

# TALL SHIP ASSOCIATION ANNUAL MEETING

**DECEMBER 12, 2010**

KEOWEE ROOM

CALL TO ORDER: 2:07PM

PROOF OF NOTICE: Yes

ESTABLISHMENT OF QUORUM: 54

PRESIDENT'S REPORT: Barry Stuart reported that the real estate market continues to be depressed especially for second homes. No units sold in 2010; 21 units are on the market. Schooner and Clipper buildings have been repainted; canvas has been replaced and deck railings have been painted in these two buildings. The other five buildings will be painted and deck canvas replaced and railings painted. We have a new landscape contractor who will be working to remove dead plants. The stucco project is almost complete.

INTRODUCTION OF BOARD MEMBERS: Barry introduced the members of the Board: Bob Stojetz, Kathy Stanton, Rob Routman, Lester Essex, and Judy Coolidge-Fill. Frank Patterson was unable to make the meeting.

BUDGET REPORT: Rob Routman explained that we no longer have the \$1,500.00 entrance fee in our coffers due to the lack of units selling. He showed to following:

|                      |                    |                   |
|----------------------|--------------------|-------------------|
| 2004 - 26 units sold | \$39,000.00 income | \$325.00 per unit |
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| 2006 - 30 units sold | \$45,000.00 income | \$375.00 per unit |
| 2007 - 12 units sold | \$18,000.00 income | \$150.00 per unit |
| 2008 - 3 units sold  | \$4,500.00 income  | \$37.00 per unit  |
| 2009 - 0 units sold  | \$0 income         | \$0 per unit      |
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Thus we are short \$200,000.00 in reserves. The painting was stopped for 2010. As the homeowners will pay for the deck improvement, there's no expense there. There is \$72,000.00 available for painting

Yawl and Frigate in the spring. We need to increase our insurance, but will be able to save as we'll get KKPOA out of our policy. Utilities will remain the same.

He pointed out that the buildings are 25 years old and are in need of general repairs. The stucco in particular needs to be maintained and should be checked yearly. An annual inspection of the elevators is also important as it is mandated by law.

**STRUCTURAL REPAIR REPORT:** Barry introduced Carol Ackerman as new property manager who lives in Keowee Key. She has 30 years of experience managing properties. She explained that Tall Ships will have an updated reserve analysis in 2011.

**UPCOMING PROJECTS:** Carol explained that the reserve report would include stucco repairs and replace rotted wood. An annual stucco inspection would keep us ahead of the game.

**NOMINATING COMMITTEE REPORT:** Barry introduced Harold Capitola and thanked him for getting the nominees. Lester Essex, an engineer and owner of My Garage, has agreed to stay two more years. The other nominees are: Carol Roth, an attorney and long-time resident of Tall Ships; and Lea Allison, also a long-time resident with a PhD in higher and post-secondary education.

**ELECTION OF INCOMING DIRECTORS:** Charlotte Coultrip moved that the three be elected, seconded by Weldon Fill. All were in favor.

**INTRODUCTION OF OUTGOING DIRECTORS:** Barry thanked Bob Stojetz and Judy Coolidge-Fill for their service. Bob was instrumental in getting the new signs and for trash room changes. Barry asked owners to consider being a Board member as the directors get valuable input from others. Owners are also encouraged to attend Board meetings. Barry also thanked members of the various committees who served in the past: social, landscape, and ad hoc budget committees.

#### **RESPONSE TO OWNERS QUESTIONS:**

Ron Kraft thanked the Board for their work. He suggested that we get rid of the \$1,500.00 entrance fee saying it costs more to buy a condo than a house on an interior lot. In good economic times this fee was not an issue, but now it can be. He suggested raising the assessment \$400.00 as fees have not been raised in five years. Virginia Sholar suggested a temporary cessation of the fee. She was also concerned that the letter about the change in regime fee should have been sent out prior to the meeting.

Sandy Smith, a realtor, thinks the units are overpriced and that is why they are not selling.

Weldon Fill pointed out that four units in Captain's Walk were sold in 2010. He also said that Blue Ridge Security should check on the periodic beeping in the first floor closet in Clipper and Schooner.

Mike Ferrato said we need to keep the entrance fee but to have selling prices be realistic. Tall Ships offer a lake view whereas the interior homes do not. There have been foreclosures in Keowee Key but none in Tall Ships.

Larry MacLean was concerned about the fees saying that \$12,000.00 per year is high.

Virginia Sholar was bemused at the \$97.00 increase asking why it wasn't rounded off to \$100.00. The ad hoc budget committee said they did some very close calculations.

Kathy Stanton stated that if people are desperate enough to sell their condos, they might be willing to pay the entrance fee. The Board agreed to consider the temporary cessation of the fee.

Paula Gautier was concerned about broken sprinkler heads. The Board will look into that.

Larry MacLean moved for adjournment, seconded by Kathy Stanton. The meeting was adjourned at 3:40PM.

RESPECTFULLY SUBMITTED: Judy Coolidge-Fill.