

Antigua Condominium Association

Minutes of the 2024 Fall Owners' Meeting

October 5, 2024

The 2024 Fall Owners' Meeting of the Antigua Condominium Association was called to order by Randy Ditch, president, on October 5, 2024, at 9:30 a.m. at the Ocean City Elks Lodge, 13708 Coastal Highway, Ocean City, Maryland. The meeting was an in-person meeting.

President's Report and Welcome

Randy Ditch welcomed all of the owners and introduced the board members. All the directors were present in person: Mary Dischinger, Randy Ditch, Mike Falkner, Kat Ilkhani, Mike Keenan, Robert Mayer, Bonnie Medford, Sheri Miller and Ellen Schweiger.

Randy gave a brief report of the last six months. The condominium retained a professional management company, Shore Management, in the spring. It also hired a new pool company, a custodial company and two office employees. These are significant changes from prior self-management. Transitions can be difficult and bumpy, but we had a successful summer season despite usual transition matters. We entered into a contract with East Coast Contracting for the coating project. Water leaks into units have been repaired and maintenance has increased.

Proof of Notice of Meeting and Quorum

Robert Mayer reported that notice of the meeting together with the proposed 2025 budget and meeting documents was sent by email to all owners and mailed to eight owners on the list attached to the Certificate of Mailing on September 3, 2024. A revised budget was sent to all members on September 25, 2024.

A quorum was present. There were 64 units present in person or by proxy.

The 39 units present in person were: 103 — Don and Cathy Brown; 107 — Jane Preble; 201 — Larry Wiles; 202 — Charles and Susan Ziegler; 203 — Stephen and Vanessa Lopez; 206 — Jessica Drake; 208 — Paul Kotula; 305 — Mike Falkner; 306 — Patrick Haskins; 403 — Barbara Emden; 405 — Howard Bradly; 406 — Peggy and Dan Sheer; 502 — Jerry Shumar; 506 — Carolyn Krach; 507 — Raymond Doviak; 606 — Mary Dischinger; 608 — Mary June Hess; 706 — Randy Ditch; 803 — Ellen Schweiger; 804 — Thomas Sterling; 805 — Mike and Christine Keenan; 807 — Mary Sue Snyder; 808 — Daniel Snyder; 901 — Cindy Frederick; 904 — Christopher Vallone; 1001 — Cece Muneses; 1004 — Howard Klohr; 1005 — Matthew Blevins and Kat Ilkhani; 1007 — Alayne and Robert Rosner; 1102 — Harry and Randee Baumohl; 1108 — Martin and Nancy Peckerar; 1202 — Bonnie Medford; 1203 — Steven Hessenauer; 1204 — Steve Karlow; 1205 — Steve and Brenda Penyak; 1206 — Beth Ebersole; 1302 — Ingrid Miller; 1303 — Robert Mayer; and 1305 — Bonnie Medford.

The 25 units present by proxy were: 104 — Kathryn Fitzgerald; 204 — John Joseph; 301 — Patty Brann; ; 302 — Rosey Whittaker; 304 —Patrick Musselman; 401 — Sheri Miller; 404 — Jayanthl Subramaniam; 408 — Mary Ellen Marsalek; 601 — Wayne Morris; 602 — Robert Saylor; 604 — David Nevins; 605 — John Enkiri; 607 — George Robinson; 701 — Ken Lebherz; 802 — Jon Thomas; 902 — Ronald Scheaffer; 903 — Michelle and Chris Groome; 907 — Marcella Roenneburg; 908 — Hugh Richmond; 1002 — Alberto and Linda Garcia; 1101 — Timothy Kelly; 1105 — Susi Merson; 1107 — William Reineberg; 1306 — John and Terri DeGraw; and 1307 — Napoleon Marcelo.

A proxy for unit 303 was presented on a cellphone. It had not been delivered electronically, by mail or in person prior to the meeting and was determined not to be a valid proxy.

Approval of Minutes of the May 4, 2024 Spring Owners' Meeting

Robert Mayer presented the minutes of the May 4, 2024 Spring Owners' Meeting. Robert made a motion which was seconded, that the minutes of the May 4, 2024 Spring Owners' Meeting be approved as submitted. The motion passed on a voice vote without opposition.

Treasurer's Report

Mary Dischinger presented her treasurer's report. The condominium is doing well this year. However, we are over budget in the maintenance area because of repairs to equipment and repairs of leaks into units. The Reserve Fund is fully funded. The balance is more than required by the Reserve Study but an updated Reserve Study should be done.

Mary presented the accountant's recommended resolution to apply excess membership income to the following year's assessment. Mary moved and Dan Shear (406) seconded that:

WHEREAS, Antigua Condominium Council of Unit Owners is a Maryland condominium association duly organized and existing under the laws of the State of Maryland; and

WHEREAS, the members desire that the Association shall act in full accordance with the rulings and regulations of the Internal Revenue Service;

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of Antigua Condominium Council of Unit Owners:

RESOLVED, that any excess of membership income over membership expenses as defined in IRS Reg. 1.277-1 for the year ended December 31, 2024, shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

The motion passed on a voice vote without opposition.

Budget

Mary presented the 2025 budget. The budget provides for an increase in the condominium fee from the current \$495 per month to \$520 per month. The condominium fee is apportioned between the Operating Fund and the Reserve Fund with \$355.00 allocated to the Operating Fund and \$165.00 allocated to the Reserve Fund. The budget was approved by the board at its August 14, 2024 meeting. After that meeting, AT&T advised the board that when its antennas are removed for the coating project, their rent would abate. At the board's September 18, 2025 Ingrid Miller (1302) suggested that the budget be amended to reflect the change and it was. The change does not affect the Operating Budget. It reduces the funding of the Reserve Fund by \$24,000. The revised budget was sent to all owners prior to the owners' meeting.

Questions were asked about the special assessment and where it was in the budget. The special assessment is not part of the Operating Budget. There is a separate section in the budget for the coating project. It appears at the end of the budget and reflects the total amount of the special assessment and the funding from the Reserve Fund. The special assessment is being deposited in a separate bank account and disbursements will be made from that account.

The question was asked whether the budget was balanced. It is. The Operating Budget shows income of \$461,640 and expenditures of the same. (Lines 18 and 166, respectively.) The Reserve Fund has receipts of \$251,192 with a net contribution to the Reserve Fund of \$117,192 after estimated expenditures of \$134,000. (Lines 28, 203 and 207.)

The question was raised whether the revised budget could be adopted because it was not sent to owners more than 30 days before the meeting.

Dan Shear (502) moved and Jessica Drake (206) seconded that the budget approved by the board on August 14, 2024 be amended by reducing the income from AT&T Cellular Rent from \$49,680 to \$25,680 and that the budget, as amended by approved.

There was further discussion: the income and expenses; the special assessment and the separate account for it; the disbursements from the separate account; the effect of East Coast Contracting's "hold" on the project; the shutters; AT&T rent; and contingencies for unknown matters and uncertainties.

The budget, as amended, was approved on a roll call vote with 48 units voting in favor of the budget and 16 voting against it.

Revised Budget Format

Mary introduced the revised budget format that Robert Mayer and she had worked on and presented to the board. It was included in the owners' package sent to the members for Minutes of Fall Owners Meeting of October 5, 2024 (Approved April 26, 2025))

this meeting. Robert briefly described it. The present format has been in use for a very long time. However, with the requirement for reserve studies and for reserve funds to be funded in accordance with the reserve studies, the existing format is difficult to use to evaluate the adequacy of the reserve fund. In addition, it is not obvious as to how the contribution to the reserve fund is calculated.

The new format separates the Operating Budget from the Reserve Fund. The Operating Budget remains the same. The income continues to be allocated to the Operating Budget and the Reserve Fund. However, the reserve fund is separated from the Operating Budget. The Reserve Fund is similar to a checking account ledger. It shows the beginning balance as of January 1, the contribution to the fund for the year, the projects to be considered and then the closing balance as of December 31. The total reserve account income is transferred to the reserve fund, not — as present — the net of the contribution after anticipated expenditures. In the revised format, projects that may be undertaken during the year are listed. The amounts are estimates because the scope of the work and the actual costs have not been determined. The amounts are those in the Reserve Study or from other sources such as proposals.

The new format allows the projects for the year to be better planned. Some may be deferred. New ones may be added. It provides a budgeting tool.

The year-end balance enhances the board's ability to determine if the Reserve Fund is properly funded. It can be compared to the Reserve Study with whatever adjustments that may be necessary.

Mary asked for questions or comments. She stated that the new format would be used for future budgets.

Property Management

Mike Keenan introduced Cindy Mooney, the property manager. Cindy said that she was happy to be working with the Antigua and would work to ensure the building was well maintained. She is available for after-hours emergencies. However, please follow the prompts on the answering message. It will prompt owners so that the call will be forwarded to Cindy's cellphone. If a message is left instead of following the prompts, she will not see it until the following morning.

Mike reported on upcoming projects. There is a pool leak which will be located and fixed after the pool closes. The pool deck is delaminating in places and needs to be repaired. This will also be done over the winter. The cut-off valve project is behind schedule, but not forgotten. The wash-off stations need to be repaired. The pipes need to be removed for the coating project and will be re-installed when the project is finished. The common doors will be painted and the owner's doors not yet painted will need to be painted. The board is looking at replacing the old cameras. The proposals are about \$18,000 to \$20,000. Additional keys for the lobby door have been made and are available in the office.

Coating Project

Robert reported on the coating project. Robert thanked the members of the Coating Committee. They all devoted considerable time and effort to the project. The members were John DeGraw, Mary Dischinger, Dennis Marsalek, Bonnie Medford and Steve Karlow. Dan Shear, who was not an official member of the committee, gave invaluable assistance and worked as hard as the committee members. In addition, others provided assistance and insights that materially helped with the project. Mike Keenan and Randy Ditch were very involved. Mike has been operating as de facto co-chair during the last few months. He is able to be on-site more readily than others. Ellen Schweiger, Sheri Miller and Paul Katula also provided important comments, suggests and insights. There were others who also helped. Without the effort of all, we would not have gotten to this point.

Robert also expressed his appreciation and gratitude to the membership. The shutter issue was a very difficult one to address. At the owners' meeting, the membership decided that it was best for the building to remove all the shutters and that the condominium should pay for them to be taken down. The vote was overwhelming. It was 60 to 12 which was more than 83% of the units voting and a majority of all owners. The members also approved the special assessment by a vote of more than 78% of those voting, and more than half of all owners.

The start date was to have been October 7, 2024 with mobilization to have begun in September. It did not happen. At the beginning September when mobilization was to begin, East Coast Contracting said that they were not sure what they were supposed to do. Their bid did not include a parge coat which is what we wanted. They had bid a different method. They were going to apply the silicone coating to the bare concrete with aggregate blown onto the first layer of the silicone coating and then apply a second layer of silicone coating. They had been told that this was not acceptable. Kirk Parsons had not used this method before. East Coast and Dow were unable to provide reference for Kirk to evaluate the method and the September "hold" message was sent by East Coast.

Since then, we have tried to determine what we need installed. The board decided that the parge coat was the best alternative. The parge coat is applied on the bare concrete and the texture — the final finished look — is built into the parge coat. Two coatings of silicone are applied over the parge. That is the method that was used for the building and is on the building now. East Coast Contracting proposed a change order to accomplish this at a cost of \$265,000.

The board considered the legal issues and the practical issues. The next lowest bidder is still higher than East Coast with the change order. The board is concerned about delays and scheduling. The board decided to proceed with the parge coating.

The board reviewed the funding of the change order and feels that no additional special assessment is necessary. There are ample funds in the Reserve Fund to pay for the change order. The project budget has a contingency built into it. The anticipated cost of a new roof was reduced by about \$200,000 when we used a roof coating instead of rebuilding the modified

bitumen roof. In any event, it is best to obtain an updated Reserve Study next year to evaluate where the Reserve Fund should be at year-end. There will be increases, such as inflation which the present Reserve Study underestimated. There will likely be decreases. By using a silicone coating, the exterior will not have to be re-coated for 15 to 20 years rather than the current seven years. That should reduce the annual contribution for this since it will be amortized over a longer time period.

Randy reported that the board appointed a negotiating committee consisting of Bonnie Medford, Mike Keenan, Robert Mayer and himself to negotiate the change order. The board gave the negotiating committee the authority to reach a final agreement. The committee will meet with East Coast and Kirk on Monday, October 7, 2024.

Bathroom Renovations

Mike Falkner reported on the survey about the renovations. The survey showed that the membership preferred two bathrooms rather than a single unisex bathroom; and that the saunas and indoor showers should be removed. Mike noted that there are concrete walls in the bathrooms and moving them would be a large expense. There are ventilation considerations and there are sprinklers. The objective is to have clean bathrooms that are mouse-free. The Reserve Study estimated the cost of renovation to be a total of \$20,000 for both which does not seem to be enough. There is an outdoor shower.

Mike Falkner moved and Pat Haskins (306) seconded that the board be authorized to remove the saunas and showers. The motion passed on a voice vote without opposition.

Landscaping

Ellen reported on the landscaping. Landscaping the oceanside of the building will be expensive. The parking lot landscaping is more important. The Reserve Study schedules the parking lot to be repaved. The landscaping discussion included the roots of the existing trees and shrubs extending into the parking lot and are damaging the asphalt; whether there are more roots under the asphalt that have not yet surfaced; the difficulty of parking next to the trees and shrubs; and the views on removing, trimming or leaving the trees and shrubs. It appears that the parking lot repaving and landscaping should be coordinated and that they should have priority over the oceanside area.

Owner Motions

Pat Haskins (306) moved to record by video or audio all board of director's meetings which are open to owners, and retain copies of such recordings for a period of at least twelve (12) months with access to the recordings being available to all owners and directors during such period. Bonnie Medford seconded the motion.

Pat explained that the purpose of the motion was to ensure that a complete and accurate record of the matters discussed at the board meetings is available for review by

owners and directors who may have been unable to attend the board meeting. It would also provide a complete record of the board's communications to owners as well as owner comments concerning issues raised at the meeting. It would allow for resolution of disputes relating to what was presented by owners and the Board as issues were discussed. It would also provide a more detailed record of the discussions that transpired than that which is provided by the minutes which lack such detail.

The matter was discussed. Randy reported that Jim Almand, the condominium's attorney, advised the board that this would constitute a bylaw amendment and required a 60% affirmative vote of all the unit owners, that is, 63 units voting in favor of the motion. Pat disagreed with that. Randy also said that Robert's Rules of Order describe minutes. They should contain mainly a record of what was done at the meeting, not what was said by the members. In his view, the minutes being prepared meet these standards and are very good.

Others commented that it is very difficult to go through audio or video recording to find particular parts. They are lengthy and difficult to handle. Recording meeting affects behavior, how people speak, what they say, and how they say it. Recordings can become "weaponized," particularly because people are not necessarily precise in their words. Recording can be leveraged to become a liability especially in light of the ambiguity of language. They may well have a chilling effect on debates, comments and conversations. The board controls the minutes because it approves them and corrections and additions can be made during that process. The need for the recordings is unclear. If someone does not attend a meeting, it is unlikely that he or she will sit through a three- or four-hour recording of it. They would be available to listen to a meeting, if a member wanted to do that.

Robert described how he prepared the minutes. They are prepared soon after the meeting and are sent to all the directors. The directors are given the opportunity to note any corrections or changes. After a reasonable comment period, they are posted to the condominium's website as draft minutes. The draft minutes are included in the owners' packages that are sent to all owners before each board meeting. The board approves them and the approved minutes are posted on the website.

Robert described his view of minutes. He endeavors to provide members with information about what is pending before the board. The minutes are, for the most part, general and do not record who says what, although that is done for clarity. The minutes are not intended to be so detailed as to be a transcript or a transcript-like document. The words used are not intended to be parsed, but to be ordinary, commonly used language. The object is to give members a resource to see what is happening, to provide basic information.

Pat Haskins (306) sought to withdraw his motion. Jessica Blake (206) moved, and Dan Shear (406) seconded that a vote be taken on the motion. A yes vote was a vote in favor of recording board meetings and a no vote was a vote against recording board meetings. On a voice vote, the recording of board meetings was defeated.

Pat Haskins (306) withdrew a second motion to require board of directors' meeting minutes be sent to owners at least three days prior to any board of directors' meeting where acceptance of the minutes will be discussed or voted upon. After discussion, the motion was withdrawn.

Randy commented on the dissension and the nature of the discussions at board meetings. He sought to reach consensus but the tone and language makes it difficult. It wears on everyone.

Adjournment

Ingrid Miller (1302) moved and Bonnie Medford seconded that the meeting be adjourned. The motion passed on a voice vote without objections. Randy adjourned the meeting at 1:00 p.m.

Respectfully submitted,

/s/ Robert Mayer

Robert Mayer
Secretary