

NORTH SHORE TERRACE CONDOMINIUM HOMEOWNERS ASSOCIATION
Board Meeting April 30, 2016
10:00 AM, Office of Yaquina Bay Property Management, Inc.

Directors Present:

In Person: Paula Jones Dolores Johnson
Via Phone: Barry Winters Al Gilhuly

Others Present:

Elliott Black Karen Eibner Roger Leo
Richard & Susan Jordan Rafael Miranda

Call to Order/Establishment of a Quorum:

Paula called the meeting to order at 10:03 AM. Four directors were present in person or via phone, constituting a quorum.

Minutes of October 2015 Board Meeting:

A motion was made, seconded and passed to approve the October 2015 board meeting minutes as delivered.

Financial Report:

Lee reported that the operating account balance as of 4/29/16 totaled \$1,593.76 and that the reserve account balance totaled \$50,542.66. The insurance premiums for the year have been more than 50% paid. The earthquake insurance premium will be due soon. The operating account balance is low as the surplus carryover from 2015 was low and the operating expenses have increased somewhat. The average cost of operations in 2015 came to \$116.00 per unit per month, and they are expected to average \$114.00 per unit per month this year. The dues charged each unit that are allocated to operations are only \$100.00 per unit per month.

Barry suggested the board could propose that the dues allocated to operations could increase to \$120.00 per unit per month, and the dues allocated to reserves could decrease to \$160.00 per unit per month. This would not change the total monthly assessments per unit and would not present an additional burden on those who do not wish to see dues increase. Paula noted there was resistance to the increase of the monthly assessments that was made several years ago. Roger asked if the HOA was coming to the end of the list of major projects and noted that planning is important. Lee noted that the reserve account balance will remain important after the major projects are completed because the earthquake coverage would not be able to be used if the deductible is not in hand. That deductible could be \$250,000.00 to \$500,000.00. On the other hand, the current insurance coverage includes the interior finish of the units so the unit owners should see a reduction in their own personal insurance which now only has to cover liability, personal property in the unit and the HOA deductible if an insured loss occurs to their unit. In addition, a healthy reserve balance is desirable from a financing standpoint.

Al asked if funds could be temporarily borrowed from the reserve account. Barry clarified that his proposal would re-allocate funds that would otherwise go to reserves in the amount of \$20.00 per unit per month. In a year this could amount to an increase in operating funds collected in the amount of \$7680.00 with a corresponding decrease in reserve funds collected in the same amount. Barry made a motion to reallocate the monthly assessments, reducing the reserve allocation to \$160.00 per unit per month and increasing the operating allocation to \$120.00 per unit per month. The overall charge total would remain the same, and this would be effective June 1st of this year. The motion was seconded by Dolores and passed without opposition.

Old Business:

Painting the 85 Building: A bid was received from Lee Baker, Pacific Coast Painting, to paint the 85 building for \$12,350.00. The color would be the same green as is on the 66 building. Barry made a motion to approve the bid. The motion was seconded and passed without opposition.

Re-Roofing the 96A-D Building: Lee said that the roofer has not yet provided a bid for this work, but it is expected to be in the \$53,000.00 to \$55,000.00 range. The 96E-H building roof cost \$56,911.00, but there were more skylights needing replacement on that building. Lee said she provided a list of the already replaced skylights on the 96A-D building to the roofer so they would not be included in the work or price. A motion was made, seconded and passed without opposition to approve the work subject to the estimated cost. If the cost is markedly higher, Lee said the board could have a conference call emergency meeting to consider the bid.

Fencing and Decks: Barry noted the 96C deck was to be done while he was not in residence. Lee said she would check with Ken Brophy to see what his schedule is. She said there have been requests for repairs to fences and gates from the owners of 86C and D which will be performed as soon as the contractor can get to them. Al said deck replacement was already approved at an earlier meeting.

New Business:

Termites: Lee said that, during an inspection of 86C, subterranean termites were found. Lee obtained a bid to treat the entire 86 building for termites in the amount of \$4,200.00. The bid was from Killers Pest Control, the company already providing pest treatment in the complex. A motion was made, seconded and passed to approve the bid for termite treatment.

New Owners: There are three new owners in the association: Susan & Michael Jordan in 96D, Karen Eibner in 86E and Gillian Peck in 76G. Dry rot repairs to the garage door frame of 86E were performed, and Karen said that the work still needs to be finished and painted. A recent sale of 86C failed, but 86D is now in escrow.

Annual Meeting: The annual meeting was scheduled for 10:00 AM, Saturday, June 11, 2016. It will be held at the Newport Recreation Center. Lee will make the reservations and send out a meeting notice with proxy forms to use for those who may not be able to attend in person. There will be no other board meetings between now and the annual meeting unless a conference call is needed to confirm approval for the roofing project.

Current Board Vacancy: There is currently an open board position due to the sale of 96D earlier. With 86D in escrow, it was felt that an interim appointment would be advisable. A motion was made, seconded and passed to appoint Elliott to that position. At the annual meeting, a new election would be held for the board of directors. The annual meeting notice will encourage volunteers and nominations.

Other New Business: Elliott reported that the ground drain for the downspout near his entry door is plugged. Lee said she would contact a plumber to snake that drain.

Adjournment:

A motion was made, seconded and passed to adjourn this meeting at 10:59 AM.

Lee Hardy
April 30, 2016