The 30th General Membership Meeting
Of
The Ritz Condominium Association

DATE: November 5, 2011
LOCATION: Palm Room
PURPOSE: Annual Meeting and the Election of 3 Trustees

CHAIRPERSON: **President, Carol A. Hartman**

~ Welcome by Chairperson & Introduction of Trustees and Staff ~

Board Members: **Carol A. Hartman, President**
Gordon Pherribo, Executive Vice President
Steve Appelbaum, Vice President
Richard Crimi, Treasurer
Mary DeCaro, Secretary

Brian Smith, General Manager
Dona Hannah, Controller
Jamie Greco, Administrative Assistant

ALSO ATTENDING:

Donna H. Buzby, CPA, RMA
Capaldi, Reynolds & Pelosi
Accountant for the Association

The 30th General Membership Meeting
Of
The Ritz Condominium Association

Order of Business

1. **Calling of the roll and certifying the proxies. Introduction of Inspectors**

2. **Proof of notice of meeting**

3. **5th Ward Candidates for Atlantic City Council**

4. **Approval of the August 20, 2011 Board Meeting Minutes**

5. **Presentation of 2011/2012 Budget**

6. **Financial Reporting**

7. **Election of Trustees**
   - **A. Nominations**
   - **B. Candidate Speeches**
   - **C. Casting of Ballots**

8. **(Meeting Recess) Refreshments Served (Ballots counted during this time)**

9. **(Meeting Resumed) Election Results Posted**

10. **Old Business**

11. **New Business**

    - **Entertainment Committee Report**
    - **Open Forum**

12. **Adjournment**

Ritz Condominium Association
November 5, 2011
30th Annual General Membership Meeting Minutes
APPROVED

Board Members (Present):
Carol A. Hartman, President
Gordon Pherribo, Executive Vice President
Steven Appelbaum, Vice President
Richard Crimi, Treasurer
Mary DeCaro, Secretary

Ritz Staff Members in Attendance:
Brian Smith, General Manager
Dona Hannah, Controller
Jamie Greco, Administrative Assistant

Ritz Professionals in Attendance:
Donna H. Buzby, CPA, RMA – Accountant for the Association

Ritz Election Inspectors
Bernadette Collins – UnitM-5
Patricia Affannato – Unit 820
Jean Harris – Unit 1709

Musical Entertainment
Michael Reininger – Unit 1510

Notes:

- Audio tape of meeting on file

- All attendees were required to sign in and received a copy of the Agenda, Minutes from August 20, 2011 Board Meeting, Financial Report for month ending October 31, 2011 and Supplementary Information for 3rd quarter ending July 31, 2011. A copy of the sign-in sheet will be kept on file in the Ritz Condominium Office.

- Purpose of this meeting is for the election of 3 officers.

- All Board Members and Office Staff introduced themselves. Carol introduced the Election Inspectors Bernadette Collins, Patricia Affannato, Jean Harris and Donna Buzby, Accountant for the Association. All Proxies were certified.

- Brian Smith, General Manager certified proper notice of meeting had been given as required by the By-Laws. Notice was given via mail.

- The Ritz Condominium Association held its November 5, 2011 meeting in the *Palm Room*. Carol A. Hartman, President, called the meeting to order at 11:25AM. She thanked the membership for coming and pointed out the designated fire exits. Dona Hannah confirmed a quorum (131) had been reached consisting of 89 certified member proxies in additional to 42 units in attendance. During the meeting the following transpired:

- Gordon Pherribo introduced Frank Formica, Chairman of the Atlantic City Board of Freeholders; Sharon Zappia, candidate for 5th Ward Council; Rizwan Malik, candidate for 5th Ward Council. They each gave brief speeches concerning the upcoming election to be held on November 8, 2011.

Approval of Minutes:

- Motion to approve the August 20, 2010 Board Meeting Minutes:

  - Gordon Pherribo, Executive Vice President
  - Steve Appelbaum, Vice President
  - All in Favor – All Board Members

Presentation of 2011/2012 Budget

- Dona Hannah, Controller reviewed the 2011/2012 proposed Budget with comparison to 2010/2011. The Budget was reviewed with management by the Board at the prior budget workshop.

- The operating budget for 2011/2012 is $2,269,273.56 which represents a reduction of $73,901.68 over the 2011 budget. The actual expenditures for 2010/2011 were under the budgeted expenditures by $88,380.27.

- The 2010/2011 extraordinary expenses that will be taken out of the Reserve for Replacement Account were approved by the Board and are as follows:

  - EMR - Replaced the condensate tank $ 18,500.00
  - Robert Brown Associates – Sump pump $ 3,626.00
  - Johnstone – Zonelines $ 12,608.54
  - Truax – Balance on Boardwalk Roof $ 6,000.00
  - Kiker Sheet Metal – Repair to trash chute $ 3,696.00

  - Guardian Contracting – $ 2,350.00
    Removal and disposal of asbestos containing brick and insulation from boiler door

    Total 2010/2011 EOE **$46,780.54**

- Motion to approve the 2011/2012 Budget

  - Steve Appelbaum, Vice President
  - Rich Crimi, Treasurer
  - All in Favor – All Board Members

Carol A. Hartman announced that there will not be an increase in Condo Fees.

Financial Reports:

- Dona Hannah, Controller reviewed the Financial Report (month ending October 31, 2001

  - Summary of Bank Balances as of 10/31/11
  - Accounts Receivable Balance as of 10/31/11
  - Bad Debt Account Balances as of 10/31/11

- Donna Buzby, CPA, RMA for the Association reviewed period ending July 31, 2011 (Ritz Fiscal 3rd quarter)

    - Balance Sheet
    - Statement of Changes in Unit Owners' Equity
    - Statement of Revenue and Expenses
    - Statement of Cash Flow
    - Schedule of Operating Expenses
    - Schedule of Other Income

Election of Trustees

- Carol A. Hartman, President opened the meeting for trustee nominations for the expiring positions of Carol A. Hartman, Richard Crimi, and Mary DeCaro

    - Nomination for **Carol A. Hartman**

        - Salvatore DeCaro – Unit 403
        - John Falcone – Unit 303 (Second)

    - Nomination for **Mary DeCaro**

        - Salvatore DeCaro – Unit 403
        - Rita Falcone – Unit 303 (Second)

    - Nomination for **Richard Crimi**

        - Joann Appelbaum – Unit 1701
        - Loretta Kolioutas – 1608 (Second)

- There being no other nominations, Carol A. Hartman closed the nominations.

- Brian Smith, GM explained since there are three seats open and only three nominations for the same 2 year term, there is a time saving procedure available to the Ritz. One person from the floor can make a motion to direct the Secretary of the Board of Trustees to cast a single vote in favor of the nominated slate. If that motion is seconded then a

voice vote of the membership is taken. This process negates the need to go through the entire formal vote casting and counting.

- Motion to direct the Secretary of the Board of Trustees **Mary DeCaro** to cast a single vote in favor of the slate.

    - Matt Kadlubowski – Unit 624
    - Salvatore DeCaro – Unit 403 (second)
    - All Membership in Favor (yes)

- Carol, Mary and Richard thanked the membership and gave brief acceptance speeches. All of their dedication, hard work and experience have once again paid off.

Old Business

- Brian Smith reported that the Ritz received a formal Certification of Eligibility from the New Jersey Historic Preservation Office stating that the Ritz is eligible to be listed on the New Jersey and National Registers of Historic Places for two criteria - architectural significance and for its association with Camp Boardwalk.

- Brian provided an update on the Corners Project stating that the Belmont Avenue corner is nearing completion. The cover for the corner is being designed to replicate the Belmont/Pacific Avenues corner. We are hoping to work on a schedule of having one corner refurbished every two years as money becomes available for the work and subject to the recommendations of our Engineer.

- Gym equipment (two treadmills) were donated by the owners of Unit 204 and they are also maintaining the equipment. Thank you - Bill and Michelle!

- The Boardwalk building facade is complete but has not been closed out yet with the CRDA.
- The project to install streetlights on the Boardwalk is underway. The work started at Albany Avenue and 200 -300 streetlights are scheduled for installation.

- The Historical Trolley Tour continues on Thursdays. It is important to provide this type of public access to the building as it could prove very helpful in obtaining funding in the future.

- Maintenance has been completed on the refractory [Fireproof Insulation] on the #2 boiler rear door.
- Remedial roof work was started but has been suspended until the Belmont Avenue corner is completed. The roof work will resume in the spring.

- Christine Thompson resigned to take another position. She has not been replaced which has resulted in a substantial savings. Jamie Greco and Dona Hannah continue to run the office. Brian thanked them for the first class job they do.

- Andres has been promoted to supervisor of maintenance and is doing a great job. Changes have been made to the maintenance shifts schedules which have resulted in significant savings.

- Tara continues to do a good job as site supervisor for US Securities. We now have one security person working from 7PM – 11AM Sunday through Thursday for the off season. This change has only resulted in a 9 percent loss of security hours but has resulted in significant savings. The combined savings from changes in office, maintenance, pool management, and security schedules has helped keep the condo maintenance fees level.

- Dona Hannah, on behalf of herself and Jamie, said they were blessed to work with Brian and the current Board.

New Business

Open Forum

- John Robinson - Unit 902 questioned the line item for the pool in the 2012 Budget. Gordon responded that we were able to save money by having the Ritz staff take over the maintenance of the pool and by not hiring a lifeguard in 2012.

- Seymour Speigel - Unit 1211 commented on the buildings rear stairwell. Stated it was not in the best condition and could use some cosmetic maintenance.

- Carmelo Guinta - Unit 306 commented on the need for better education for residents on trash recycling. Gordon responded that he will provide direction on recycling for all residents. (Signage has been placed in Trash Areas)

- Earl Warman - Unit 203 asked if the money the Ritz has invested in CD's accounts is fully FDIC insured. Dona responded that the money is fully FDIC insured.
- Melvin Thomas - Unit 1210 suggested that with the money that is being saved, a communication (intercom) system be installed to aid residents in the event of an emergency. Carol responded that it is a good idea but that presently the savings are needed to balance the budget.

- Corazon Gumban – Unit 333 questioned the schedule for the Corners Project. Brian responded that we anticipate refurbishing one corner every two years subject to our Engineers approval.

- Brenda James - Unit 1204 commented that she had received a letter from a lawyer concerning reductions in real estate tax assessments and asked if there was a plan for an organized campaign in the building. Carol responded that there was not an organized campaign at this time but that many people file tax appeals every year. Brenda then asked if the building qualifies for FHA. Carol responded that regulations with lenders change constantly and it is very expensive to get qualified every year, therefore, we are not FHA qualified.

- John Robinson - Unit 902 asked if there is a possibility of getting a rebate for separating our recycling. Brian responded that the Ritz receives a 100% reimbursement from the City of Atlantic City for our trash pick-up. Gordon commented that Atlantic City does not separate its recyclables.

- Jean Harris - Unit 1709 requested information on the percentage of renters to owners. Carol said we will provide that information to her. Jean then commented that there was a problem with residents taking babies into the pool. Brian said that if anyone saw that situation they should call security as it is a rules violation.

- Matt Kadlubowski - Unit 624 commented that some residents are using the 6th floor fire tower for storage and are smoking in that area.

- Lisa Chmelko - Unit 311 asked if maintenance checks the windows every six months to make sure they are weatherproof. Brian responded that checking windows is an owner responsibility and that with 600 windows in the building it would be impossible for maintenance to carry out checks on windows. Gordon commented that if anyone sees problems in the building it is best to report it to the office immediately so that the situation can be addressed.

- Trish Affannato - Unit 820 commented that she had called Security to inform them that the laundry room on her floor was flooded but did not get an adequate response to her complaint. Carol said that the situation will be addressed.

Entertainment Committee Report

- Gordon provided information on the upcoming Christmas/Holiday Party which will be held on December 10, 2011 from 1 - 3 p.m. Notices about the party will be posted.

- Carol Hartman adjourned the meeting at 12:55 p.m.

Board Organization

- Subsequent to the Annual Meeting the Board appointed positions for 2012. The officer positions remain unchanged as follows:

    - Carol A. Hartman, President
    - Gordon Pherribo, Executive Vice President
    - Steven Appelbaum, Vice President
    - Richard Crimi, Treasurer
    - Mary DeCaro, Secretary