

**Schooner Bay Condominium Association
Annual Meeting Minutes
Saturday, April 25, 2009
The Palms**

The Annual Meeting of the Schooner Bay condominium Association was called to order by President Tom Yaegel at 10:20am. A sign in sheet had been circulated and the attendees were given a packet of information, including the agenda.

The purpose of the meeting was to elect two Directors to the Board for a two-year term, and to transact such other business as may properly come before the meeting. The present Board members were introduced by the president: Ed DeSantis, Vice President, Brian O'Grady, Treasurer, Alf Lambrechts, Director at Large.

Dorothy Bond presented the Notice of the Annual Meeting and reported that the number of units and proportionate interests eligible to vote at this meeting was approximately 87%. The number of units represented in person or by proxy at the meeting was 65%. Therefore, it was determined that the requirements had been met and the President declared the meeting a legal meeting.

Brian O'Grady made a motion to dispense with the reading of the Minutes of the previous meeting. The motion was seconded by Bonnie Dedinsky. Motion unanimously carried.

The President turned the meeting over to the Vice President for the election of officers. There were no nominations from the floor. Suzanna DeSantis made a motion that the two members on the slate (Tom Yaegel and Dorothy Bond) be elected as submitted. Motion seconded by Bonnie Dedinsky. Motion carried.

The subject of individual security systems was brought up. ADT does provide service to Schooner Bay and comes highly recommended by those who do use ADT.

Norman Rouleau brought up the subject of special assessments as opposed to an increase in the monthly common charge. He is definitely opposed to the assessment as were a number others in attendance at the meeting. Tom commented to the effect that the decision to go the assessment route as opposed to an increase in the monthly was voted upon by the owners a number of years ago. However, he also said that the Board would take the matter under advisement at its next meeting.

Schooner Bay does not have maintenance free structure. It was reported that John Rowe has material that consists of weather proof coating and can be used successfully in our climate. It was recommended that the Board look into this cost saving service and report back to the owners.

Other items under discussion had to do with the following:

If a unit is to be vacant for a number of days, the office should be notified so that the water can be shut off. Non-compliance may result in a fine.

If the unit is to be rented for more than 30 days, the owner must provide a copy of the lease, signed by the tenant, to the office. A fine will be imposed on the owner if the signed lease is not forthcoming.

Keys -- It is important that the office have access to every unit in the complex...Our master key system broke down some time ago and has never been replaced. Norm Rouleau strongly suggested that a new system be developed and put into use.

Dogs – Renters are not allowed to have dogs and owners should make sure their agents do not rent to anyone who has a dog.

Delinquency – Only three problem situations at this time . . . the most dramatic of which is Unit 220. However, although we cannot foresee a settlement of the estate whereby Schooner Bay could recoup some of its losses, the unit has been renovated under the supervision of Joe Thayer, the unit has been rented and is now paying its way. Each of the other units have been sent a foreclosure letter

Special Projects – The special assessment we budgeted for this past year had to do with staircase safety work. We did the west side last year and the east side this year. It has been satisfactorily completed.

The president informed those present that Schooner Bay in connection with the St.Croix Foundation will for a period of six months enlist the services of the Boy Scouts to clean up the litter on the road from the Schooner Bay entry to East End Road. A request for donations was made and the group responded positively. A little over \$1,000 was collected.

The Board approved \$8,000 for the purchase of a new utility vehicle to replace the 11 year old "Gator." The purchase has been made and we are awaiting the arrival of a new Yamaha.

President Yaegel introduced John Harper, President of Marshall Sterling, who presented an insurance proposal with two distinct options. Option A reduces our deductible to 3% of the total sum insured and Option B reduces our deductible to 5%. Terrorism Coverage was also offered. Island Heritage Insurance Company, Ltd. is once again the insurer. Option A was the choice of those present. There has been a reduction in rates for the same coverage we have been experiencing. The property premium is \$153,432 including taxes and the liability insurance premium is \$17,082 for a total of \$170,514. The premiums will be financed with a 30% down payment with the balance in eight equal monthly payments.

There was a great deal of concern expressed regarding the fact that their private insurance coverage may not be adequate . . . especially in situations where new items such as appliances and cabinets have been replaced. A spreadsheet was included in our packet to assist in this valuation, but to the average person it is unintelligible. It was suggested that owners take this matter up with John, or with Arlen Wheeler to get their opinion. Also, the Board will look into engaging Arlen to give us an estimate of the cost to do a unit by unit inspection.

The Audit Report of the Association's books ended December 31, 2008 was reviewed by Tom Singleton from the CPA firm of Franisco E Depusoir. The report was followed by an open discussion. A copy of the report is attached.

President Yaegel introduced Hunt Logan of the law firm of Nichols Newman Logan and Grey.. Hunt was here to explain the fact that Tip Top Construction has submitted a permit to erect two residential buildings on property adjacent to ours. (Plans were included in the packet provided to attendees.)

He reported that Schooner Bay authorized that a survey be made of our property to insure that they legally could build on the two lots of their choice (lots 64M and 64N). It was determined that they do have the right to build. subject to certain restrictions. Should they be granted the right to build there are a number of problems for Schooner Bay that would need to be addressed such as parking space, increased traffic, road damage, water run off, limits on hours and days of construction, etc. The Association authorized Attorney Logan to handle all communications relevant to this matter.

At that point John Rowe made a motion that we give the Board the authority to spend up to \$25,000 each for the purchase of the two lots (located between Vigilant and Weatherly) should they become available. Motion seconded by Norm Rouleau. Motion carried. The money is to be taken from the reserve fund.

The subject of assessment vs a monthly increase was brought up again. Brian O'Grady told us that assessments imposed from, 2003 through 2008 ranged from \$36,000 to \$150,00. It was suggested that the Board sit down and figure out what we are going to do in the next 5 or 10 years and come up with a program. Tom Yaegel said the Board would take the matter under advisement.

"Cuffy" from St, Croix Security Division stopped in to see if we had any suggestions. No one had anything but praise for them. Cuffy reminded us that the hours are staggered but that they are always available to attend to any emergency that might arise.

Both Norm Rouleau and Tony Torres brought up the subject of Speed Bumps. They are opposed to them and asked the Board to look into the matter to see if there might be a possibility to remove the biggest offenders or cut them down. Tom said it would be taken up at a future Board meeting.

There being no further business Bonnie Dedinsky made a motion that the meeting be adjourned. Seconded by Brian O'Grady. Motion carried. The meeting was adjourned at 12:45pm.

Respectfully submitted,
Dorothy W. Bond, Secretary

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