Annual Meeting

Ocean Walk Condominium Association

January 21, 2023

Board Members present: Tracy Brookshire, Allen Gilbert, Janet Hueners, Arline Layson, Baxter Peffer, Karen Robinson, Tommy Smith

Staff present: Theresa Taylor

Allen Gilbert introduced himself and welcomed new members. All board members introduced themselves.

A quorum was established.

The meeting was called to order at 2:10 pm.

Old Business

1. Electric Panels
   1. Federal Pacific panels are responsible for 2,800 fires, 13 deaths and over $40 million in property damage a year.
   2. Inspectors are recommending the panels be changed out.
   3. If a panel has been changed, notify Theresa.
   4. Federal Pacific panels were installed in all units when Ocean Walk was built. Some have been changed out.
   5. Some units have GE panels and don’t need to change theirs. Those owners should let Theresa know so we can get a count of who has good panels.
   6. Theresa has information about electricians who can do the work. The electricians being recommended are ones who the board knows and trusts their work.
   7. Federal Pacific has closed down and declared bankruptcy.
   8. We have had problems in some units already where panels have caught fire.
   9. The only quote for insurance we could get was from our current carrier and they are predicting the rates will jump again next year.
   10. We could lose coverage for the complex if the Federal Pacific panels are not replaced.
   11. What is the range of cost to replace the panels? The cost ranges from $1,500 to $2,800. Some larger companies say they have to bring the entire unit up to code so there will be a range of estimates.
   12. Panel replacement has to be done by a certified electrician.
2. Insurance
   1. We had the highest rate increase in recent years.
   2. Rates are predicted to go up again next year.
   3. Lloyds is the underwriter of our insurance.
   4. The electric panels are not the main reason our rates have jumped. The president of Live Oak has concerns that we will not be able to be insured going forward if Federal Pacific panels are not replaced.
   5. Rates have gone up because of the weather problems across the country.
   6. Howard Edmonson, G6: Insurance went up but did that include any increase to coverage? Labor and material costs have increased tremendously. Was our coverage increased to allow for those increases? The amount of coverage listed at Live Oak seems too low for each unit.
      1. We got more coverage due to changes that were made to the way our coverage was calculated.
      2. We will keep cost increases in mind as we look at the insurance policies. We look at it every year.
      3. The buildings were appraised last year and values were increased. Our agent advised increasing by a percentage every year and we will increase it incrementally in coming years. The increase this year was so high we held back on an increase this year.
3. ACC
   1. There are no applications waiting for a decision.
   2. The approved canister lights for patios may have to be ordered.
   3. There are 16 of the approved fans available at Home Depot.
   4. The ACC will be involved in the design of the parking lot project.
4. Golf carts and long-term car parking.
   1. There are two times a year when parking is a problem, 4th of July weekend and Georgia/Florida weekend.
   2. Theresa has added golf cart parking by T building and behind H.
   3. Jerry Reeves, R5: Golf cart parking needs to be secured. The golf cart parking area behind H building has security cameras.
   4. The new parking lot design will attempt to add parking for both cars and golf carts.
   5. Are owners telling renters to limit the cars they bring to the complex? We cannot limit the number of vehicles per unit.
   6. Stored cars and golf carts are a continuing problem.
      1. If golf carts aren’t stored here, they are brought by trailer so the trailer needs to be parked.
      2. Tommy Smith, U4, association VP, asked owners for suggestions of a different way to handle the problem.
      3. Peter Fosl, W2: recommended limiting the parking lot because it is not aesthetically beneficial.
         1. He recommends one parking space per bedroom.
         2. Theresa said we have 310 spots and 3-bedroom townhouses would have 150 parking spots if it were one per bedroom so one space per bedroom is not feasible.

New Business

1. Board election
   1. We have three open positions.
   2. We have four people running to be on the board.
      1. Peter Fosl
      2. Baxter Peffer
      3. Karen Robinson
      4. Patrick Yoder
   3. There were no nominations from the floor.
   4. Owners should vote for three people.
2. Financials
   1. 2022 Financial report
      1. Insurance rates increased $60,000 for 2023. Our flood coverage was changed to FEMA which resulted in a decrease in the premium and a 25% increase in coverage.
      2. The insurance premium for 2023 was payable in December 2022.
      3. The bike tents will be recovered using funds collected for the bike barn.
      4. The bike storage by the dumpster has also been improved by putting a roof on the building.
      5. The reserve statement is the detail of the 6000 account on the regular budget. It spells out how that money is used.
         1. Another association has had a detailed evaluation of the components of the complex to determine remaining useful life.
         2. Considering the age of our complex, we may want to consider having a similar evaluation done at Ocean Walk in the next year or two.
      6. The new dues will start as of January and will be reflected on the February statement.
      7. A motion to approve the 2022 financial report was made by Terry Majewski, D5. The motion was seconded by Howard Edmonson, G6. The motion was approved unanimously.
   2. 2023 Budget
      1. Insurance budget is increased $112,000 in 2023 due to another anticipated raise in our rate.
      2. The flood assessment will be included in the monthly dues so there will not be a separate bill at the end of the year. We had a 25% increase in coverage for flood insurance for 2023.
      3. Pressure washing, scheduled for 2022 was postponed until 2023 and will start next week. It will start at the back of the complex and should take 2 to 3 weeks depending on weather.
      4. There is an option to do an ACH transfer to pay monthly dues directly from the invoice.
         1. Credit card charges are possible but the fees would be higher and owners would have to pay the card fees.
         2. ACH fees could be paid from late fees. The board has not made a decision on that yet.
      5. Ocean Walk hasn’t had an increase in our monthly assessment for several years and we still have the lowest dues of any complex on the island.
      6. Bonnie Wilkerson, L1: Is there any possibility there will be any additional assessments this year? The paving assessment is possible.
      7. A motion to approve the 2023 budget as presented was made by Lynn Fonseca, J7, and seconded by Ken Sausedo, C7. The motion was approved unanimously.
3. Parking lot paving project funding.
   1. The board’s primary plan is to do an assessment of $1,700 assessed evenly to each unit. The other option would be a construction loan.
   2. $1,700 should cover the total cost of the project barring any emergency changes. The goal is to keep the costs to that amount or less.
   3. The assessment must be paid by September 1, 2023.
   4. We had to wait for a survey of the complex to be done before we could get an estimate of the cost.
   5. All expenses should be included in the $1,700, engineers, surveyors, etc.
   6. The project will cost more if we have to have a loan because of the costs of the loan.
      1. If the $1,700 per unit is more than the project requires, the owners will decide whether to refund the excess, pay off the existing loan, apply it to monthly assessments or the reserve fund.
      2. The balance of the flat roof loan is $108,000.
      3. Interest on the flat roof loan is paid.
   7. A motion was made for Ocean Walk to have a one-time paving project special assessment of $1,700 due no later than September 1, 2023. Tom Mooberry, L9 seconded.
      1. Mr. Coombs, J11:
         1. Is the $1,700 for the paving project? Yes.
         2. What is the square yardage to be paved? 16,368 square yards just for the double layer of micro-surface.
         3. Has the board considered other options? Our decision was based on the recommendation of Roberts Engineering, relying on their experience and expertise.
         4. Will $1,700 be enough? The amount was based on a estimate by Roberts Engineering with an added contingency.
         5. Mr. Coombs is concerned that when the study is done, that amount could be insufficient.
         6. The preliminary study has been done and Roberts gave us an estimate.
         7. We added an additional contingency to include the plumbing to reach the $1,700 figure.
      2. One owner said she wasn’t interested in lowering our monthly assessment if the cost of the project is less than expected. She would rather increase our reserve to cover an emergency.
      3. Paying off the loan right now wouldn’t make sense since the interest has already been paid.
      4. If it costs less, the money would be refunded, applied to monthly assessments, added to the reserve fund or used to pay down the flat roof loan. Owners will be asked to vote on what they prefer to do..
      5. Ken Sausedo, C7: If the final cost ends up being higher than we expect right now, will you come back to owners for more money? We will look at taking some from the reserve fund and if that is not possible, we will ask owners for another assessment.
      6. If we don’t do the project now, we may not be able to do the micro-surface and we will have to reclaim the asphalt and repave the lot. If we have to do that, the cost would be three times as much.
      7. What is the timetable for the project? We are hoping to do the project this fall.
      8. If we do the project this fall, we may be able to piggyback with Island Club for further cost savings.
      9. We are consulting with Roberts Engineering because of their expertise and experience. The estimate includes the cost of speed mitigation, tree removal, plumbing repair and deep patch repair.
      10. Owners would like more detail on the metrics which back up the $1,700
      11. Approval by a majority of the owners is needed for a special assessment and the majority is not present. We also need written documentation of the vote.
      12. A motion was made to send out an electronic ballot on the motion on the floor. The motion passed unanimously.
4. Board of Directors email: [oceanwalkbod@gmail.com](mailto:oceanwalkbod@gmail.com). The email goes directly to the board and should be used for communicating ideas and concerns to the board.

Election results: Baxter Peffer, Karen Robinson and Patrick Yoder were elected to two year terms.

The meeting was adjourned at 2:55 pm