

*TALL SHIP ASSOCIATION
ANNUAL MEETING
DECEMBER 9, 2007
KEOWEE ROOM, ACTIVITY CENTER*

*PRESENT: VIRGINIA SHOLAR, FRANCES JOHNSON, JUDY
COOLIDGE-FILL, MIKE FERRATO, CAROLYN
ASPERGER, CATHY MAYS
19 OWNERS*

ABSENT: BOB STOJETZ, TOM SCHILL

CALL TO ORDER: 2:00PM

PROOF OF NOTICE; YES

*ESTABLISHMENT OF QUORUM; 66 YES, PRESENT AND
PROXIES*

PRESIDENT'S REPORT:

The beginning of 2007 began with a full board complement. The association's December closing of the books will be followed by an annual budget letter of explanation.

Stucco and balcony repairs continued and work was begun on pull stations for the proposed new fire alarm system. The second part of the new alarm system installation was initiated and estimated to be completed by the end of the year. Because of the Realtec settlement, the Board elected not to have a special assessment for the alarm system.

The suit against Realtec resulted in a two-part mediation settlement. A report of the litigation was mailed owners and as a result of the settlement, the Board elected to pay off the construction loan.

At mid-year a vacancy occurred when the Treasurer resigned. No one volunteered to fill the position, therefore, financial reporting and services were assumed by the Property Manager.

Dissatisfaction by owners with the janitorial service resulted in the appointment of an Ad Hoc Committee to review janitorial specifications. The Ad Hoc Committee assisted in the selection of a new janitorial service.

The Social Committee hosted several events during the year commencing with the brunch preceding the Annual Meeting, Annual Meeting, Kentucky Derby Party, association cocktail and block projects: repair parties. These events were generally well attended. It's a nice way to meet and get to know your neighbors.

The Board is considering future proposed and resealing parking areas, new uniform larger trash room containers, disabled ramps and railings.

I wish to take this opportunity to thank all the Board Members, Committee Chairs, Technical Manager and Property Manager for their assistance and to the owners for their cooperation while repairs and installations were made.

On behalf of the Board, I wish everyone a Safe and Happy Holiday Season.

INTRODUCTION OF BOARD MEMBERS: The present Board members were introduced.

BUDGET REPORT:

	2007	2008
Income	120 x 2400	Budget
6310 Regime Fees	288,000	288000

6330 Special Assessment Income		
6340 Late Fees	0	0
6350 Legal Fees Reimbursement		
6370 Entrance Fee Income	10,000	10,000
6390 Owner Interest Income	0	0
6902 Miscellaneous Income	0	0
6910 Interest Earned	0	0
Total Income	298,000	298,000

Expenses

7010 Management Fees	30,240	30,240
7160 Legal Fees	10,000	5000
7250 Loan Interest Payment	20,000	0
7260 Postage/Copy/Administration	2,000	2200
7280 Insurance	36,000	36400
7430 Social Committee	300	300
7300 Website	100	300
8910 Electricity	11,000	11000
8930 Water	3,500	4500
8250 Telephone	5,800	4920
9150 Window Cleaning	3,500	3500
9020 Grounds Improvement	5,000	10000
9110 Repairs	10,000	5000
9135 Irrigation Maintenance	4,000	3000
9200 Janitorial Supplies	500	200
9260 Non Contract elevator repair	1,000	1000
9250 Fire Extinguisher Service	1,000	1000
9220 Fire Place Inspection	4,000	0
9610 Grounds Contract	19,152	19302
9620 Janitorial Contract	28,980	25000
9630 Elevator Maintenance Contract	8,840	8840
9800 State Elevator Inspection	900	1000
9650 Fire Alarm	11,800	11638
9700 Trash Removal	11,000	12500
9750 Pest Control	3,400	3900
9910 Reserve Contribution	12,988	52340
9915 Transfer Interest		4000
9760 Termite Contract	1,000	1000
Update Reserve Study		2000
Total Expenses	246,000	260,080
Loan payment	52,000	0
CURRENT YEAR NET INCOME	0	37,920

Cathy Mays went over the budget, saying that the final report will not be available until February after the books are closed on December 31, 2007

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2007 Tall Ship Annual Meeting Technical Manager's Report

Sorry I couldn't be here again this year. I had to make a choice between Myrtle Beach and here. Guess which I choose?

My report on major projects is as follows:

Stucco repairs:

There is continued progress on the stucco repairs. We have completed all the building end and bay window repairs, and continue on the balconies and other deficiencies outlined below. Hopefully, there are no more water leaks in Tall Ships.

The remaining work only consists of the following, and should be completed sometime in 2008.

- 1. 8 balconies. (Sq. Rigger and Yawl)*
- 2. Assorted front of the buildings kick-outs. (This is the thing that directs the water from the roof away from the wall where the gutters end)*
- 3. Various rotten fascias in the fronts of the buildings.*
- 4. Bird holes in the chimneys.*
- 5. Cracks in the stucco above the roof line. (The roofers made temporary repairs to these in 2003-2004)*
- 6. Walkway caulking. (this is probably 50% complete.)*
- 7. Repair of walkway edge cracking. (This allows water penetration that causes the rotted fascia)*

Fire Alarm System upgrade:

An upgrade to our fire alarm system is being installed by Blue Ridge Security Systems (A subsidiary of Blue Ridge Electric Co-op) this year. The new system upgrades our fire alarm system to meet state code, and includes horn/strobes in each unit. Most of

the wireless smoke detectors and outside audible alarms are all that remains of the old system. Additionally, new pull stations were installed at all the stairwells and wired smoke detectors replaced the sometimes unreliable wireless smoke detectors in the storage rooms.

Benefits include significant cost savings on the annual maintenance contract, and phone bills, since we no longer need dedicated phone lines with the new radio communications system. The in-unit horn/strobes will also improve the notification of alarm situations to the residents. If anyone wants additional information, contact me at tschill@allmail.net and I will send you the PowerPoint town meeting presentation.

As of this writing, the contractor is going to resume work on the last 2 basement smoke detector installations on December 5th. This should be complete within 2 days. This leaves only the final inspection to follow by Blue Ridge and the Fire Marshall for total completion of the project.

Hope you all have a great holiday. I'll be back before Christmas.

UPCOMING PROJECTS: Cathy will look into which projects are the most needed. New trash containers will be put in each building.

NOMINATING COMMITTEE REPORT: The committee included Barry Stuart, Harold Capitola, and Mike Ferrato. There were four vacancies on the Board; four members were interested: Carlos Luria, Rick McDuff, Rob Routman, and Kathy Stanton. All were elected. They will replace Carolyn Asperger, Mike Ferrato, and Virginia Sholar.

RESPONSE TO OWNERS' QUESTIONS: There was concern as to the changing of the Board; there is a question of continuity on the issues.

There will be warranties for the alarm system and any roof repairs.

It was recommended that the Board renew Ton Schill's contract. Cathy Mays will look into capital projects.

Virginia Sholar thanked all the homeowners for their help during the year.

Mike Ferrato moved for adjournment, Carolyn Asperger seconded, all were in favor. The meeting was adjourned at 2:50PM.

Respectfully submitted: Judy Coolidge-Fill, Secretary