

Casa Del Sol
DRAFT Minutes of the Board of Directors Meeting
March 20, 2014

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

Joe Sheare called the meeting to order at 8:01 p.m. via conference call.

Participants: Joe Sheare, Mike Bufano, John Foulkes, Tom Bell, Joe Pasqualine, and Igor Conev (Mann Properties).

Board Members Absent: Lou Napoli and Bob Surette.

1. Reading and Approval of the Draft Minutes of the CDS Board Meeting of 02-20-14. *A motion to approve the draft minutes of the CDS Board Meeting of 02-20-14 was made by Tom Bell and seconded by Joe Pasqualine, and passed unanimously.*

2. Financial Report: Mike Bufano reviewed the financial information, current as of March 17.

| | |
|---|------------|
| a. Checking (1012) | \$ 90,062 |
| b. Money Market Improvement Fund (1060) | \$ 184,729 |
| c. Assessments Receivable | |
| i. Condo Fees (1310) | \$ 1,580 |

As of the March 17, 2014 financial report, two (2) unit owners are in arrears of the January, 2014 condominium fees payment, for a total of \$1,580.

d. Bills Paid since 02-25-14:

| | | | | |
|----------|--------|------|----------|--|
| 02/25/14 | AP2721 | 1389 | 150.00 | BLUE OX BAR & GRILLE MEETING ROOM |
| 02/25/14 | AP2721 | 1390 | 427.38 | DELMARVA POWER 2113 2499 9997 |
| 02/25/14 | AP2721 | 1391 | 4,865.27 | ROYAL PLUS INC UNIT 630 REPAIRS |
| 03/04/14 | AP2728 | 1392 | 1,054.50 | MANN PROPERTIES, INC. MANAGEMENT FEE 314 |
| 03/04/14 | AP2728 | 1393 | 702.00 | TOWN OF OCEAN CITY 13827-54958 WATER |

3. BUSINESS OF THE CONDOMINIUM:

a. Annual Association Meeting. The Annual Association Meeting is scheduled for Saturday, May 3, 2014 at 1:00 PM, at the Blue Ox Restaurant. The draft agenda (below) was reviewed by the Board members and will be finalized at the April Board meeting:

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1. ROLL CALL AND REPORTING/RECORDING OF PROXIES – Secretary Foulkes

2. APPROVAL OF DRAFT CDS ANNUAL ASSOCIATION MEETING, May 18, 2013 – President Sheare

3. FINANCIAL REVIEW – Treasurer Bufano and Mann Properties

- a. Account balances as of May 2, 2014
- b. Operating budget: Year-to-date review
- c. Review of Annual Audit for year ending December 31, 2013
- d. IRS Resolution to Carry Over Funds from Past Year's Budget

4. BUSINESS OF THE CONDOMINIUM – President Sheare

- a. New Capital Reserve Study. Report by subcommittee on the 3 proposals received.
- b. Update of the CDS By-Laws
- c. Update of the Owners' Directory

5. NEW BUSINESS – President Sheare

- a. Winterization Procedures: Installation of Heat Tape
- b. Election to the Board of Directors
 - i. Review of Ballot: 3 positions to be filled
 - ii. Nominations from the Floor per CDS By-Laws
 - iii. Voting

6. ADJOURNMENT

4. NEW BUSINESS:

a. Equity Transfer. Mike Bufano stated that we should make our quarterly equity transfer from the Operating Account into the Capital Improvement Fund Account. The amount would be \$17,716. Igor stated that the transfer will be completed by tomorrow (Friday, 3/21).

b. Equity Transfer Correction. Mike stated that in 2012 the association made its payments for the carport repair and repainting project from the Operating Account rather than the Capital Improvement Fund Account. The Board recalled that this was a reflection on the efficiencies and frugal fiscal management it had followed during the year to free up the funds within the Operating Account.

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However, our accountant said the funds should have been paid from the Capital Improvement Fund Account, and our audit is carrying this as a deficit owed to the improvement account. One way to correct this is to transfer the funds; however, this can also be remedied with a simple non-cash correction to remove the deficit from the balance sheet. The Board agreed that this latter option would be the easiest way to correct the problem. *A motion was made by Tom Bell to approve a permanent equity transfer from the operating fund to the Capital Improvement Fund to eliminate the \$17,005 inter fund borrowing carried from 2012. This \$17,005 was the result of improvement fund expenses being paid from the operating fund bank account during 2012. This permanent equity transfer will function to forgive this amount due between the funds. The \$17,005 will not to be repaid to the operating fund, but remain in the improvement fund. This motion was seconded by Joe Sheare and passed unanimously.*

4. Old Business:

a. Flood Insurance Issue - Unit 630. Igor reported that the unit owner has paid the \$5000 deductible to the association, and in turn, the association has paid Royal Plus the amount due (\$4,865.27), with the balance shown as a credit. However the owner and insurance adjuster and the Board still need to agree on the scope of work for the restoration.

b. Rethinking the Capital Reserve Study. Joe Sheare reported that a conference call will be held at 7pm on Wednesday, March 26 among the subcommittee members to discuss the bids that were received. The final decision will be reported out at the Annual Meeting.

c. Update of Association By-Laws. CJ Brzezinski has been working on updating the by-laws with the intent to have them ready for a vote at the annual Meeting. Igor agreed to contact CJ for the status, and the Board agreed to offer any assistance if needed.

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5. New Business:

a. Payment for Services. Joe Pasqualine stated that there are some unit owners who are in arrears for payment for services other than the quarterly condominium dues. This includes the work that was done last year to repair damage done by the raccoons, and some other work. Igor stated that there are only 2 unit owners who need to remit for these services and that everyone else is caught up.

6. Violations: None reported.

7. Adjournment. The Board meeting was adjourned at 8:50pm by Joe Sheare.

8. NEXT CDS BOD MEETING – *Thursday, April 17, 2014, at 8:00pm via conference call.*