needs to go out no later than March 21st.
2. It was agreed that a packet should be mailed out to owners on March 15th consisting of: 1) the Call for Nominations, 2) the explanation of the parking space issue and a proxy, and 3) the Notice of the Annual Meeting.
3. There was a discussion regarding any additions, corrections, or changes to the plans. The negotiated price was \$291K. Andrea Hutt asked if an irrigation

system for the plantings could be included. It was also decided to put a copy of the courtyard plan on the website.

4. There was a discussion of Flood Insurance Policy certificates for owners to send to their mortgage companies. It was agreed that these would be put on the website and the individual owners could deal with their banks or have Atlantic, Smith, Cropper Dealy deal with their banks.
5. Brett Staley reported that one owner needed an elevation certificate. No one seemed to have one. After some discussion, it was agreed that Brett would call Blake Giddens at REI to obtain one and keep it on file.

VI. RECOGNITION OF UNIT OWNERS

1. Betty Feehley, Unit 321, reported that the lights are out in the parking lot and that a Time Capsule from 1982 was found by the construction crew. She also asked how the mail box would be dealt with in the new courtyard plan. She was told that the mailbox will be mounted in the front wall, enclosed by masonry.
2. Regina McCoy, Unit 126, reported that she had some mold on her back wall and asked if anyone else had it. Craig said he would take a look at it.
3. Don Brown, Unit 118, reported that his front air conditioner box has vibrated loose from the wall. Brett will report it to Lindman to correct.
4. Leon Rickards, Unit 326, reported that the outside lights are staying all the time. He also asked about a building permit and was told that a permit was not needed to do demolition, and that the permit application process is underway.
5. Keith Warner, Unit 218, asked for a copy of the courtyard plan. It was agreed that the plan would be put on the website.

VII. ADJOURNMENT

The next Board Meeting was set to be Saturday, March 12, 2011 at 10:00 AM at Mana-Jit.

John Bleiweis moved to adjourn. Jim Mills seconded the motion which was approved unanimously. The meeting was adjourned at 11:32 AM.

VIII. SPECIAL CLOSED MEETING

After the regular Board meeting was adjourned, the Board met in closed session to consider requests from five owners for special payment arrangements for the courtyard assessment. Each case was discussed separately its own merit. The Board approved all five requests to spread payment over a number of months. The worst cases had final payments being made by September 1, 2011. Brett will send individual letters to each owner after February 15, 2011. The letters will state the payment due dates and amounts and make it clear that if dates are missed penalties will be assessed.