

# Casa Del Sol Condominium

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

### April 30, 2016

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

President Joe Sheare called the meeting to order at 9:59am.

#### 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 Surrette, Adele Bradley and Joe Pasqualine. Mann Properties was represented by Buck Mann and Kellie Meehan.

Secretary Foulkes also reported that a total of 27 unit owners were represented at the time the meeting was called to order (20 in person, 7 by proxy). Since a total of 29 owners is required for a quorum, [a quorum was not established](#).

*Consequently, this Annual Owners Meeting was not officially convened, and thus it was conducted as an information-only Board meeting with unit owners in attendance. No motions were allowed to be made or voted on by the membership; no voting could be conducted regarding the election of two individuals to fill the Board vacancies. A Special Meeting of the association can be held for the purposes of electing the new Board members.*

#### 2. Welcoming Remarks from President Sheare.

President Sheare 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. Joe reminded everyone that a Special Meeting of the Association can be held to vote for the two Board vacancies; voting can be done by mail.

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

This agenda item required a motion and a vote, and thus was officially omitted. However, a motion was made by Kris Wolf (unit 770D) to approve the draft minutes, seconded by Nancy Cook Marsh (unit 680), and passed by those in attendance.

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

##### (a) Account balances as of April 19, 2016:

<b>Checking (1012)</b>	<b>\$ 80,489</b>
<b>Reserves</b>	
i. Money Market Improvement Fund (1060)	\$ 103,462
ii. Discover Bank CD (1071)	\$ 75,000
iii. Discover Bank CD (1072)	\$ 75,000
iv. Discover Bank CD (1073)	\$ 75,000
<b>Reserves Total:</b>	<b>\$ 328,462</b>
<b>Assessments Receivable (1310)</b>	
i. Condo Fees (1310)	<b>\$ 14,760</b>

**(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. The audit typically looks for any malfeasance or mistakes. Mike explained that the association requests an audit every year, although the requirement is just one every three years.

The cost of the audit was \$3,500, and Kris Wolf (unit 770D) questioned the need of the audit, given the cost. As this question seems to always come up at annual meetings, Mike pointed out that it is a small expense compared to the value of having a clean opinion. Mike also stated that one of the advantages of doing the annual audit is to use the review opinion of unqualified to help secure loans for the association, if so desired.

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

Mike mentioned that in 2015 the association had an increase in spending over the previous year, due to an increase in repairs and maintenance (primarily the cleaning and staining of the canal-side boardwalk, finger piers, and decks).

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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. Since formal voting could not be conducted at this meeting, in order to facilitate signing of the required form, an unofficial motion to carry over the excess funding was made by C.J. Brzezinski (unit 658), seconded by Tim Fagan, and passed by those in attendance. 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. 48 unit owners submitted ballots, with 44 voting in favor of the updated by-laws. He also 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 Surrette 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 Surrette reported on the status of one of the items to be addressed in the near term as called out in the Capital Reserve Study: the foundation erosion around the buildings. 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 that bids have been received from several contractors and his committee is following up with additional questions before a selection is made. 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. Lou Napoli and Kris Wolf, the other members of the Capital Reserve Study committee, discussed possible solutions to this latter issue; the committee, with the assistance of Charles Kinelski (Beach Brothers) will be assembling a scope of work.

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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. All owners are reminded to follow the winterization procedures which are emailed annually by Mann Properties.

Joe Sheare reported that according to Charles Kinelski (Beach Brothers), all of the winter damage to the finger piers was repaired, except for 4 piers that need to be replaced but he is not licensed to do the work. Charles stated that in several locations, old boards on the boardwalk and finger piers were replaced, but were not yet stained. These boards were put down in the past 6 months and won't be stained until later in the season. 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.

Charles Kinelski (Beach Brothers), and several unit owners, indicated that looking further ahead, more of the finger piers on the eastern end of building 600 will be failing; CDS needs to be aware of the potential liability issues. It was noted that according to the Capital Reserve Study, a review and possible action on all of the piers should be performed in 2020.

**(d) Insurance Inspection Report.** Buck Mann (Mann Properties) reported that Mann Properties has not yet seen a copy of the report.

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

## 6. New Business

**(a) Election to the Board of Directors.** The election to fill two positions on the Board of Directors was postponed since a quorum of the membership was not present. The current directors filling the two positions up for election will continue to fill their respective positions. Joe Sheare again stated that a Special Meeting for the sole purpose of voting for the two directors will be held. This will be done by sending out ballots in the mail to the unit owners; no physical attendance at the meeting will be required.

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**(b) Any Other New Business.** Bob Siskind (unit 644) read a document purporting that Rule 10 of the Rules and Regulations had been changed without a vote by the membership, apparently in violation of the Maryland Condominium Act, Section 11-111. Buck Mann (Mann Properties) stated that he is very familiar with the Act and will do some research on the details and intent of the Section mentioned. The Board of Directors is currently reviewing the history and evolution of the Rules and Regulations and will determine any next steps that need to be taken.

**7. Adjournment.** President Sheare concluded the meeting by mentioning that when he became President of the Board of Directors, he would not support any additional assessments. And there have not been any. In addition, he promised there will be no more Annual Association Meetings held at 9:30am!

*He adjourned the meeting at 11:07am.*