

# Casa Del Sol Condominium

## DRAFT Minutes of the Casa Del Sol Annual Owners Meeting

### May 14, 2010

Casa Del Sol Webpage: <http://www.casadelsol-ocmd.com>

**President Joe Sheare called the meeting to order at 10:05am.**

**1. Roll Call and Reporting of Proxies.** A total of 35 unit owners were represented at the time the meeting was called to order (29 in person, 6 by proxy). A quorum of at least 29 is required. All Board members, with the exception of James McDonald, were in attendance. Mann Properties was represented by Kelly Quinn.

**2. Approval of the Draft Minutes of the May 16, 2009 Casa Del Sol Annual Meeting.** A motion to approve last year's annual meeting minutes was made by Vic Saville (Unit 708) and seconded by CJ Brzezinski (Unit 658). The motion passed unanimously.

### **3. Financial Review.**

**a. Account Balances.** Treasurer Mike Bufano confirmed the financial amounts listed below, current as of May 11, 2010.

<b>i. Checking (1010, 1012)</b>	<b>\$ 45,195</b>
<b>ii. Bank of OC Money Market (1080)</b>	<b>\$ 11,009</b>
<b>iii. CD (1070)</b>	<b>\$ 0</b>
<b>iv. Accounts Receivable</b>	
<b>a. Condo Fees (1310, 1360)</b>	<b>\$ 5,269</b>
<b>b. Special Assessment (1330)</b>	<b>\$ 0</b>

With respect to the accounts receivable, Mike stated overall that the amounts are reflective of prompt attention by the unit owners in remitting payments. The amount reported for the condo fees mainly consist of what is due for the April quarterly fees.

**b. Operating Budget: Year-to-date Review.** Mike commented on the Association's operating budget for the current year. He stated that the increase in the condo fees was to increase the capital reserves in compliance with the recommendations in the 2009 audit.

**c. Review of Annual Audit for Year Ending December 31, 2009.** Mike stated that the annual audit for 2009 was completed, and copies were distributed to the Board members. Mike stated that for each of the past 2 years, the auditors provided a clean opinion for the Association. The management letter accompanying the 2009 audit reiterates the minor deficiencies that were listed in the 2008 audit. These were expected. The last page of the audit examined the future capital investment study, and cited the major items (bulkhead, parking lot, etc.) that were identified in the engineering report for the next 10 to 20 years. Although the report will need to be updated, it is mostly accurate on those major items. The items in the report are still not funded and the Association will need to develop a long-term plan in the coming years to address them. Any unit owner desiring a copy of the audit should contact Mike.

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**d. Insurance Update.** Kelly Quinn (Mann Properties) summarized the Association's insurance posture, which was included in the meeting package. With respect to individual unit owner insurance, Kelly suggested that the owner contact his or her insurance agent and ask for recommendations on what the interior coverage should be. Kelly also stated that the loss assessment coverage, if taken by the unit owner, will cover the unit owner's portion of the Association's deductible with regard to any damage of property covered by the Association's policy.

**e. IRS Resolution to Carry Over Funds from Past Budget.** Kelly Quinn (Mann Properties) discussed the details of the resolution, which is required to carry over excess funds from the previous year's budget without tax penalty. The resolution requires acknowledgement in the annual meeting, plus a recording in the meeting minutes. A motion to carry over the excess funding was made by CJ Brzezinski (Unit 658), seconded by Jack Mattus (Unit 654), and passed unanimously. A form recognizing the owners' approval of the carry over, prepared by Mann Properties, was signed by the President, Joe Sheare.

#### 4. BUSINESS OF THE CONDOMINIUM:

**a. Front Side Piling Repair – Update.** Joe Sheare provided an update on the piling repair project. The contractor, beginning after the Memorial Day weekend, will commence repair on the 7 pilings that the engineering report indicated showed visible indications of problems, as well as investigating the other 4 pilings that were suspected of having structural problems. If the contractor discovers new or unexpected problems during the repair of these 11 pilings, the contractor will inform Mann Properties and Joe before any commitment is made to perform the repair. The piling repair project is expected to last about 2 weeks. Mike Bufano stated that \$45,000 was budgeted for this repair project, with the contract requiring \$27,500. The remaining \$17,500 will be used to offset piling repair overages, with any remainder used for future planned repair projects.

**b. Parking Lot Repair and Resealing – Update.** Joe reiterated that due to the late start of the piling repair, the parking lot work will be deferred until the fall. It would be extremely inconvenient to disrupt activities at the units that typically jump into full swing beginning in June.

**c. Review of Piling Cap Project – Update.** Joe recalled the effort last fall, on a cool and damp Saturday, by 10 members who volunteered to nail into place the black plastic caps on all of the pilings on the canal side of the 3 buildings. Joe thanked the volunteers, who worked well as a team and completed the job in about 3 hours. Joe mentioned that it would be worth the members' time to assemble more work parties to get certain maintenance and repair jobs done rather than contract some of them and budget for the work.

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**d. Review of Window Painting Project – Update.** Joe stated that those members requesting painting kits for the window trim and for which kits have not been delivered can pick them up at the sign-in table. Other members who desire kits were told to leave their names with Joe, and if any member requests additional paint, let Joe know.

**e. Update on Repairs to Carport Ceilings – Presentation and voting on type of repair.** Joe led the discussion on the efforts made to collect options and bids for repairs to the carport ceilings. After some initial discussion, Joe asked first if the membership wanted to do any sort of repairs at all. Without taking a vote, the majority of the membership voiced in the affirmative. Joe then walked the membership through the 4 material options (composite, aluminum, vinyl, and drywall), and stated the range of the bids received. The material receiving the lowest range of bids was the drywall option. Mike Bufano stated that budgeting for the repair is dependent on the type of material chosen and thus hasn't been done yet. Vic Saville (Unit 708) made a motion that the membership vote at this meeting to move forward with the Carport project, seconded by Mike Grams (Unit 650). The motion carried unanimously. Mike Bufano (Unit 652, and Board Treasurer) made a motion that the voting on material type should be a show of hands for each of the 4 types. The motion was seconded by Tom Bell (Unit 712, and Board member). Some discussion ensued, with Joe stating that although the membership can vote on the material type today, no plan would be selected and started until adequate funds were available from cumulative quarterly condominium dues. Discussion also included statements about what the extent of the repair would be with the drywall option (repairing only those carports in need of repair, but repainting all), and Charles Kinelski (Unit 648, BeachBrothers) on some of the details on the repair. After the discussion, the membership voted for the drywall option. Joe stated that if any unit owner believes that his or her carport is in a serious state and requires emergency repair, to contact Joe immediately.

## 5. NEW BUSINESS

**a. Updating the Owners' Directory.** Joe stated that at last year's annual meeting, George Krug (Unit 646) agreed to oversee the update of the directory. Subsequently, an updated version was developed and copies were distributed to the members attending today's meeting. Joe requested that each member review the content for accuracy, and provide any changes to Mann Properties.

**b. Miscellaneous.** Joe asked if there were any new business items from the membership prior to the elections of the new Board members.

**i.** Several members reported that there were holes or gaps in front of their foundations where the foundations meet the parking lot asphalt. Joe and Charles Kinelski inspected the units and reported several ways to affect repair, such as plugging the gaps with cement, or, for the larger gaps, covering with boards as temporary measures. After some further discussion, Joe requested that Charles Kinelski assemble a repair plan and present it to the Board.

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ii. Anne Giannelli (Unit 622) requested clarification on the front entry door and storm door replacement policy. Joe stated that the Board had agreed several months ago to allow the owner choice of designs for both doors, providing that all applicable codes are adhered to; the entry doors can be either white or matching the color of the new siding; the storm doors must be white. Joe also stated that it is Association policy that the Board must approve member requests for new doors.

iii. There was some discussion on the Town of Ocean City's new recycling policy. There is no longer separate recycling, all trash will be combined and collected. Recycling containers are being removed by the town, and have already been removed from the 600 building. As a related item, several members discussed what occurs if bulk trash is left out by the containers. It was decided that any unit owner (or Mann Properties) can call the town for pickup, with the owner covering the charges.

iv. Several members discussed the status of "Casa del Sol" signs for each of the 3 buildings. Joe stated that the Board had agreed on a design some time ago, but due to higher priority projects and a tight economy, no funding has been identified. As soon as funds are available, the signs will be ordered and installed.

v. Some discussion ensued on reducing the volume of mail sent to the owners (e.g., minutes of meetings) and rely more on email and website postings. The Board agreed to review the Condo Association By-laws to make sure they are in compliance with the Maryland Condominium Act and any new laws.

**c. Election to the Board of Directors.** Ballots for electing new Board members to the two open positions were included in the meeting package. Kelly Quinn (Mann Properties) instructed the members on the voting procedures. Per the Association By-Laws, she asked if there were any nominations from the floor; there were none. Bob Siskind (Unit 644, and Board member) made a motion to close nominations, seconded by CJ Brzezinski (Unit 658). All were in favor. Voting was accomplished, and the ballots tallied by Kelly. As a result of the voting, Kelly reported that Tom Bell and Anne Giannelli had been elected to the Board, each for a three-year term of office.

**d. Annual Meeting Party.** Joe stated that it has been an Association tradition that the President host a small picnic immediate following the annual meeting. Joe stated that the picnic would commence at 1:15pm on the canal side behind his unit (Unit 710).

**6. ADJOURNMENT.** Having concluded all business on the meeting agenda, a motion was made by Bob Siskind (Unit 644) to adjourn the annual meeting, seconded by John Foulkes (Unit 716, and Secretary). The motion carried unanimously, and the meeting was adjourned at 11:33am.

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**7. Follow-On Meeting of the New Board.** A brief meeting of the new Board members occurred shortly after the adjournment of the annual meeting to elect officers. It was decided that the officers would be as follows; President: Joe Sheare; Vice President: Louis Napoli; Treasurer: Mike Bufano, and Secretary: John Foulkes.

**8. NEXT CDS BOD MEETING (proposed) – Wednesday, June 23, 2010, at 8:00pm via teleconference.**