

ANNAPOLIS OVERLOOK CONDOMINIUMS ASSOCIATION, INC.
BUDGET HEARING/BOARD MEETING HIGHLIGHTS
NOVEMBER 9, 2004

BOARD MEMBERS PRESENT

Laura Katz, President
Ed Pfarr, Secretary
Clifford Jones, Treasurer
Melissa Ganley, Director
Jay Gloede, Director

OTHERS PRESENT:

Angie Grimaldi, COMANCO, Inc.
Rebecca Smith, Recording Secretary

BOARD MEMBERS ABSENT

None

CALL TO ORDER – Mrs. Katz, Board President, called the meeting to order at 6:59 p.m. at the Eastport United Methodist Church. The Board Members introduced themselves and Mrs. Katz offered some information for homeowners who would possibly be interested in becoming Board members. She then asked those present if they had any particular questions regarding the proposed budget or if they would like to go over it line-by-line.

One homeowner asked why the monthly assessment was increasing by \$10 per month. It was explained that this increase was the first in 3-years and during that time the cost of services has increased. Insurance rates and deductibles have been a major cause of the increase. In addition, the Association contributes annually to a reserve fund, certain amounts of money set aside for new roofs, painting, etc. Ms. Grimaldi added that the Association is unable to switch insurance carriers because of the claims history of the Association, which is extremely high. By law, the insurance provider cannot drop the Association due to claims, but they can raise prices in the forms of premiums and/or deductibles. This year, it is projected that \$50,000 will be paid out in deductibles alone. Owners and tenants must be cautious of what they do. Carelessness, while cooking and sprinkler heads being knocked off, results in wasted money.

A homeowner asked if the Association could make the unit owner's insurance company pay for the claims? Ms. Grimaldi stated that the Master Policy held by the Association is primary and in the state of Maryland, condo law prohibits subrogating against the unit owners. In response to another homeowner, she explained that in the event of a covered loss, the Master Policy would restore the unit as it was originally constructed. It will, however, only pay for builder grade quality of the items that are replaced. Upgrades, would be covered by the unit owner's personal policy. If, for instance, one put in hardwood floors, there would be an allowance for builder grade carpet and the owner or his insurance carrier would have to pay for the difference to re-install hardwood.

A townhouse owner asked how one levels out the temperature in the 3-floors of the unit. Ms. Grimaldi stated that there should be a damper on the pipes going to each floor. During the winter, one should shut down the airflow to the upper floors because hot air rises. That will allow for more heat to enter the first floor. During the summer, it is just the opposite. Homeowners should get their heating/cooling systems serviced to avoid problems.

A homeowner asked a question regarding several of the line items. It was explained that Grounds is the contract to mow, edge, etc. Grounds Improvements would cover everything done on the grounds, such as the maintenance of the storm water management pond or putting up signs. Landscaping is strictly planting. The Groundsmen line item is for Nate but the budgeted amount is not his salary. It includes payroll costs and overtime when Nate has to come to deal with emergencies, such as fires, water main breaks, etc. If there isn't enough snow to warrant the snow-pushing contractor to come out, Nate will be there. He puts in overtime on the weekends if necessary. He is knowledgeable about the property and does many of the jobs, which would ordinarily have to be done by and paid to individual contractors.

The swimming pool was brought up in conversation. \$30,000 a year is devoted to the swimming pool and it's maintenance. A homeowner asked if closing the pool has been discussed in order to save money. It was said that closing the pool is not an option, as many of the residents use the pool.

One homeowner asked "how about the workout room"? Why don't we close that to save some money? All the kids know the code and there was a previous problem with teenagers trying to start a fire in it. Ms. Grimaldi said that the code could be changed but if the parents give the code to their kids they will still be able to get in. It was asked how many of those is attendance actually use the workout room? Quite a few people use it.

A homeowner asked if Cobblestone Drive was a city street. Yes, but the City did not pay to have the extra parking spaces put in. Those spaces are on land owned by the Association.

A homeowner asked about the construction on Forest Drive and when will it be completed? The homeowner was informed that the construction work is being performed by the county, not by Annapolis Overlook. It is part of a large project to install new sewer lines. Another owner asked when the entrance would be completed. Everyone said it had been fixed, workers had finished with it the previous week. The metal plates are not there anymore, but there is still a big piece of equipment. It was determined the workers are making progress.

A homeowner raised a question about two parked vehicles on Cobblestone Drive at the corner of Sandstone Court. One is a Toyota Land Cruiser that obstructs the view and the other a Toyota that has been there for months. What can be done about it? Ms. Grimaldi stated that no one will be permitted to park there once the asphalt has been painted. She advised the homeowner to call the police on the Toyota. Since it's parked on a City road,

the police will tag the vehicle, and if it's abandoned, the police will also tow it. They always tag vehicles as a warning, if no one responds to the tagging, the vehicle will be towed. She said the more people that call the police, the better.

A homeowner addressed concern about prostitution and drug trafficking happening around the neighborhood and asked what could possibly be done about the problems. Mrs. Katz said the police should be called by anyone who observes any suspicious activity. The police pay careful attention to the statistics regarding calls throughout the neighborhood. She also stated that the community wants to start a Neighborhood Watch. She also stated that the Association had requested a representative regarding the Neighborhood Watch to come to the meeting but she didn't show up.

Another homeowner asked if, as a community, they have rights to get rid of problems such as drugs and prostitution. Ms. Grimaldi said units are individually owned. Someone commented how they were amazed there were bylaws about mowing, but no bylaws regarding prostitution. It was also asked if the problematic unit was foreclosed? Ms. Grimaldi said that she believes it was and has been purchased. Unfortunately, the new owner is now renting it to the former owner. A homeowner asked why the tenant couldn't be evicted. Ms. Grimaldi replied that we have no right to evict anyone and the homeowner was told to call the police. Mrs. Katz interjected that every time a resident calls the police, it helps. Ms. Grimaldi added that it's easier to try to get the owner to evict the problematic tenants now because they are simply renting the unit. She then asked the homeowner if he or she had called the police. The reply was that every time he or she went to knock on the neighbors' door to complain about loud music, no one answered. Ms. Grimaldi told the homeowner again that he or she should call the police.

It was discussed that the purpose of the Neighborhood Watch is to make all residents aware to be watchful and report all suspicious activity. Mrs. Katz said that they started looking into the Neighborhood Watch prior to the incident where the young woman had gotten attacked in the neighborhood. Someone asked where the girl had been attacked? The answer was on Cobblestone Drive.

Ms. Grimaldi stated that a security representative from the police station visited, and placed emphasis on how important it is for women to be careful. Mrs. Katz suggested that all townhouse residents should turn their outside lights on, and keep them on. With lights, people may be able to see suspicious activity more clearly and will be able to give a better description to the police. Young, single women are more susceptible to being robbed because they come and go from their homes in patterns, which are easy for criminals to observe. A homeowner commented that it would be beneficial if this information was posted on the community website. It was emphasized that it is the job of police officers to investigate suspicious activities, so it is important for residents to call as much as they feel necessary.

A homeowner asked if the Neighborhood Watch could be started without assistance. Ms. Grimaldi stated that a class is required and participation by residents is necessary.

A homeowner addressed her concern about her vehicle and parking issues. She stated that her vehicle had been hit four times while occupying her parking spot, and her vehicle had incurred lots of damage. Ms. Grimaldi asked whether or not the woman had filed police reports regarding the incidents. The homeowner responded that she had.

Another homeowner commented that the parking spaces in that area were tight. Inconsiderate residents make parking much more difficult for others.

A homeowner inquired about the City fixing the Cobblestone street sign. It was said the construction company doing work at the entrance had knocked it down. The homeowner was told that the City will fix the sign.

The issue of individuals cutting through the development in order to reach a convenience store was addressed. It was said that there is actually much less activity now that the bushes at the corner of the community have been cut down and individuals walking through were now out in the open.

A homeowner asked if the increase in assessments was due to insurance? They were told yes. The homeowner then asked if the fee was going to increase on a yearly basis. Ms. Grimaldi responded that when the budget was presented with the usual contribution to the reserves, the assessment fee had a \$30 increase. In order to hold the increase to \$10, the Board lowered the normal funding to the reserves. In order to bring the reserve funding back up to the previous level, it would require \$10 increases over the next two years unless expenses can be lowered.

Someone asked if COMANCO attempts to negotiate lower prices from contractors. Mrs. Katz responded that COMACO works for the Association. Before any contractor is hired, they examine several bids from several different companies. Another homeowner asked if bids are received every year. It was stated that it depends on whether contracts with contractors are expiring. It was also asked if a list of the contracts could be presented. Ms. Grimaldi responded that she did not currently have one with her, but she could get one for the homeowner.

Ms. Grimaldi stated that contracts go up by very low percentage rates. She also stated that all contractors are affected by rising prices for gas.

Someone asked about painting. Ms. Grimaldi stated that painting will be scheduled for the Spring and that the Association is receiving bids from contractors to perform the work. Buildings, interior hallways, fences, railings, shutters, all will be painted. Five years ago, it cost the Association approximately \$100,000 to \$120,000. That price will probably be closer to \$200,000 for the next paint job. Mrs. Katz suggested to the homeowners that if they had any contractors they wanted to recommend, they were encouraged to share their ideas.

A homeowner asked about the stucco on Sandstone Court. Mrs. Katz replied that the Association had chosen a contractor to add siding since painting doesn't last. The

buildings will all be powerwashed prior to painting. A homeowner wanted to know if sidewalks would be power washed, as well? Mrs. Katz responded that anything that is capable of being powerwashed would be. A homeowner made a comment about mold/algae growing on the side of the houses. Afterwards, it was replied that it would be gone in the spring when everything is washed.

It was commented that the re-marking of the parking lots was to begin the day after the meeting and all lots will be striped. A homeowner asked if neighbors had switched parking spaces, will the numbers be changed? Ms. Grimaldi responded that the numbers are all the same throughout the community and will not change. She stated however that some spots are being moved to make more sense as far as the location of the units. Handicapped spaces will be put in because they are required by the plat. The Association is working hard to accommodate everyone as much as possible.

Another homeowner asked how the trash situation at 40 Amberstone worked out. Ms. Grimaldi responded that the Association's attorney wrote a letter to the offending unit.

A homeowner commented on the Erosion Control fence on Cobblestone. An inquiry was made about why it was still there. Ms. Grimaldi responded that, if the City hasn't inspected the property, the fence has to stay. The surrounding area will need to be re-seeded with grass.

The meeting was adjourned at 8:00 p.m.

After the regular meeting, the Board of Directors stayed after to discuss a few important issues:

1. **Updated Information** – Ms. Grimaldi gave out a Board list and asked that all members verify the information provided on the list was correct. She asked them to add or correct information if necessary, especially to make sure their e-mail addresses were correct. Some items on the list needed to be modified.
2. **Parking** – The Board discussed whether or not they were going to move parking spots at the homeowner's request. It was decided the homeowner's requests to move parking would be further investigated.
3. **Maturing CDs**- Ms. Grimaldi stated that the Association had two CDs that were maturing. One from Washington Savings Bank, matures on December 3rd and has a twelve-month term and is approximately \$65,000. The second CD is just under \$53,000. The Board decided to leave them as is but to examine them in more detail as they reach amounts closer to \$100,000.
4. **Pool** – The Board was notified that the representative from Anchor Aquatics determined there is a problem with the skimmers of the pool. Ms. Grimaldi stated she had not looked at the problem herself, but the technician stated it was a problem he'd never seen before, as the concrete around the skimmers was

cracked. Mrs. Katz said she would not approve a repair if the source of the problem was not determined. She also suggested the Board receive more bids from other pool companies to make the repair.

5. **Exercise Room** - A Board member suggested that the Association get rid of the exercise room, as the equipment isn't that great and for liability reasons. A Board member suggested that the combination to enter the exercise room be changed, and not published to residents. Therefore, the Association would not have the problem of children entering the exercise room. The Association would also be able to gather statistics regarding the number of residents who actually use the exercise facilities. Residents would have to call in to the Association in order to gain the access code to the room.
6. **Budget** – The Board of Directors officially approved the proposed budget.