

**Minutes of the Annual General Meeting of
Normandy By The Sea Community Association**

Held September 26, 2009 at 424 Stratford Court, Del Mar, CA 92014

Present: N. Eisen, D. & G. Gremel, H. & E. Helders, J. Hulse, M. & L. Kewin, R. & J. Mackaig, G. Malino, M. & R. Miller, C. Schroy, K. Stephan, R. & P. Wichner, and Cami Surette from Pilot Property Management.

The Annual Meeting was called to order at 10:10 a.m.

A quorum was established with members in attendance and by proxy.

The Annual Presidential Report was presented by Michael Kewin. Michael discussed the physical enhancement plan of the community and the Budget surplus of 1-2%. Michael reported the completion of the elevators repairs, replacement of new lighting fixtures, the Virginia Graeme Baker Health & Safety compliance repairs to both the pool and spa and the revision of the governing documents by the Association's attorney. He also discussed the installation of shut off valves in each garage to reduce the amount of homeowner's affected in the building when there is a plumbing leak in a unit. In addition, the Board would be looking at future projects such as the replacement of the exterior buildings wood shingles and wood entry doors.

The Annual Financial Report was presented by Treasurer Ron Wichner who reported on the Operating Account budget, income and expenses and the Reserve Account inflows and expenditures.

The Operating Budget of \$247,000 for the current fiscal year was projected to show a surplus of approximately \$5000 on a modified cash basis. The Association's total Reserves expenditure was ~\$139,000, almost 2/3's of which was for the replacement of the elevator pistons and cylinders. End-of-year Reserve Assets were projected to be ~\$180,000 and the Reserve funding level was projected at 55%.

Total Operating and Reserve cash assets at the end of the 2008-09 fiscal year were projected to be approximately \$ 215,000.

Motioned, Seconded and Approved the 2008 Annual General Meeting Minutes as submitted.

Open Forum: Members presented the following items for consideration; elevator in B Building makes a lot of noise and shakes. Dick Mackaig presented his disapproval of certain revisions of the Governing documents. He did not agree position with regard to the change of the length of time homeowners are allowed to rent to tenants, liability insurance limit, and restriction of number of occupants allowed in the unit.

AGM Ballot Results: These ballots were opened and counted and the election results were given to the membership by the election inspector Carter Schroy. Michael Kewin and Pete Calvi both were elected to the Board of Directors for a term of 2 years.

Motioned, Seconded, and Approved:

WHEREAS, The Normandy By The Sea Community Association is a California corporation duly organized and existing under the laws of the State Of California.

WHEREAS, The members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service.

Now, therefore, the members hereby adopt the following resolution by and on behalf of the Association:

RESOLVED, that any amounts collected by or paid to the Association in excess of operating expenses for the year ended September 30, 2009, be set aside for future major repairs and replacements and allocated to capital components as provided by the guidelines established by Revenue Rulings 75-370 and 75-371. Such amounts shall be deposited into insured interest-bearing accounts. Any amounts so added to reserve-replacement funds shall be allocated to the various components at the discretion of the Board of Directors.

RESOLVED, that any excess membership income over membership expenses and contributions to reserves for major repairs and replacements for the year ended, shall be considered to be constructively applied against the subsequent year's member assessments, as provided by IRS Revenue Ruling 70-604.

The Annual General Meeting was adjourned at 11:20 a.m.

Approved: /s/ Ree Miller

Date: 9/25/2010