

**NORTH SHORE TERRACE CONDOMINIUM HOMEOWNERS ASSOCIATION**  
**Board Meeting Jan. 21, 2012**  
**10:00 AM, South Beach Community Center**

**Directors Present:**

Al Gilhuly	Viva Worthington	Paula Jones
Carol Sumner	Barry Winters	

**Others Present:**

Reuben Johnsen, 96A  
Lee Hardy, Yaquina Bay Property Management, Inc.

**Call to Order, Establishment of a Quorum:**

Al called the meeting to order at 10 AM. Five of seven directors were present, constituting a quorum.

**Agenda Review:**

Reuben suggested that the long term maintenance/reserve study discussion be moved to the top of the agenda. Directors present agreed.

**Long Term Maintenance/Reserve Study:**

Reuben referred members present to the recent reserve study, page 14. The study provides a financial forecast, and he said he drew on this information for his concept. He distributed a spreadsheet that uses the same data as the reserve study. He noted that any plan proposed would need to be approved by the membership at the annual meeting. Explaining the unit owners cannot be put at risk of financial harm due to lack of planning, he noted that the reserve study calls for a reserves balance of \$434,000.00 in order to achieve 70% funding which is rated as strong funding. The decision to be made by the unit owners is what level or percent of funding needs to be kept on hand.

Reuben said that there were two options: increasing monthly reserves assessment soon and deferring \$20,000.00 worth of work for two years or levying a special assessment in the amount of \$1250.00 per unit this year. Directors present discussed the dues increase options he presented. Al asked to see an increase of \$50.00 per month through 2033 with no further increase in the reserves level of \$200.00 per month. Reuben said that the fund would come up short, but he will look at it. Barry said the presentation needs to be clear and simple, recognizing that individual bottom lines may not run for a 30 year span. Lee noted that banks want to see a 30 year projection. Reuben suggested that the reserve study and his two spreadsheets be sent out soon to the HOA. He felt the plan without a special assessment will be the most popular, and he recommended that the board authorize Al to spend an hour with the association's attorney. Carol made a motion to authorize Al to meet with Cliff Collard to discuss the legal implications of reserve study funding and related topics. The motion was seconded and passed without opposition.

Paula suggested that a cover letter should accompany the reserve study mailing to point out the pros and cons for a fully funded reserve account. Lee said she could develop a cover letter with input citing the rationale, benefits to asset value which affect banking and insurance and the legal implications. The board will likely endorse a plan that does not include a special assessment but does include a moderate increase in monthly reserves levels sustained over a specified time frame.

**Minutes of Nov. 12, 2011 Board Meeting:**

A motion was made, seconded and passed to approve the minutes of the Nov. 12, 2011 board meeting as mailed.

**Financial Report:**

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Lee reported that, as of Dec. 31, 2011, the operating account balance was \$19,714.16 and the reserves account balance was \$24,649.45. There was a small final expense on the 96 siding replacement paid at the end of December not yet reflected in the balance listed above. The full year summary will reflect that expense which was a final billing for dry rot repair.

Lee suggested a review of the current insurance policy since she has seen quotes from other companies that are better than some current State Farm policies. She said Western States for Liberty Northwest looks competitive. Barry said that Triple A was another alternative. She and Barry will pursue getting quotes.

**Old Business:**

LaQuina Shores Trees: Viva reported that nothing had been done on this issue yet.

Parking Island with River Rock: It was reported that unit owners will obtain soil and transplant wild strawberries in the island near the 85 building.

Concrete Island Curbs: Al said that drivers are hitting these curbs, and the curbs should be painted. He said also that the fire marshal has shown him where to paint fire lanes between the 66 and 76 buildings.

Gate at 86C: The gate at 86C needs a new post and latch.

Strand Lights at Entry: Al changed some of the lamps which are available locally. These lights have an inner plastic housing, and two of those housings are broken. He asked if two new lights should be purchased. He can install them. Barry made a motion to authorize the purchase and installation of two lights. The motion was seconded and passed.

Implementation of Parking Rules and Resident Notification: Paul reported that Coast Towing will provide the signage and then perform towing as needed to enforce the new parking rules. Directors present agreed that the notice of rules change, new signage and fire lane painting need to be done together. Barry made a motion to establish an ongoing relationship with Coast Towing and obtain their assistance with parking issues. The motion was seconded and passed. Al said he would like to join a walk-around with Coast Towing. Carol asked what the timing would be for rule change implementation. Al said he would talk to the fire marshal again. Carol will present a laminatable set of rules. Al said a mailer should also be sent. Rental owners should make the new rules part of their rental agreements. Carol asked what the target date for a mailer would be. Directors present felt that April 1<sup>st</sup> was a realistic date.

**New Business:**

Landscape contractors: Al asked if he should get new quotes for landscape maintenance or talk to the current ones. Paula said she will ask unit owners about feedback on grounds keeping. The association currently pays for pruning the hedge between North Shore and Baywood Manor. It was agreed to ask the grounds keeper to prune both sides and bill each respective association. Paul noted the hydrangea next to 66A needs to be pruned back.

Mailbox Keys: Viva asked who has responsibility for the mailboxes. The boxes are owned by the HOS, but unit owners are responsible for keys and lock maintenance.

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**Next Board Meeting and Annual Meeting:**

The next board meeting is scheduled for 10:00 AM, April 14, 2012, at the South Beach Community Center. The annual meeting is scheduled for June 16, 2012, at the South Beach Community Center. A tentative date for a May meeting was set for May 19, 2012 to prepare for the annual meeting. Al requested a blank proxy for the annual meeting so he could forward it to the Zumwalt's.

**Adjournment:**

A motion was made, seconded and passed to adjourn this meeting at 11:45 PM.

Lee Hardy  
February 5, 2012