

Casa Del Sol

DRAFT Minutes of the Board of Directors Meeting

November 17, 2021

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

Mike Bufano called the meeting to order at 8:04p.m. via Zoom.

Participants: Mike Bufano, John Foulkes, Adele Bradley, Bob Surrette, Shaheen Mojibian, Lou Napoli, Carole Rollins and Igor Conev (Mann Properties).

Board Members Absent: None.

1. READING AND APPROVAL OF DRAFT MINUTES OF CDS BOARD MEETING of 8-17-2021. *A motion to approve the draft minutes of the CDS Board Meeting of 8-17-2021 was made by Bob Surrette, seconded by Adele Bradley and passed unanimously.*

2. FINANCIAL REPORT. Shaheen Mojibian reviewed the account balances from the Financial Report effective as of October 31, 2021:

a. Checking (1012)	\$ 308,462
b. Reserves	
i. Money Market Improvement Fund (1060)	\$ 64,159
ii. Farmers Bank CD (1090)	\$ 104,183
iii. Farmers Bank CD (1211)	\$ 68,183
iv. Taylor Bank Money Market (1213)	\$ 175,760
v. Discover Bank (1071)	CLOSED
vi. Discover Bank (1072)	CLOSED
vii. Discover Bank (1073)	CLOSED
Reserves Total:	\$ 412,285
c. Assessments Receivable	
i. Condo Fees (1310)	\$ 9,075

As of the October 31, 2021 financial report, there are 11 unit owners in arrears of the October 1, 2021 quarterly dues, for a total of \$ 9,075.

*(**UPDATE:** Per an update to the Owner Activities Accounts Receivable provided by Igor Conev at this meeting (November 17), there are currently 7 units owners in arrears of the October 1, 2021 quarterly dues, for a total of \$ 5,775.)*

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d. Discover Bank CDs. Discover Bank recently closed its business accounts and refunded the fully matured amounts of our three 3 CDs (\$246,947.14), which were temporarily deposited into the associations' checking account. Subsequently, Shaheen Mojibian searched for new investment opportunities for the former Discover CDs and reported that Farmers has a high yield checking account that has 0.65% interest rate. No minimums and no maintenance or other hidden fees are required; several of Mann Properties clients are using this service. It also comes with RevoPay at no cost which will allow owners to pay dues through their system of autopay or credit card (2.95% fee). Owners can also still pay by check.

If the Board decides to use this benefit we will need to update the quarterly tickets and envelopes owners receive to pay their dues. Shaheen said that we don't have to move on the RevoPay piece yet but thinks it would be beneficial to open an account at the 0.65% until a better option comes around.

After some additional discussion, *a motion was made by Shaheen Mojibian to deposit the amount refunded from the Discover CDs (\$246,947.14) and deposit it into a high yield checking account at Farmers Bank as described above, with RevoPay. The motion was seconded by Carole Rollins and passed unanimously.*

(UPDATE: As a follow-up, on November 19, 2021, Farmers Bank was contacted by Mann Properties and requested to meet with Mann Properties/Casa Del Sol to set the expectations, complete the Revopay application, and collect required documentation. In addition, the Farmers representative stated that once Casa Del Sol is onboard through Revopay, the new coupons will be ordered.)

e. Bills Paid (August 17., 2021 – October 31, 2021):

08/17/21	AP4442	1942	547.00	BLF ENTERPRISES REPAIR
09/01/21	AP4456	1943	251.88	DELMARVA POWER 5500 9769 211
09/01/21	AP4456	1944	158.80	FirePro CHECK FIRE ALARM
09/01/21	AP4456	1945	1,160.00	MANN PROPERTIES, INC. MANAGEMENT FEE 9/21
09/01/21	AP4456	1946	1,738.00	RAINTREE SERVICES INC REPAIR TO GUTTERS UNT 672
09/01/21	AP4456	1947	1,438.95	TOWN OF OCEAN CITY 478/585
09/08/21	AP4458	1948	58,187.67	NFP PROPERTY & CASUALTY S MULTI
10/01/21	AP4469	1950	349.49	DELMARVA POWER 5500 8705 018
10/01/21	AP4469	1951	217.20	FirePro TROUBLE ON CIRCUIT
10/01/21	AP4469	1952	1,160.00	MANN PROPERTIES, INC. MANAGEMENT FEE 10/21
10/18/21	AP4477	1953	158.80	FirePro TROUBLE 700 BLDG
10/18/21	AP4479	1954	1,000.00	MANN PROPERTIES, INC. MGT FEES CORRECTION

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f. Audited Financial Statement and Representation Letter for 2020. In an email dated November 11, 2021, the association's CPA (E. Lee McCabe) forwarded to Mann Properties Casa Del Sol's 2020 audited financials, signed communications letters, related adjusted trial balance and AJE reports. Shaheen Mojibian summarized the results of the audit at this Board meeting, which included the finding that we need to conduct another replacement study since the last one was done in 2015. Replacement studies should be done every 5 years. Igor Conev agreed to contact the company that was used previously regarding an updated replacement study.

*(**UPDATE:** In an email to Miller-Dodson (Capital Reserve Consultants) on November 18, 2021, Igor Conev requested a proposal for a Level II Reserve Study Update, stating that we would like to have the reserve study done by end of March.)*

3. BUSINESS OF THE CONDOMINIUM.

a. Review of the 2022 Budget. The draft 2022 budget was discussed, reviewed, and a final version was approved at this Board meeting. There were several critical factors that the Board considered in determining the final budget:

- The condominium insurance is our largest bill, and premiums are predicted to continue to rise into 2022, perhaps by as much as \$10,000.
- To cover upcoming bills, including an expected increase in insurance premiums, unless we raise the budget we will not be able to deposit the required amount into the Reserves. To account for an expected \$10,000 increase in insurance, this amounts to a \$45 per quarter per unit increase in condominium dues.
- Per the Reserve Study, power washing and staining of the canal-side boardwalk, finger piers, decks and balconies are to be done every 5 years, but no funds were allocated for this. This year, we were fortunate enough to cover this from some excesses in our operating account. We do not foresee this happening again. It is estimated that \$15,000 would be needed to cover this expense. Amortized over 5 years, this would amount to an increase of \$15 per quarter per unit.
- The impact of inflation could be as much as 3-4% in 2022. Inflation was not considered in the current budget but it was felt that we need to address it for 2022. This amounts to an increase of \$30 per quarter per unit.

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After some additional discussion, *Mike Bufano made a motion to increase the unit owner quarterly dues by \$90 (\$45 + \$15 + \$30), resulting in a new quarterly dues amount of \$915. The motion was seconded by Bob Surrette and passed unanimously.*

b. 2022 Annual Meeting. The 2022 Casa Del Sol Annual Association Meeting has been scheduled for Saturday, April 23, 2022, from 9:00am – 11:00am at the Art League on 94th Street in the large downstairs classroom.

4. OLD BUSINESS:

a. Bulkhead Erosion between the 700-Building and 686C 94th Street. Ongoing Activities. Blue Fin Construction indicated that an approximate start date for the repair would be in the August timeframe, but work has not yet started. Igor Conev stated he will call Blue Fin again.

b. Canal Side Maintenance:

i. Boardwalk/Finger Piers. Beach Brothers has completed the Finger Pier/ Boardwalk Deck and Dock Project. All replacement boards have now been coated. In addition, the gates in the 700 building were repaired and no longer rub.

ii. Power Washing. Power washing of all three buildings has been completed and Beach Brothers has started staining in the 600 building.

iii. Rear 3rd Floor Balcony Partitions. Bob Surrette reported that we are still awaiting additional quotes for the repairs to the partitions. Beach Brothers is still considering bidding, but we need to get this work completed by the Spring.

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Fence Damage. In an email received by Mann Properties from the new claims adjuster (Mr. Paul Hummel) on September 8, 2021, Casa Del Sol was asked to provide any information or evidence that Casa Del Sol is not at fault. Otherwise the company will proceed with settling Mr. Oertel's auto damage. This issue was again reviewed and discussed at this Board meeting, and it was determined that Casa Del Sol is unable to provide any evidence, such as witnesses or videos. As a result, it was decided to report this position to Mr. Hummel. *(As a follow-up, on November 19, 2021, Igor Conev sent an email to Mr. Hummel relaying the Board's position).*

In addition, at the August, 2021 Board meeting, a motion was passed that a contractor be hired to install wooden stops between the trash cans and the fence on the east end of the 600-building. It was mentioned that perhaps Beach Brothers (Charles Kinelski) might be interested in installing these stops. Charles was to send a quote for installing a stop between the trash cans and the fence, however Bob Surette reported that Beach Brothers has yet to provide a quote. Igor Conev agreed to get an additional quote, and Bob stated he could meet with anyone after the Thanksgiving holiday.

5. NEW BUSINESS:

a. Parking Stops. Beach Brothers (Charles Kinelski) quoted a price of \$25 per stop from a facility in Millsboro, not including the cost of his travel to and from Millsboro, removal and disposal of the existing stops and installing the new stops. After some discussion, it was agreed that the quote from Beach Brothers (Charles Kinelski) was preferred to a proposal from BLF Enterprises (Ben Mason); a complete proposal from Beach Brothers is required. We have yet to receive a quote from Beach Brothers. At this Board meeting, it was mentioned that unit owner volunteers could do the replacement of the stops (as was done a number of years ago) if someone can pick up and deliver the stops from Millsboro. Perhaps this could be done around the time of next year's annual association meeting.

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b. Inventory of Doors and Windows Replacement. Board member Carole Rollins stated that she is in the process of replacing her unit's street-side windows and sliding doors and needed to research to learn what options were available. As a result, she found the order numbers for replacement of street-side windows and sliding doors. Some of the sliding door models have additional features such as interior blinds; and the trim would have to be painted to match the back-side color. She also researched interior (front) doors but did not look at the storm doors. Carole said she would email the information to the Board members. In the meantime, the Board asked her to indicate which models she would like approval for her unit, and the Board could review and approval via email.

6. VIOLATIONS: None reported.

7. ADJOURNMENT: The meeting was adjourned 9:34pm.

8. THE NEXT CDS BOD MEETING – *The next BOD meeting is scheduled for Tuesday, January 25, 2022 via Zoom video conference.*