

Orleans Court Condominium Association Annual Meeting May 18, 2024

- I. Call to Order- President McCoy welcomed residents and introduced Ashley Catterton to the body as a temporary BOD member finishing term for member that stepped down.
- II. Roll call via sign in sheet- sheet left at the door that residents signed in as they entered, Brett checked mail in proxy votes against members in attendance.
- III. Approval of previous minutes- Motion by # 211 and second by # 308 to accept minutes as printed. #110 noted that old minutes page #2 need to be amended to reflect "Unit 109" on page 2 instead of "110". Duly noted and adjustment will be made with this change.
- IV. Reports
 - a. President McCoy- pool landscaping and the NW corner are being addressed. Additionally, our pool cover has been ordered for installation in the fall. Residents will notice that on your annual payment coupons there was a small decrease in your HOA dues. We have taken action related to the inoperable vehicle in the parking lot by the East building, contact has been made and we were told it will be moved by mid-June. If this does not occur, the vehicle will be towed out July 1st. We will begin our pressure washing and painting of the stairwells and halls this week. Please be patient as the contractor works through this in the next several days/weeks.
**Reminder that pets are only allowed for owners. Renters need to leave their pets at home. Please also make sure you are cleaning up after your pet and disposing of their waste appropriately. Residents are also reminded to not use the trash cans near the courtyard for your household trash. Please deposit trash in the dumpster. Please refrain from dragging your bags down the hallway- it is leaving a nasty trail.
 - b. Treasurer McCoy- Mike reported on the cash balances as of 12/31/2023, interest earned for 2022, 2023, and projected for 2024, attorney fees, and the remaining quarterly reserve payments in 2023. Mike then reported on the cash balances in the operating and reserve accounts as of April 30, 2024, and actual or anticipated cash activity for the remainder of 2024. He ended up with mentioning the accounts receivable balance as of April 30, which was -\$12,900

He also mentioned that we are in good financial shape as an association.
 - c. Management Brett Staley of Manajit- He reminded residents that Manajit offices are staffed 5 days a week but there is a 24 hour a day contact for emergencies when he or his colleagues aren't reachable **Please call 410-289-1128 for help. Manajit is the liaison between owners when issues arise. Please, especially regarding plumbing issues reach out to Manajit before calling your own plumber. Orleans Court has aging plumbing and an issue in your unit may indicate a bigger issue that could be affecting others. Manajit won't know if you hire your own plumber to address an issue. The Northwest corner of the building is just about wrapped up.

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The 3 doors in the “10” units will be replaced next week 3/24 & 3/28. We have had several water related issues this past year in different units. #'s 217, 117 and currently 119 which had a significant claim. The building is over 50 years old and the Board is looking at replacing the main sewage lines in the building. This will be discuss further. Brett mentioned that we have a new person handling the irrigation system for landscaping so we hope to see an improvement in things this year. Foreclosure of unit # 222 has been completed and all money that was in arrearages have been collected and paid back to the association.

V. Old Business

- a. Reserve Study- Treasurer Michael McCoy noted that the study has been completed and is funded. Michael noted that the reserve study future contributions was an estimate using 2022 funding amounts contributions. The study did not anticipate interest earned and forward projections. His accounting shows that we will have ~ \$700k difference in 40 years than what the reserve study projects based on current earnings of 2-4% interest, and based on no increases in yearly dues or expenses. Inflation of repairs will impact future expenses. Our reserve study is due to be updated in 4 years and he will work with the consultants to make sure they have our whole financial picture.
- b. Northwest corner- President Jeannie McCoy noted that the underbuilding work has been completed on the northwest corner where it was sinking. Brett noted that all other corners were inspected to determine if there were any issues elsewhere and none were found. Resident in unit #320 asked the cost. The work to date was approximately \$13k. #320 asked how much the doors cost and was the total including the doors. Brett advised the doors are ~ \$2800/door x 3 doors. Total cost of the NW corner repair is ~ \$22,000.

VI. New Business

- a. Annual Audit- Treasurer Michael McCoy noted that we received a “Clean Audit Opinion”, which is ideal. Income statements show a little more than \$100K in income in 2023; \$16,000 in normal operations, \$25,000 in lates fees and interest, and \$58,000 in proceeds of the unit that was in arrears. The sale of # 222 and the collection of the arrearages boosted our annual income. Auditors expressed a comment on the reserve study and mentioned that the Association has budgeted \$47K recommended by the reserve study. Treasurer McCoy noted that he would get a statement added next year indicating that we were advised and actually funded the money as recommended in 2024. Mike mentioned that the auditors made a comment that the cash balances (in Bank of Ocean City) were \$75K over the FDIC insured limit of \$250K as of 12/31/2023. Mike said he did not want to move money because of an impending large insurance payment of \$87K in March. Cash balances in April were below \$250K.

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- b. We made an insurance payment of \$87k in April. # 104 inquired about our insurance and if we saw a significant increase like most personal policies. Brett referenced the past several years and advised that we were at \$ 49K in 2022 and now to \$87K in 2024. Insurance premiums have risen nationwide.
- c. Plumbing discussion- Brett and President Jeannie McCoy addressed aging plumbing in the building. We have had several units affected by plumbing issues. # 121/125/216 had more minor issues totaling ~\$ 2700. Most recently, # 119 suffered a main sewer backup that caused ~ \$13k in damages. This was paid from our operating fund because claiming it on our insurance would have been a bad decision. We opted to pay it outright. As a community, it is time to begin thinking about our aging infrastructure that was not addressed during the building rehab years ago. Our pipes are 52 years old and we need to identify what is the best way to replace the plumbing. Jeannie mentioned considering 1 building per year versus completing the project all at once. We are exploring options. # 104 asked if we will need a special assessment to pay for this. President McCoy noted that this should not be handled by assessment, and we should be able to cover it with funds in our accounts. We are in the early stages of exploring options. She also noted that we all have to do our part to limit the strain on the plumbing. Please instruct all guests to use the outdoor shower located on the East building near #128 to rinse sand from bodies before heading inside to shower in your units. In addition to limiting sand in our system, all residents and guests must refrain from using “Flushable Wipes” because they are in fact not flushable despite the marketing. In relation to the plumbing replacement, #115 asked what this project would look like to residents, what impact it would have- Brett responded by saying we would suffer minimal issues. You would be notified to not use your water on the day while they work on the lines affecting your respective unit. # 115 asked what was happening to cause the backups, Brett answered that wipes, roots and old cast iron pipes are the contributing factors. As there have been issues, we have already been replacing plumbing with PVC. This project would entail getting rid of the old cast iron with a more modern option.

VII. Recognition of unit owners-

- a. #320 advised he has spoken to Keith Warner. Some may have known he listed his unit for sale but he has taken it off of the market. He had some health setbacks but seems to be doing better now with his healthcare plan. He hopes nobody was mad at him for his absence. He thanked Ashley for buying # 222 and also noted that #109 has been sold and currently under renovation.
- b. #328- Noted that she has observed the bottom of the dumpster seems to be rotting out. It is weak and rusted. Brett advised the last dumpster the HOA purchased was in 2016 for ~\$1100 but realistically a new one would cost at least double that if not more. It is the responsibility of Orleans Court to supply the dumpster. BOD discussed replacing and agreed without objection to replace it.

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- c. #104- How much was the pool cover? \$3800. She stated that hopefully this will be less costly than annual acid washing of pool.
- d. #321- Who is the pool company? Brett advised we are on our 3rd company in 3 years but it is Premier Pools. We hope to see improvement from last year.
- e. #101- Stated that she is disappointed in our Resorts 2 Us service as she observes the workers walking the hallways with their leaf blower not really purposely doing anything. Brett advised that we could reduce service from them, ie; have them come fewer days a week. Jeannie advised that our contract will be reviewed for what we have retained them to do and if needed a complaint will be filed to address our service concerns.

VIII. Election of BOD

- a. #320 motioned to accept ballot as written, # 202 seconded motion. A call to vote as motioned was made. No opposition noted when given the opportunity. New BOD as elected are- Jeannie McCoy, Susan Ackerman, Michael McCoy, Ashley Catterton & Brent Lockwood.

IX. Motion to Adjourn- motion made by # 207, seconded by # 211. Meeting adjourned at 10:40 am.