

NORTH SHORE TERRACE CONDOMINIUM ASSOCIATION OF UNIT OWNERS
Board Meeting April, 2007, 3:00 PM, Unit 96 D

Directors Present:

Paul Amundson	Tom Rudd
Madeleva Steffens	Rose Ebel
Andrew & Deborah Cordone	

Others Present:

Rafael Miranda, unit owner
Lee Hardy, Yaquina Bay Property Mgmt, Inc.

CALL TO ORDER:

Paul called the meeting to order at 3:05 PM. Approval of the minutes of the November 2006 Board Meeting was tabled until the next annual meeting as copies of them were not available at this meeting.

A proposed appointment of Rafael Miranda to the Board of Directors was added to the agenda to be considered at the end of the meeting.

FINANCIAL REPORT:

Lee supplied directors and others present with a financial summary and detail. She reported that the maintenance account balance as of 3/25/07 was \$4,194.37, the reserves checking account balance was \$22,308.84, and the total reserves held in CD's was \$42,389.16. The insurance premium billed this year totaled \$10,158.00, and this was paid 50% out of the maintenance account and 50% out of the reserves checking account. Deborah questioned the split. Tom made a motion to ratify splitting the cost of the insurance equally between the maintenance and reserves account. Andrew asked if the association was allocating too much to reserves and said he would like to see the insurance allocation as a line item in the reserves budget and the reduction of the line item in the maintenance budget for insurance to 50%. The motion was seconded and passed without opposition.

Lee discussed the costs of roof maintenance and the projected cost to the reserves account of roof replacement or overlay on the 66 building. The total paid to date on roof and gutter maintenance is \$3,640.00. The contractor proposes further needed work at the cost of \$1,900.00, which includes moss treatment. Roof replacement on the 86 building cost \$7,790.00 this fiscal year, which represents a final payment after prior payments were made last fiscal year. The 66 roof is scheduled to be replaced. The bid from Guy Douglass, who did the 86 roof, came in at \$22,500.00 including stainless nails and flashing and edge metal. If step flashing needs to be replaced, the cost would increase a little including an extra \$1,500.00 in material. Concern was expressed that another bid should be sought, and Lee agreed to check with other roofers. She also said the bid from Douglass was verbal and that she would ask for a written bid that includes when the work could be started and how long it would take.

Deck painting was paid out of the maintenance account in the amount of \$14,373.22. Siding replacement and painting on the 96 building was paid out of the reserves account in the amount of \$15,584.78. More siding replacement is needed on the 96 building, and Mike Elkins has bid that work at \$12,150.00 plus time and materials for dry rot repair if dry rot is found. This work will involve replacing 19 squares of LP siding with Hardi-plank, using stainless hardware. Paul explained that the deck painting was done as a result of a prior discussion and involved the use of a new sealing process on the decks of the 66 and 76 buildings. An owner had done a

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survey of decks in need of re-sealing, and it was determined that the 66 and 76 buildings were priorities. The balconies have not been done yet, but Paul said he wanted to wait to see how the 76 and 66 decks wore over time before using the process elsewhere.

Lee noted the impact of future proposed projects on the budget and the fact that the CD's as back up to the reserves checking account will counter a deficit that would otherwise occur. The maintenance account would face a deficit if the full insurance cost was taken out of that account, so Lee will reduce the budget line item for insurance in the maintenance budget to 50% of the cost of insurance. Lee also noted that local co-signers will be needed on the checking accounts since Paul will be leaving the association.

Andrew noted that the budget has been altered to reflect actual costs without showing where overages have actually occurred. Lee said that she had developed this budget for the first year of her management out of the checking records and prior statements. Andrew indicated he would like to see a budget plus a comparison of actual with the budget and perhaps some designation of additions or deletions to the budgeted expenses in a separate place. Lee said she could add contingency section to the budget for items that change the projected bottom line.

NSTCA LEGAL DOCUMENTS AND QUESTIONS:

Paul distributed a package of information including a letter from the Cordone's listing a series of questions pertaining to allocation of common area expenses among the unit owners. The submission of these questions to an attorney for review was approved at the last board meeting. However, the board decided that they would entertain additional questions from any others who sought to give input before contacting the attorney. The board asked Lee to check with Cliff Collard and Vial Fotheringham in Portland to obtain estimates for the cost of the work to review and update the association documents. Paul's packet includes excerpts from the declarations for the various phases as well as copies of some prior correspondence. As part of the request for estimates from both attorneys, Lee will ask about the time involved to review and make any amendments needed.

PAUL'S RESIGNATION FROM THE BOARD:

Paul presented a letter of resignation to the board members present. He is selling his unit and expects to be out early in May. His resignation is effective April 1, 2007.

PREPARATION FOR THE ANNUAL MEETING:

The annual meeting will be held in early June, and directors present discussed likely dates. June 2, 9 and 23 were offered. The meeting will be held on one of those dates when a site can be secured. A request will be made to the Lutheran Atonement Church to rent their meeting room again this year. Paul noted that, with five North Shore units listed for sale, there may be new prospective board members in the offing. Deborah said she would contact the church to make arrangements, and then the date will be confirmed and members notified.

With Paul's resignation and Tom's uncertain availability, Lee agreed to facilitate the annual meeting, and Deborah offered to co-chair the meeting.

OTHER BUSINESS:

New Director: Rafael Miranda has volunteered to join the Board of Directors. Tom made a motion to elect appoint Rafael to the board. The motion seconded and passed without opposition. Lee asked who the current vice chairman was. Tom said he was, but he may not be available since he may be leaving the area.

Landscaping: Deborah asked if Carmelo could be scheduled to work on the landscaping

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on a regular basis rather than in an on-call capacity. Lee said she had difficulty communicating with Carmelo as she had called and reached his wife who did not speak English. Rafael had connected with Carmelo and arranged the last landscape cleanup work. The board agreed to ask Carmelo to provide a cost proposal to do work on a quarterly basis, including tasks normal to each season. Rafael offered to help coordinate Carmelo's efforts.

Annual Report: Paul said it was time to file the annual report. This will require the signatures of the president of the association and of the registered agent. A motion was made, seconded and passed to name Lee Hardy as registered agent so that the notices would come to her. She will complete this year's report and file it with the prerequisite fee.

Reserve Study: Andrew offered to update the reserves study as some of the components, such as roofing, did not meet remaining life expectancy. The next roof in line for replacement after the 66 roof is done is the 76 roof, although the roof maintenance contractor says it looks to be in good shape. The next painting project will be for the 85 building.

Sewer Lift Station: The sewer lift station receives annual service from Newport Plumbing. It will be due again this summer. The \$10.00 surcharge for the 96 building for the lift station is applied 50% to maintenance and 50% to reserves.

Thank you, Paul: Deborah expressed the feelings of the board and thanked Paul for all of his efforts and accomplishments as a board member.

ADJOURNMENT:

This meeting was adjourned at 4:48 PM.

Minutes prepared by

Lee Hardy
April 5, 2007