

# **SALISHAN HILLS OWNERS ASSOCIATION MINUTES FOR BOARD MEETING OF MAY 21, 2021**

**Board members present:** Terri Parker, President, Chuck Feist, VP, Joe Peragine, Teresa Baron, Scott Barrett, Treasurer, and Kathy LeBeuf (Island President)

**Owners present:** Michelle Paul, Ann Butler, Dawn Koester, Steve Lear, Laura and David St. George, Sally Georgeson, Virginia and Bob Riffle, Susan and Michael Dottarar, Joanne Lednicky, Mark Sanders, Adele Cooke, Jim Wiggins, Susan O'Leary, Merilee and Don Myers, Sharon Jorgensen, Faye and Joe Castelli, Sherry Barrett, Penny Lewman, Cherrie Scheinberg, Jon Townsend, Ron Childs, Chris and Debbi Wilcox, Linda Kostalik and Clif Harper, David Hill, and Barbara Farmilant. Jeff Starr, Rick Dominquez, Therese Mendivel, Kevin Graves, Sydney and Richard Hatch (There may have been more attending, but not recorded on sign in sheet)

1. Call meeting to order @ 4 p.m.
2. A quorum was declared.
3. The Board unanimously approved the minutes from the March 19, 2021 Board Meeting. Approved minutes will be posted to SHOA's website.

#### **4. President's Report**

The Board is working on the upcoming annual meeting scheduled for July 10, 2021. The meeting was originally scheduled for the Lodge, but the Lodge may not have rooms available on that date because of prior room reservations. Also, SHOA now pays for rooms at the Lodge rather than the Lodge providing without cost. And even if the Lodge has a room available, there will be no buffet as there has been in the past. The Board is looking at other possible locations.

#### **5. Manager's Report**

- a. Financial matters: the fiscal year invoices will go out in the mail June 1<sup>st</sup>. Last year's audit (full audit in 2019), is available on SHOA's website, the Board was advised to move the Assessment and Reserve Funds Accounts to appropriate FDIC accounts. These funds are now at First Interstate in Lincoln City in two separate 2 accounts.
- b. Owner proposal to change codes to something other than a 0 before the lot # as the gate code. Property manager, Baron explained 3 options available: (1) have the driver look at the directory, call the owner's name, gate will call the owner, and then owner puts in 9 on the phone, (2) give driver the owner's access code, or (3) driver can call property manager who will let them in.

The Board decided that it will use the Survey from the upcoming annual meeting to see what owners would like to do about the gate codes.

- c. New timber lot owner (behind tennis courts) is asking for water and general utilities though SHOA. Baron brought to the Board for a decision. Lot is not on SHOA land. Board is concerned about how this would affect the tax base for the county as much of the county is occupied by retired people who are on fixed incomes. There is a potential liability for the Board, so the Board voted unanimously to send a letter to the timber lot owner stating that the Association is not interested in this proposal. Baron will send this letter.
- d. Drains –Islands Road has two new catch basins being repaired by Dan Price, contractor. The problem was that asphalt was being added year to year created a drainage problem along units 13-16. In order to level this area, a proposed price is \$19,500. This item is not in the newly proposed 2021-22 budget. The Board will take this up in the budget discussion later in this meeting.
- e. Five sites in the Hills have been asphalted as well as the entry road into the Island Condos. The asphalt on the Island Condos' road crumbled and contractor, Gettis, is coming back to fix the problem at no charge.
- f. Forrest – Vernon, the arborist from Buena Vista, to do tree removal; there are some areas where trees are dangerous to roads and the community.
- g. Pickleball court stripping and cleaning of the tennis courts - stripping and cleaning is scheduled for this coming June or July, depending on weather and contractor availability.
- h. The office by the tennis courts is a very steep walk, so may be looking at making a turn-around so people could be dropped off instead of having to walk down this steep slope. Baron will get an estimate and come back to the Board with an estimate.
- i. Dan Price, contractor, has been asked for his ID and other things that he feels should not have been done by owners while working for SHOA. Rather than the owners talking directly to SHOA workers, the Board asks that the owners contact the Board or Baron rather than talking directly to SHOA workers. If owners continue to talk with SHOA workers, and stop them in their work, it could potentially cause an increase in the cost of the work, and this would impact SHOA's budget.

## **6. Treasurer's Report**

Scott Barrett, SHOA's Treasurer, talked about the balance sheets submitted to the Board.

Barrett reported that SHOA's budget cash is up to \$487,000, up about \$64,000 from the previous year. The Accounts Receivable is a positive \$5,100 rather than negative as it was the previous year. This is due to owner advance payments of assessments the previous year. Profit and loss versus budget show a good margin and everything (fiscal) is looking good.

During the last fiscal year, the Board had to spend \$28,000 for tree removal due to storm damage that was not anticipated in last year's budget. Barrett suggests the Board transfer an

amount for possible storm expenses this coming year of \$27,040 and move these funds from the operating fund to the replacement reserve fund. A motion was made to make this transfer; motion was seconded and Board unanimously approved this transfer.

## **7. Committee Reports**

Landscape committee - Peter Berger. Not much to report. De-mossing and fertilizing completed at Fairway Dr. at the Island area. The Salishan Lodge grounds superintendent reports that this past year was the driest year in recent history, but that SHOA's overall property is looking good.

## **OLD BUSINESS**

1. Nominating Committee Update. Four candidates have submitted applications. On June 1<sup>st</sup> the ballots will go out to all SHOA owners. Teresa Baron, Sherry Barrett, Joe Castelli, and Terri Parker are running for Board positions. There is a 50-word limit for each candidate's summary on the ballot. Mr. Castelli was asked to get a revised summary to Feist by end of this coming weekend.
2. Lot 433 status report. Owner Manca applied for exterior remodel work in 2016; some of the proposed work was never completed. Reapplied in 2018, and again, work was not completed. The Board assessed fines and those were paid. Mr. Manca still wants to make an additional parking space in the area where there is currently gravel. Mr. Manca can apply for new work by submitting a new proposal to the Design Committee. The Board voted unanimously to the lot owner a letter with the Board's decision.

## **NEW BUSINESS**

1. Proposed fiscal year 2021-22 SHOA budget discussion

Parker stated that the proposed budget was reviewed by the Board's budget committee and the Board. All owners were sent copies of the proposed budget for review.

The budget committee reviewed proposed expenditures for the next year and what fixed costs would be needed. Barrett projected a beginning balance of \$375,000 and the anticipated income over the next year is about \$164,000.

Looking at proposed expenses line by line, the major ones are administrative, legal, and tax preparation. The \$500 proposed for the Emergency Preparedness and Safety activity is not as much as in previous years. The Board believes that community involvement should be the major focus in the new year as this is what is needed in order to decide how this should be handled. Volunteers are needed to make this happen.

Total proposed expenditures amount to \$141,000, leaving about \$23,000 over the proposed revenue projections.

Proposed administrative expenses total \$56,700; \$33,000 for property manager, \$4,000 for SHOA secretary, \$4,400 for insurance, and \$15,300 for professional services (bookkeeping, accounting/tax preparation, legal/legal review), office supplies, etc.

Proposed maintenance expenses total \$84,600; \$37,500 for landscaping, \$10,000 for forest management, \$15,000 for common areas, \$5,000 for road repairs, \$3,000 for tennis facility, and the balance for other expenses.

The \$3,000 for the tennis facility is for power washing, but does not include any funds for the re-surfacing of the courts nor the repair of the pavilion, however, the community needs to look at this in the future.

If the community wants to move forward with assessments for future projects, this would take a 60% owner approval before moving forward. Again, this is something the community should be looking at and bring to the Board for discussion.

Parker asked Barrett to add in the following to reserve expenses: \$20,000 for the Islands road repairs and \$10,000 for the Bluffs carports (as reported last meeting).

SHOA income will be \$23,000, and with the transfer of the \$20,000 into reserve funds, **this leaves just \$3,000 in excess of SHOA's annual revenues.**

Parker asked for motion to approve the proposed fiscal year 20521-22 budget; motion by Feist, seconded by Peragine. Parker asked for a voice vote and all answered yes.

2. Proposed removal of assessment information from SHOA website

Baron asked if the Board wished to remove the older assessment information from the SHOA website. Owners provided input that this information was still valuable, so the Board agreed that this information should remain on the website until further notice.

3. Pets on tennis courts/tennis court bathroom.

Pets are not currently allowed on the tennis courts, however, there is a possible grassy area where dogs could go if the community wanted it to be designated as such. Some owners take their dogs there now, but are careful to make sure the dogs do not do any damage to the courts. Discussion about where a pet area could be.

The bathroom was closed due to COVID, and due to mess previously left in this bathroom. SHOA hired a cleaning professional to clean this up and now a code will be provided to those who request it. SHOA has never had a problem with these bathrooms, nor have any funds been used for cleaning this bathroom, but now it is a problem. SHOA will monitor this after this cleaning to see if this issue goes away. The honor system has always worked and those who use this bathroom believe this will still work. The Board put the issue over, and it will be handled as part of the SHOA survey.

4. Lot 403 request – Mr. Castelli asked for 15 minutes to speak to the Board about some concerns he had. He presented concerns about the lack of some reflectors in certain areas, pets in places they are not allowed, items in a letter he sent to the Board, his volunteer work for the community, and neighbor-to-neighbor complaints.

After Mr. Castelli's comments, the community weighed in on some of the issues. There was general support of the Board and property manager, and all that has been done for the good of the community in the past years. Going forward the sentiment was that this is a community and as such, we all need to support one another and do whatever possible to keep Salishan Hills, Bluffs and Islands the beautiful community it is today. The Board took no action on any comments discussed by Mr. Castelli or others.

Owner, Michele Paul, asked that the following be put in the record. "For those that are not aware, every penny spent has to be approved by the Board, including increases to compensation. For those that are insinuating, it is impossible for anything to be hidden, and it is insulting. People need to educate themselves on what the facts are. This kind of innuendoes, gossip, and accusations are killing this community. I have lived here for over 30 years and I'm disgusted by a lot of the new people who have joined."

### **COMMENTS FROM THE BLUFFS, HILLS, or ISLANDS**

1. Confidential information. Lot owner 471 raised concerns that confidential SHOA information was made public by the former SHOA secretary. Lot owner 401 responded that his wife gave thumb drives to individuals containing addresses from prior SHOA directories. Several owners raised concerns about their confidential information being released. One lot owner suggested legal counsel review this situation. The Board agreed unanimously to contact SHOA's attorney.

2. Depoe Bay Rural Fire District. Lot owner 434 informed the Board that the Depoe Bay Rural Fire District would be swapping out the water stored at the cache. SHOA will send a thank you letter to the Fire District.

Meeting adjourned at 6:15 pm.

Next meeting, July 10, 2021 (SHOA's annual meeting), location to be announced