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

**Held September 25, 2010 at 424 Stratford Court, Del Mar, CA 92014**

**Present:** P. & R. Calvi, C. Gumbrell, J. Hulse, L. Kewin, A. Long, R. Mackaig, G. Malino, T. McDonald, M. & R. Miller, C. Schroy, P. Somerville, S. Stephan, R. & P. Wichner, and Cami Surette from Pilot Property Management.

The Annual Meeting was called to order at 10:12 a.m.

A quorum was established with 21 of the possible 38 ballots/proxies received. Thirteen Units were represented by physical attendance of Owners at the meeting.

The Annual President's Report was presented by VP Pete Calvi. On behalf of the entire Board, Pete offered condolences to the Kewin family on Michael's sudden passing and praised him for his hard work, productivity and commitment to the Community.

Pete then discussed the current year's major enhancements of the community: additional washing machines in the laundry rooms, new outdoor fixtures on the buildings, a new water heater, and updated Rules and Regulations. The Board also investigated replacing the buildings' shingles with a fireproof product and worked on updating the Governing Documents.

In the coming fiscal year the Board expects to replace our patio/balcony light fixtures, the front entry doors, elevator door safety sensors and the shingles.

A representative from Reconstruction Experts then spoke to the membership regarding the shingle replacement project.

The Annual Treasurer's Report was presented by Ron Wichner who reported on the budget, operating income and expenditures, and the reserve account inflows and outflows.

With a budget of \$244,000 for the current fiscal year, the operating account was projected to show a deficit of approximately \$1000. Allocation to the reserves (27.6%) was the largest single expenditure. Two Units that are currently delinquent have agreed to a payment plan. A different Unit was foreclosed upon and is currently for sale.

Reserve expenses amounted to \$37,000, of which \$14,500 was for plumbing that included a variety of projects/issues. End-of-year Reserve Assets were projected to be \$210,000 and the Reserve funding level was projected to be 57%.

Total Operating and Reserve cash assets at the end of the 2009-10 fiscal year were projected to be approximately \$ 230,000.

**Motioned, Seconded and Approved** the 2009 Annual General Meeting Minutes as submitted.

**Open Forum:** Members discussed not replacing the shingles with a similar fireproof material but that the entire building(s) should be stucco, i.e., without any shingles, to modernize the look of the complex.

DRAFT

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Richard Mackaig re-iterated his disapproval of the Board's rate of bringing the reserves to a level of full funding. Mr. MacKaig asked for a five-year plan. He also objected to the restriction on rentals and the imposition of the \$100 move-out fee. Gary Malino and Ron Wichner responded by noting that the Board had considered his views carefully and that the decisions made were in the best interests of the entire membership of the Association.

Ron Wichner said that in the coming year Landscaping, Architectural and Governing Documents committees would be formed to make recommendations to the Board regarding these issues and that a solicitation to the entire membership would be forthcoming.

**AGM Ballot Results:** The ballots were opened, counted and announced by election inspectors Andrew Long and Sheila Stefan. Gary Malino, Carter Schroy and Ronald Wichner were elected to the Board of Directors for two-year terms. Ree Miller was elected for a one-year term.

The ballots included the following resolutions and were approved by the Members:

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 resolutions 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, 2010, 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: \_\_\_\_\_ Date: \_\_\_\_\_

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