

Club Ocean Villas
Board Meeting Minutes
August 26, 2023
Art League of Ocean City

Officers and Directors Present: John Bobel, Vito Tinelli, Jim Russell, Shirley Gorwick, Mike Sereikis, Keith Ludka, Paul Richter, Nino Milanese, **Absent:** Perry Causer, Chris Bowersox.

Minutes approved from April 23, 2023, meeting.

Board approved the Revised Budget due to insurance increase.

Billy Staples from Staples & Associates Insurance: Billy reviewed the loss runs of Club Ocean Villas 1 and stated that the increase that we and other properties are experiencing is happening across the country. Potential decreases in insurance costs will only happen when more insurance companies start to bid on waterfront properties. He suspects that it will be 2-3 years before that happens. Billy commented that we have strong and active board members and officers. The Board must stay the course of doing the siding project to satisfy nationwide insurance request.

Unit 10 Update:

It appears a settlement has been agreed upon in principle. The Attorneys representing COV (Nationwide Insurance), final agreement should be finalized within a week or two.

Crawl Space update:

Buildings # 1,2,5,6 & 8 will be finished by the end of September. Buildings # 3 & 4 are finished. Building # 7 will be finished by Oct 20, 2023. Report provided by Marlin Restoration.

Treasurer Report:

Financial Statements and Aging Report

Jim Russell reviewed the Aging Report:

- Cash as of Jun 30, 2023 - \$200,562.00
- June 30, 2023, Profit and Loss Statement shows a \$26,261 Net Loss
- Financial Records have been turned over to PKS & Company Certified Public Accountants for the annual audit.
- Collection of dues continue to be a challenge – mostly from insurance claims – Unit #74 & Unit #6

Connor stated that some contractors do not think they need to secure a permit for improvements in condos.

- Unit 74 – Major rotting to structural elements. Owners filed two \$10,000 claims – one for each slider. Total cost to repair is about \$30,000. The hope is that insurance will pay \$20,000.
- Unit 78 - Some rotting along the same direction as Unit #74. Major repairs to sliders and support columns.
- Units 9 & 10 - documentation has slowed down. An on-site inspection was done and organized by the insurance company. The insurance company hired an independent engineer and a contractor. Owners of the unit also hired an engineer. The proposed amount of Unit 10's settlement has not yet been finalized.
- Unit 9 filed a counter claim against the pervious owner of their unit & Club Ocean Villas 1. All repairs have been completed – estimated cost of \$15,000.

A settlement conference with Unit 10 is planned in mid-June at the Snow Hill, MD courthouse. The Board of Club Ocean Villas 1 must be represented at the settlement meeting.

Siding Project: The Board Reviewed the presentation being made to the General Meeting today @ 10:30 am. John Bobel will review the siding project from start to finish – (since Perry Causer was not able to make this meeting.) A pre-bid meeting was held on August 18, 2023. There is a reference letter from Kirk Parson, VP Engineering & Technical Consultants, Inc. (Copy of this letter is attached).

Funding the Project – by Jim Russell

Based on a budget of \$2.4 Million

- The 1st step is to secure a contractor.
- Present to multiple banks for financial options
- Determine payback options for owners.
- Jim reported that some owners would like to pay over 3-4 years.

Motion was made to adjourn at 10 am, was seconded and approved.

Next Meeting: Saturday October 21, 2023 @ Art League of Ocean City

Board Meeting: 8:30 am – 10:30am

General Meeting 10:30am - 12:30pm

Owners' concerns: Paul Richter is resigning from the Board and plans on selling his unit.

Respectfully Submitted,

James Russell - Secretary/ Treasurer

