

Casa Del Sol Condominium

Minutes of the Casa Del Sol Annual Owners Meeting

May 19, 2012

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

President Joe Sheare called the meeting to order at 9:37am.

1. Roll Call and Reporting of Proxies. A total of 32 unit owners were represented at the time the meeting was called to order (21 in person, 11 by proxy). A quorum of at least 29 is required. Two unit owners joined the meeting after the meeting was called to order. All Board members, with the exception of Lou Napoli and James McDonald, were in attendance. Mann Properties was represented by Igor Conev.

2. Approval of the Draft Minutes of the May 21, 2011 Casa Del Sol Annual Meeting. *A motion to approve last year's annual meeting minutes was made by Conlan Register (Unit 734) and seconded by Charles Freeman (Unit 706). The motion passed unanimously.*

3. Financial Review.

a. Account Balances. Treasurer Mike Bufano confirmed the financial amounts listed below, current as of May 17, 2012.

i. Operating Account (1012)	\$ 52,101
ii. Future Capital Imp. Fund (1080)	\$ 81,456
iii. Assessments Receivable	
a. Condo Fees (1310)	\$ 2,995
iv. Accounts Payable (3010)	\$ 260

A question was raised regarding how the association goes about collecting delinquent assessments receivable (which typically are overdue condominium fees). Mike stated that he first gives the unit owner in arrears of payment a phone call, which almost always is enough to get the payment. The policy for continued delinquency includes letters of warning and then escalation to an attorney.

b. Operating Budget: Year-to-date Review. Mike reviewed operating budget. The operating budget for 2012 is the same as it was for 2011, with all the funds being directed for future capital projects.

c. Review of Annual Audit for Year Ending December 31, 2011. Mike stated that the annual audit for 2011 was completed, and copies were distributed to the Board members. Using the 2009 capital improvement study as a basis, we are however underfunded for capital reserves. The association received an overall rating of unqualified, which is the cleanest opinion possible.

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d. Replacement/Reserve Study. Mike Bufano gave the report. According to the 2009 reserve study by MAD Engineering, the replacement cost for the new parking lot, fire alarm system and canal-side composite balconies, which are predicted to be needed within the next 10 years, exceed \$1 million. This does not include the length of canal-side docking or the finger piers. As an association, we have to decide which ones to take on and how to finance them. Mike stated that we might expect an increase in the in fire alarm cost due to code changes since 2009. We currently have over \$80,000 in the association's capital reserve fund, which is a significant step for the association since we never have saved before. Increasing our condominium fees like we have been doing has helped us grow the reserve fund. Mike stated that as an association, we may not be willing to stomach continual annual increases of 10% or 15%. Mike provided a handout which considered various options through the year 2018. We don't reach the \$1 million number in any of the scenarios. The best case gets us to about \$600,000 using a 10% annual increase in condominium fees each year. Charles Kinelski mentioned that there might be work that should be done in concert with these replacements (like new foundation skirts which should be done when a new parking lot goes in). Bob Siskind commented that we should develop a design for the canal-side balconies to accommodate the replacement, considering that all balconies may not be replaced at the same time. ***Bob Siskind made a motion for the Board to fund a study to design the balconies for all three levels. The motion was seconded by Joe Sheare, and passed.***

e. IRS Resolution to Carry Over Funds from Past Budget. ***A motion to carry over the excess funding was made by Mike Bufano (Unit 652), seconded by Conlan Register (Unit 734), and passed unanimously.*** A form recognizing the owners' approval of the carry over, prepared by Mann Properties, must be signed by the President, Joe Sheare, and Secretary John Foulkes.

4. BUSINESS OF THE CONDOMINIUM:

a. Report on the Carport Repair and Repainting Project. John Foulkes presented a detailed report of the carport repair and repainting project. The project began in November, 2009 when the Board assembled bids for consideration of a total renovation of the carports; a vote by the association at the May, 2010 annual meeting to go instead with a drywall repair and repainting option to keep the costs down; and the project was completed on March 17, 2012 with the final walk-through of the work by the contractor, Smithson Restoration. After some discussion by the unit owners, it was agreed that if any owner desires Smithson to revisit some work, to give Smithson a call by June 30, 2012 so that by July 1, Smithson can affect follow-up repair.

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b. Next Planned Repair Project. Discussion ensued regarding what the next planned repair project should be. Mike Bufano suggested that the fire alarm system be next, but there was a question about the signage for the buildings. Joe Sheare reported that new building signs were approved in the last budget, but since the front-side renovation project went over budget, the signage funding was transferred to the front-side project. Discussion also ensued concerning fencing around the trash cans. Charles Kinelski reported that there are many factors that must be considered before erecting fencing. *Gene Miese (Unit 770C) made a motion to table the signage issue, and the motion was seconded by Joe Sheare and passed.*

c. Insurance Update. Igor Conev (Mann Properties) summarized the Association's insurance posture, which was included in the meeting package. Igor stated that the appraisal was updated and the association increased its flood insurance to 100% coverage. Igor stated that he sees a 5% to 10% increase in premiums, and we do have a cushion build into the budget to cover this. Igor again reminded the unit owners they should contact their insurance agent and ask for recommendations on what the interior coverage should be. Igor 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, which is \$5,000, with regard to any damage of property covered by the Association's policy.

d. Rules and Regulations Update. Joe Sheare provided a report on the updated rules and regulations, and procedures for reporting a violation. Copies were provided for all unit owners. One unit owner mentioned that perhaps there should be a rule concerning prohibiting fireworks on the condominium property. *A motion was made by Adele Bradley (Unit 678) to include this prohibition in the rules and regulations, seconded by Joe Pasqualine (Unit 662), and passed.*

5. NEW BUSINESS

a. Updating the Owners' Directory. A current version of the owner's directory was distributed to the members attending today's meeting. Joe requested that each member review the content for accuracy, and provide any changes before leaving the meeting.

b. Miscellaneous. Joe asked if there were any new business items. There was significant discussion concerning the raccoon intrusion issue. After much discussion, *Adele Bradley (Unit 678) made a motion that a committee be formed to determine a series of options. The motion was seconded by the owner of Unit 702, and passed.* After the motion, Charles Kinelski added that an inspection should be required of each unit owner's underneath area and attic space, with proper certification. If this is not done, the Board could then hire a professional contractor to install the proper sealing.

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Anne Giannelli handed out information on hurricane shutters and film for those unit owners interested. Any purchase of such items would be a personal expense. Also, there was some discussion on the car tire stops, of which some are in need of repair. John Foulkes mentioned that it was the intent of the Board to take this project on as soon as the carport repair and repainting project was completed. The Board will take this up at its next meeting.

c. Election to the Board of Directors. Igor Conev (Mann Properties) stated that two positions were up for election (John Foulkes and James McDonald), and indicated that the ballot included the names of John Foulkes and Bob Surrette. Per the Association By-Laws, Igor asked if there were any nominations from the floor; there were none. *Conlan Regester (Unit 734) made a motion to close nominations, seconded by Bob Siskind (Unit 644). Bob Siskind (Unit 644) made a motion to elect John and Bob; seconded by Gene Miese (Unit 770C).* As a result, John and Bob are elected to the Board, each for a three-year term of office.

6. ADJOURNMENT. Having concluded all business on the meeting agenda, *a motion was made by Conlan Regester (Unit 734) to adjourn the annual meeting, seconded by Kris Wolf (Unit 770D). The motion carried unanimously,* and the meeting was adjourned at 11:20pm.

The meeting was briefly re-opened by Joe Sheare so that the Board could look at and vote on the proposal to install a floating dock by the owners of unit 626. Board members Joe Sheare, John Foulkes, Tom Bell, Mike Bufano and Bob Surrette read the proposal, briefly discussed it and voted unanimously to approve the request. Lou Napoli and Anne Giannelli did not attend this reopening. The owners of unit 626 were notified of the Board's decision to approve their application.

7. NEXT CDS BOD MEETING (proposed) – Thursday, June 21, 2011, at 8:00pm via teleconference.