

Casa Del Sol Condominium

DRAFT Minutes of the Casa Del Sol Annual Owners Meeting

July 30, 2016

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

Since the originally planned Annual Owners' Meeting of April 30, 2016 did not result in a quorum of unit owners, the official meeting was rescheduled for July 30, 2016.

1. Roll Call and Reporting/Recording of Proxies.

Secretary John Foulkes reported that all Board members were in attendance: Joe Sheare, Lou Napoli, Mike Bufano, John Foulkes, Bob Surette, Adele Bradley and Joe Pasqualine. Mann Properties was represented by Igor Conev.

Secretary Foulkes reported that a total of 30 unit owners were represented at the time the meeting was called to order (17 in person, 13 by proxy). A total of 29 owners is required for a quorum. It was noted that an additional unit owner appeared approximately 15 minutes after the start of the meeting.

2. Welcoming Remarks from President Sheare.

President Sheare began by stating that it had just been learned that Jack Russell, owner of unit 726, had recently passed away.

Joe then thanked Tom Bell, who resigned from the Board in December, 2015, for his 11 years of service on the Board. Joe also thanked Adele Bradley for serving as a director to fill out the remainder of Tom's term.

3. Approval of the Draft Minutes of the May 30, 2015 Casa Del Sol Annual Meeting.

A motion was made by Bob Siskind (unit 644) to approve the draft minutes. The motion was seconded by Donna Pasqualine (unit 662), and passed unanimously.

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4. Financial Review – Treasurer Mike Bufano delivered the financial review.

(a) Account balances as of July 27, 2016:

Checking (1012)	\$ 106,749
Reserves	
i. Money Market Improvement Fund (1060)	\$ 103,680
ii. Discover Bank CD (1071)	\$ 75,244
iii. Discover Bank CD (1072)	\$ 75,225
iv. Discover Bank CD (1073)	\$ 75,216
Reserves Total:	\$ 329,365
Assessments Receivable (1310)	
i. Condo Fees (1310)	\$ 11,480

As of the July 27, 2016 financial statement, eleven (11) unit owners were in arrears of the July 1, 2016 quarterly condominium payment, for a total of \$11,480. ***(One unit owner is 3 payments in arrears; another owner is 2 payments in arrears).***

Mike stated that in March, 2016, he and President Joe Sheare traveled to Delaware and established 3 certificates of deposit (CDs) at the Discover Bank. A total of \$225,000 was transferred from the Improvement Fund at \$75,000 each into these CDs. The CDs have 12-, 18-, and 24-month terms respectively.

(b) Operating budget: Year-to-date review. Mike reviewed the operating budget of \$186,960 for 2016. This was included in page 4 of the handout.

(c) Review of Annual Audit for year ending December 31, 2015. Mike reported that PKS & Company (Salisbury, MD) continues to be our auditor, and as of the fiscal year ending December 31, 2015, we have an unqualified (i.e., clean) opinion. Mike explained that the association requests an audit every year, although the requirement is just one every three years.

Igor Conev stated that if any unit owner would like a copy of the audit, contact Mann Properties.

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(d) IRS Resolution to Carry Over Funds from Past Year's Budget. Mike Bufano referenced page 9 of the meeting package handout, which called for a vote on the resolution to carry into the current year excess income over expenses on the operating side of the budget. *A motion was made by Charles Payne (unit 646) to carry over the excess funds. The motion was seconded by Barbara Siskind (unit 644) and passed unanimously.* A form recognizing the owners' approval of the carry over, prepared by Mann Properties, was signed by the President Sheare and Secretary Foulkes.

5. Business of the Condominium

(a) Passage of the Amended CDS By-Laws. President Sheare recapped the voting statistics which allowed for passage of the amended CDS By-Laws on February 13, 2016 by means of a Special Meeting. Joe thanked the By-Laws Committee and individually recognized the hard work by each of the members: Adele Bradley, Amy McDonald, Karen Napoli, Donna Pasqualine, and Barbara Siskind, and the association attorney, Chris Woodley. The committee chairperson, Adele Bradley, also thanked the members of the committee for a job well done. Adele also lauded the efforts of Joe and Robin Sheare, Joe Pasqualine and Bob Surette who, on the day of the voting, went knocking on unit owner doors to get additional voters to ensure the minimum required 75% of the unit owners voted.

(b) Capital Reserve Study Update. Bob Surette reported on the status of the foundation erosion around the buildings, an item listed in the Capital Reserve Study. Initially, the issue centered on the front foundation of several of the units in the 600-building. Based on the MAD Engineering report, sand is eroding away from the bottom of the foundation where it meets the asphalt of the parking lot and it is happening to all the buildings. The erosion is significant at two units in the 600-building. Bob stated he is waiting on updated proposals based on additional questions that were provided to the offerors. He also stated that this work could be incorporated with the parking lot asphalt repair which will need to be done in a couple of years. Bob also mentioned the erosion problem on the canal-side as well, in particular around the doors leading into the crawl spaces under the decks. Charles Kinelski (Beach Brothers) explained that the current construction (dating back to when the units were originally built) consists of T1-11 wood paneling fastened at the top and projecting down either onto or perhaps a few inches under the sand. Due to erosion over the years, some of the paneling falls short of the sand, leaving gaps. Entrances were cut and doors (also made of T1-11) were inserted on hinges; many of these doors are broken. Charles indicated that damaged T1-11 paneling could be replaced and plastic could be used under the bottom of the paneling to keep moisture away. He also brought a sample metal door that could be used instead of replacing the doors with T1-11. Proposals will be submitted by C/W Builders and Charles Kinelski (Beach Brothers).

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(c) Winter Damages and Repair Plans. A number of repair items and their status were reported. Joe Pasqualine stated that over the winter, there were 4 instances of water pipe blow outs. The cause seems to be lack of proper winterization. There was discussion concerning the faulty condition of many of the crawl space doors (as mentioned in item (b)) which may be a contributing factor, allowing the cold and blowing wind to freeze the pipes.

Joe Sheare reported that all of the winter damage to the finger piers was repaired, except for 4 piers that need to be replaced. The 4 piers that need to be replaced are located between units 616-618, 620-622, 674-678, and 700-702. Joe Sheare indicated he will continue his attempt to call and schedule work from a licensed marine contractor.

Igor Conev (Mann Properties) stated that new drainage pipes have been ordered for the western end of the 600 building. He will also contact the Sea Grass condominium adjacent to the 600 building on the eastern side regarding potential erosion problems there.

(d) Insurance Report. Igor Conev (Mann Properties) stated that the condominium insurance coverages were included in pages 10-14 of the hand out package, to include the flood insurance coverages. Igor reiterated that the owner is responsible for the first \$5,000 of repair costs irrespective of source of negligence.

(e) Update of the Owners' Directory. Igor Conev (Mann Properties) stated that the current owner's directory was included in the meeting handout, and any changes be forwarded to Mann Properties.

6. New Business

(a) Pier Tax Increase. President Sheare reported that the pier tax has increased from \$128 to \$212 (a 66% increase) this year. The feeling is that the unit owner is being "double taxed" in the sense that the owner is paying takes on the slip (a limited common element) as part of the unit as well as this additional tax. Discussion ensued regarding the steps that could be taken to object to, or counter this increase. The legal fees incurred to fight this would be significant, but most felt that they would be less than the accumulated tax increases across all 57 units over the next 5 years. Igor Conev (Mann Properties) stated that Mr. Joe Harrison in Chris Woodley's office (the association's attorney) would be the attorney to work with. ***A motion was made by Glenn Cantagallo (unit 614) to hire the attorney to investigate the situation, to include determining if there are other current cases affecting similar condominiums. The motion was seconded by Bob Siskind (unit 644) and passed unanimously.***

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(b) Request for New Front and Storm Door; and Small Window by the Front Door – Unit 730. President Sheare stated that he had approved this request several weeks ago, and reminded all unit owners that they need not wait until a Board meeting is held to approve such requests. The owner may submit the specifications and desired colors to the Board and the Board will review and respond in short order.

(c) Election to the Board of Directors. The election to fill two positions on the Board of Directors was conducted. The two positions were the position filled by Joe Pasqualine, whose term has expired, and Adele Bradley, who was temporarily serving following Tom Bell's resignation. Both Joe and Adele were nominated prior to the meeting.

Nominations from the floor (as required by the by-laws) were requested; none was offered. *A motion was made by Karen Napoli (unit 668) to close the nominations. The motion was seconded by Joe Sheare (unit 710) and passed unanimously.* Consequently, Joe Pasqualine and Adele Bradley were elected by acclamation.

(d) Other New Business. President Sheare reminded the unit owners that access to the Casa Del Sol web site can be made by using the user id: cdsunits; password is greatview.

It was reported by Joe Pasqualine that the lid of the trash container at the east end of the 600 building is missing. Igor Conev (Mann Properties) stated that he will order a new container, and he will also look into obtaining metal containers (instead of the current plastic ones) whose lids are less susceptible to damage by high winds.

7. Adjournment. With all business concluded, *a motion was made by Charles Payne (unit 646) to adjourn the meeting. The motion was seconded by Donna Pasqualine (unit 662) and passed unanimously.* President Sheare adjourned the meeting at 11:08am.

After adjournment, a brief meeting of the New Board was convened to elect the new officers. The officers of the new Board are as follows:

President: Joe Sheare (unit 710)
Vice President: Lou Napoli (unit 668)
Treasurer: Mike Bufano (unit 652)
Secretary: John Foulkes (unit 716)