

ORLEANS COURT BOARD OF DIRECTORS MEETING MINUTES

November 14, 2010

I. CALL TO ORDER

President Craig Smith called the meeting to order at 10:02 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: Betty Feehley, Unit 321, Michael Rehn, Unit 108, Jim McGrath, Unit 124, Rob Dittler, Unit 220, Kelly Szajna, Unit 106, Cynthia Szajna, Unit 106 and Leon Rickards, Unit 326.

II. APPROVAL OF MINUTES

The minutes of the September 11, 2010 Board Meeting were distributed and reviewed. Andrea Hutt 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. Craig Smith reported that a letter was received from attorney Joe Moore with a legal opinion regarding the utilization of the driveway to expand the courtyard. The opinion confirmed that there is conflicting language between the Master Deed and the plat and presented two different approaches to resolve the conflict.

B. Treasurer's Report

Andrea Hutt reported the following Bank Account Balances:

PNC Operating Account Balance as of 11/13/10:	\$ 66,426.76
BBT Reserve Account Balance as of 11/13/10:	\$ 44,060.14
BBT Special Assessment Account Balance as of 11/13/10:	\$ 45,155.46

1. Summary of excess membership income resolution for 2008 and 2009.
 - i. The board approved a resolution to refund the excess membership income of \$38,768 for the year ending December 31, 2008 to the owners.¹
 - ii. A similar resolution was passed to refund excess membership income for year ending December 31, 2009 however there was no excess membership income.²
 - iii. We still owe \$38,768 to the owners, which is not in our current budget.
 - iv. FY 2011 budget is proposed at \$173,500. Payment of \$38,768 to owners

¹ Information based on PKS audit from 2008.

² Information based on PKS audit from 2009.

will result in an equal deficit in our proposed 2011 budget.

- v. Balance in replacement fund at year end will be approximately \$49,050. Use of replacement fund to cover budget deficit will leave us with approximately \$10,282.
 - vi. Special assessment is another option we can consider.
2. So far this year, interest earned has been \$193.93.
 3. Payment has not been received this month from Unit 318.

C. Management Report

1. Brett reported that he has shut down the unused Verizon circuit on the third floor that was initially used for the Internet. Currently, all three floors are served by two circuits.
2. Brett reported that laundry income to date is \$1830.
3. The floor in the first floor laundry room was repaired.
4. The Mana-Jit contract renewal needs to be signed.
5. Brett reported on the punch list status, by stating that Lindman had corrected all items that were their responsibility.
6. The money from L&N has still not been recovered and the action is on Jim Almand to attempt collection.
7. Unit 222 is not paying condo fees

IV. OLD BUSINESS

1. A discuss took place regarding proceeding with the refund due owners from 2008. John Bleiweis moved and Jim Mills seconded a motion to refund to the owners the \$38,768. surplus from the 2008 operating account. The motion passed by unanimous vote. The funds will come from the reserve account and Mana-Jit will send out the checks to the owners of record in 2008. It was noted that in 2009 there was no surplus and if there is a surplus in 2010 it will go into the reserve account.
2. A legal opinion on the courtyard expansion was received from Joe Moore, and a discussion took place on how to proceed. The opinion gave two methods by which the Board might proceed to utilize the driveway space. One method would be by unanimous consent of the owners. The second method would be to have a special meeting on the subject and if 2/3 of those present agree, to draft a resolution to correct the conflicting documents and to have a judge rule on the matter.

V. NEW BUSINESS

1. The Board approved a \$50. fine be levied on Jason Betz, Unit 120, due to his condo fee being paid 32 days late.
2. The 2011 budget was discussed briefly. It had been sent out to the owners and no comments were received. Brett pointed out two minor changes that could be made which would offset each other and it was decided to leave things alone. Andrea Hutt moved and Steve Turnbaugh seconded a motion to approve the 2011 Budget for the Condominium. The motion carried unanimously.

3. There was a discussion on the courtyard project and how to proceed in light of the legal opinion presented above. The consensus of the Board and the owners present was that we needed to proceed and could not wait for a legal proceeding to be resolved. Craig Smith moved and Jim Mills seconded a motion to give Craig the authority to ask REI to design a new site plan based on the existing courtyard area. The motion carried unanimously. Also based on discussions, Craig would discuss with REI the possibility of blocking off the center entrance to the courtyard and moving the baby pool to be close to the big pool.
4. After voting to proceed with the courtyard, there was discussion on the need to start the assessment process immediately. Jim Mills moved and Andrea Hutt seconded a motion to assess the owners \$400,000. for the courtyard project. The motion carried unanimously. It was subsequently agreed that the due date for the assessment would be February 1, 2011.

VI. RECOGNITION OF UNIT OWNERS

1. Jim McGrath, Unit 124, asked Brett Staley to make sure that we still had access to the roof from the third floor.
2. Betty Feehley, Unit 321, asked if we could replace the flooring and repair the drywall in the third floor laundry room. The Board agreed and asked Brett to obtain estimates to refurbish both the second and third floor laundry rooms.
3. Leon Rickards, Unit 326, stated he was against going through the legal process to expand the courtyard because the courtyard need to b e repaired immediately and he was against the expansion. He also asked for an owners list.
4. Rob Dittler, Unit 220, was against the expanded courtyard due primarily to the delay that would be required to implement it. He also asked for an owner list.
5. Kelly and Cynthia Szajna, Unit 106, pointed out that outside lights are needed behind the West and North buildings, possibly mounted on the corners, and requested the Board have them installed. The Board agreed to look into it.
6. Sid King, Unit 112, was not present but sent in a letter that he asked be read at the meeting. The letter was read.

VII. ADJOURNMENT

The next Board Meeting was set to be Saturday, January 15, 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 11:40 AM.