

SHEARWATER CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
November 5, 2012

PRESENT: Gerri Smith, President
Linda Lawrence, Treasurer
Ron Faulkner, Director/Grounds & Landscape Committee Chairperson
Barbara Britt, Secretary
Jonathan Lewis, Director

BY SPEAKERPHONE: Frances Higgins, Vice-President

ALSO PRESENT: Eric Petterson, Unit 1B3
Carleen Petterson, Unit 1B3
Skip Smith, Unit 5B1
Phil Meredith, Unit 1B2
Yvonne Lewis, 7B3
Milton McMahon, Unit 1A1
Carol Schaake, Unit 1A3
Heather Gummel, Brodie Management
Mary Selhorst, Brodie Management

Gerri Smith, President, called the Board Meeting of the Shearwater Condominium Association to order at 7:00 P.M. The meeting was held at the Shearwater Clubhouse.

MINUTES:

- Linda Lawrence moved to approve the August 27, 2012 meeting minutes as submitted. Barbara Britt seconded the motion and the vote was carried unanimously.

PRESIDENT'S REPORT – Gerri Smith :

- There is currently one vacant position on the Board. Linda Lawrence made a motion to appoint Carleen Petterson to fill unexpired term, due to expire at 2013 annual meeting. The motion was seconded by Barbara Britt and carried unanimously.
- Current Board President is resigning effective end of 11/5/12 meeting

TREASURER'S REPORT – Linda Lawrence:

See attached report

- Creating a wish list for 2013
- Cost to date of tennis court refurbishment is \$16,540
- Increase in Flood Insurance coverage mandated by State law
- Audit has been started
- Bank card signers needs to be updated
- Requested that Marina Committee consider an increase in Marina Fees effective January 2014

COMMITTEE REPORTS:

Marina Committee – Skip Smith/Eric Petterson

See Attached Report.

- Looking at possibility of an additional dinghy dock

Grounds and Landscape Committee Report – Ron Faulkner

- Leaf removal for Fall has begun
- Sprinkler meters need volunteer to read them

Architectural Committee – Rainette Bannon

- No Report submitted

Pool and Activities Committee – see Pool Contract report in Management Report

MANAGEMENT REPORT – Heather Gummel

See Attached Report

- Pool Contract expiring. Ron Faulkner made a motion to retain Anchor Aquatics for the summer of 2013, Frances Higgins seconded the motion. Vote to retain Anchor Aquatics was unanimous.
- ETC update. Linda Lawrence made a suggestion to survey the owners as to the kind of product they would find acceptable. Jonathan made a motion to accept fire treated lumber as the product to use. The motion was seconded by Ron Faulkner. Vote of 6 to 1 to use fire treated lumber. Further discussion to consider the soffit (water collector) option and flashing installation at future BOD meeting
- Tennis Court Resurfacing completed. Annual maintenance expected to be \$800. Bench project still a go. Heather to contact donor owners. Linda Lawrence made a motion to approve benches by Jeffers, Frances Higgins seconded. Unanimous vote by Board.
- Flood Insurance. Increased coverage amount governed by State Law. There is an expected refund of around \$4000 because of FEMA review. Community has option of whether to cover at base(\$250,000) or higher. Linda Lawrence made a motion to keep at base amount if, in fact, mortgage companies cannot require higher coverage. Seconded by Ron Faulkner. Vote unanimous.
- Only 6 units developed leaks as a result of Hurricane Sandy – all but one were minor. Roof Inspection to determine possible problems as a result of Sandy will be scheduled.

OLD BUSINESS:

- No old business to discuss.

NEW BUSINESS:

- Phil Meredith was nominated to complete the unexpired term of Gerri Smith. Linda Lawrence made a motion to appoint Phil Meredith. Ron Faulkner seconded the motion. The motion was carried unanimously.

GENERAL SESSION:

- No Discussion

NEXT BOARD MEETING:

The next Board of Directors meeting is scheduled for Monday, December 17, 2012 at 7:00 P.M.

ADJOURNMENT:

With no further business to discuss, the meeting was adjourned at 8:20 P.M.

Respectfully Submitted,

Mary Selhorst, Recording Secretary

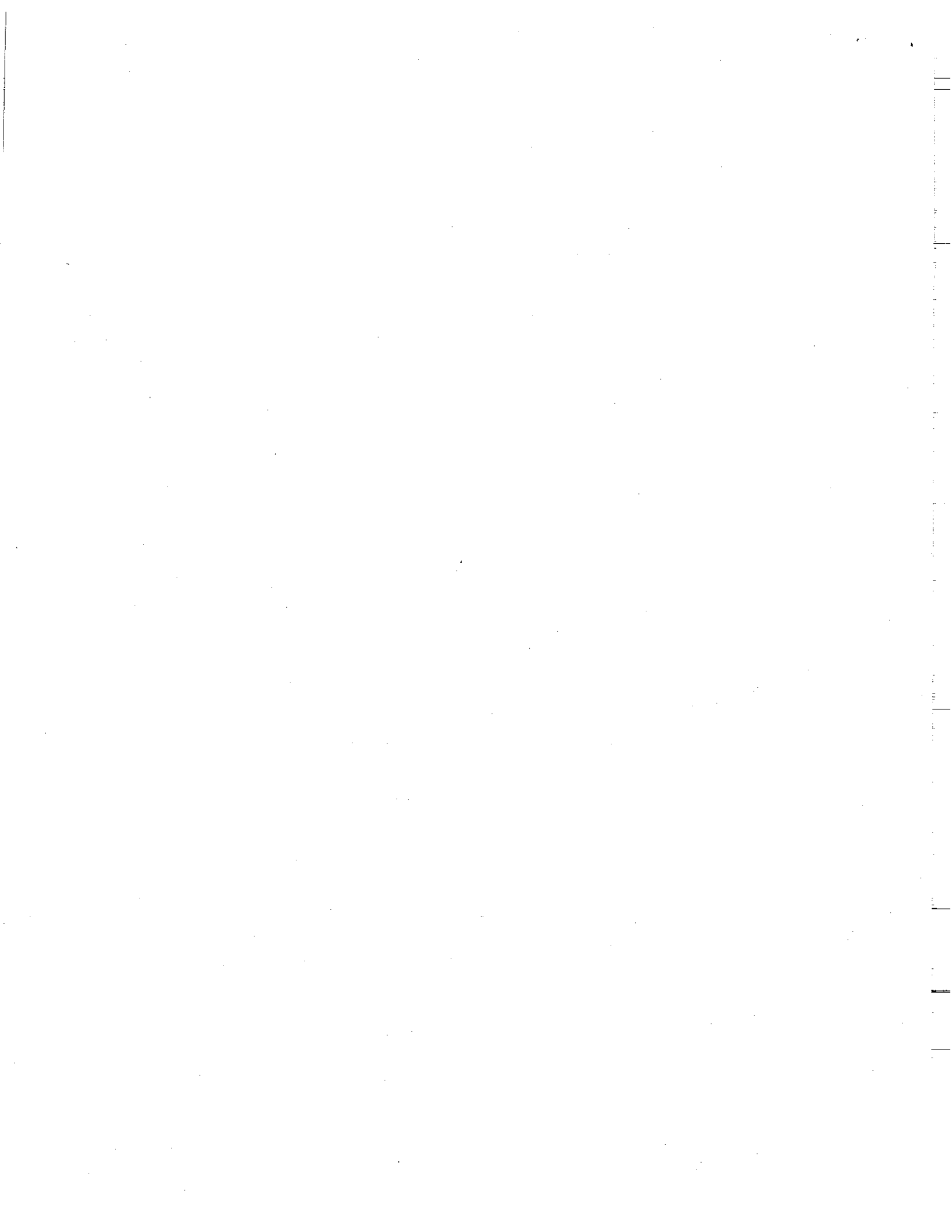
Approved: _____

Date: _____

Shearwater Condominium Association
Budget Status
as of
September 30,
2012

Operating Account	% of Year		
	Year-End Budget	Year-to-Date Actuals	Actual vs Budget (%)
Operating Income	585,012	133,003	22.7%
Unit Assessment	530,698	132,674	25.0%
Marina	53,902	96	0.2%
Late Fees	350	200	57.1%
Other	50	32	64.0%
Operating Account Interest Income	12	1	8.3%
Operating Expenses	333,190	70,014	21.0%
Administration	88,676	19,979	22.5%
Telephone (Gate, Fax, Pool)	900	182	20.2%
Postage	900	287	31.9%
Office Supplies	2,000	675	33.8%
Management Fee	30,137	7,533	25.0%
Audit Fee	1,350		
Attorney Fees	2,000	401	20.1%
Licenses & Permits	350		
Other	1,200	60	5.0%
Newsletter			
Real Estate Taxes	750		
Fed & State Taxes	1,000	1,237	123.7%
Liability Insurance	26,613	8,418	31.6%
Flood Insurance	21,476	1,186	5.5%
Maintenance & Supplies	78,715	21,388	27.2%
Landscape	20,000		
Irrigation	2,000	165	8.3%
Buildings, General Maintenance	49,715	19,792	39.8%
Repairs-contract & Misc.		1,059	
Pool	4,000	348	8.7%
Marina	3,000	24	0.8%
Service Contracts	85,281	20,314	23.8%
Pest Control	3,000	2,929	97.6%
Trash Removal	12,766	2,336	18.3%
Snow Removal	8,000		
Grounds Care	27,814	6,954	25.0%
Janitorial Services	12,051	3,245	26.9%
Pool	21,650	4,850	22.4%
Utilities	80,518	8,333	10.3%
Electricity	19,524	4,304	22.0%
Cable TV	23,132	4,029	17.4%
Water & Sewer	37,862		
Transfer to Reserve Account	251,822	62,956	25.0%
Net Income		33	

Reserve Account	
Starting Balance (7-01-12)	\$233,338
Year-to-Date	\$52,633
Income	\$63,056
Fees	
Interest	\$100
Transfer from operating fund	\$62,956
Expenses	\$10,423
Capital Replacement	\$10,423
Paint	
Paint Fund Balance	\$4,935
Reserve Balance	\$285,971
Total	\$290,906



Marina Report
Monday, November 5, 2012

Since the last Board meeting at the end of August, we have had 13 guest boats in our Marina for a total of 68 nights, bringing in a total of \$1,320. We have two more remaining. Available slips remain at 7 GCE slips, and no kayak or dinghy spaces. There are six on the dinghy dock wait list and five for the kayak rack.

Recent Events:

- A Kayak Committee was formed to discuss facility improvement needs.
- A portion of the carpet on the launching ramp was replaced with Astro turf to improve the usability.
- Piling caps were repaired or replaced.
- The no anchoring within 75 feet of the dock signs were replaced prior to the boat show.
- Marina pricing history updated.
- The dock masters continue to explore alternatives to deal with the oversize/overweight dinghies on the floats.
- A section of C dock was power washed to correct a potential hazard as a result of water standing on the dock.
- Bubblers have been installed in preparation for winter.
- With the assistance of several volunteers, docks were checked in anticipation of hurricane Sandy, dinghy docks secured, and marina users alerted to secure their boats.

Future Activities:

- Winterization of the Marina has been set for the week of November 12-16. Water will be turned off for the winter.

**Dock Master's Report
Board Meeting
December 17, 2012**

Current status

- Available slips/spaces
 - Seven GCE slips
 - No kayak spaces
 - No dinghy spaces
- Wait lists
 - Two kayak space requests, oldest to 5/17/12
 - Six dinghy space request, oldest to sometime prior to 2010

Guest Activity:

- 27 guest dockage events for the year
 - \$2790 billed to date (one guest boat still present)

Recent Events:

- Winterized docks on schedule
- Replaced several burned out marina lights

Future Activities

- Recommending new dinghy size/weight limits on existing floats at this board meeting
- Awaiting kayak committee report on ramp improvements
- Will have new rate recommendations at February board meeting
- Considering annual or bi-annual power-washing and sealing of boardwalks

Issues

- None

Memo

To: Shearwater Condominiums
From: Heather N. Gummel
Property Manager
Date: November 5, 2012
Re: NOVEMBER 2012 OPERATIONS REPORT

BELOW ARE ITEMS THAT HAVE BEEN ADDRESSED SINCE OUR LAST BOARD MEETING OR ARE UNDER CONSIDERATION/REVIEW AND TO BE PRESENTED TO THE BOARD OF DIRECTORS FOR THEIR APPROVAL.

1. **ENGINEER EVALUATION OF THE DECKS:** ETC submitted their report regarding the decks. Attached is the cost analysis provided by the engineer. There are two choices for material for the decks. The fire treated wood or aluminum. The cost of aluminum would be near 5 times more than the fire treated wood. If the Board is ready we will need to make a decision on the material and if you would like ETC to move forward with drafting an RFP for the project.
2. **TENNIS COURTS:** All Pro Courts completed the tennis court refurbish. The courts are ready to be played on. Please contact Mary to obtain the combination for the lock.

Below is the cost associated with the refurbishment

- * All Pro Courts - \$ 11,000
 - * Davey – Removal of five pine trees next to court - \$3,200
 - * Davey – Trim trees away from court - \$1,513 (\$333 + \$1,180)
 - * Corporate Services – Remove vines, leaves etc from court, remove vines debris and brush 3' back around entire perimeter of tennis courts \$654
 - * Signs by Tomorrow & Shoemaker Home Services – rules and regs sign for courts (including installation) - \$149.08
 - * Office Depot – combination lock - \$24.49
 - * Heather Gummel – installation of combination lock – no charge
3. **POOL CONTRACT:** Please see attached spreadsheet. Once the Board reviews the spreadsheet please vote for either American Pool or Anchor Aquatics.
 4. **FLOOD INSURANCE:** The State of Maryland went in and recalculated the reconstruction costs of all waterfront properties. They sent out postcards so the effected homeowners could understand what they did. Shearwater is not being affected by any rating change, but the state did increase the reconstruction cost. The new(er) law mandates each property/unit must be insured for more than the reconstruction cost or for \$250,000 per unit (you can go with the lower of the two amounts). Before 7/1/12, Nationwide was insuring the property for more than the reconstruction cost, as determined by the state, but with the revised replacement costs Shearwater is insured for less.

Nationwide advised that Shearwater had to increase the coverage on each policy to get each of the units insured to \$250,000 (the lower of the two amounts). Nationwide provided quotes for increasing the coverage on each policy. The increase in premium amounts were as follows:

Building 1 & 2: \$326.00/year
Building 3 & 4: \$358.00
Building 7 & 8: \$227.00
Building 13 & 14: \$191.00
Building 15 & 16: \$84.00

Via email Heather advised the Board that we would be increasing the coverage.

Melissa at Nationwide was working on 11 & 12 and the elevations certificate didn't seem to fit with the actual building. She requested a review of the elevation certificate & it was determined that the building would be in a different class. Nationwide will be issuing a refund check for premium. The building is now correct.

As I stated above the state adjusted the values of each unit. Not all the units are valued the same but all are over \$250,000. For example, a unit in building 1 has a replacement cost of \$372,000, while a unit in building 3 is \$781,500. The Board can purchase more that \$250,000 for each unit, but you are not required to by FEMA not are mortgage companies allowed to require owners to purchase more than \$250,000. One of the reasons that the lesser option is given is because the building is covered as a whole. It is extremely rare that a flood would take an entire building and all the units in it need to be replaced. That is the main reason why the lower option is provided by FEMA

In addition, Scott Ligon advised that he submitted a LOMA package to FEMA for his unit & recommended that Shearwater do the same. This is a process known as Letter of Map Adjustment (LOMA). If you have a Survey/Elevation Certificate that shows an actual measured elevation higher than the estimated BFE for your property, you can submit a LOMA package to the FEMA office in Arlington and they may change your Rate Zone, this could make a major difference in the premium. Melissa at Nationwide was helping look into this. She said that we can certainly go ahead and submit the package for each building, but based on her research she doesn't think they will change. She advised that if one unit in a building submits the package any changes would affect the whole building. So since the Ligon's already submitted the package for their unit, we would not need to do one for 3/4. Would the Board like me to submit packages for the remaining buildings?

5. **MAINTENANCE:** Updated list will be provided at the meeting.

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