

PACIFIC TERRACE HOMEOWNER ASSOCIATION
Annual Meeting -- October 23, 2005

Minutes

TIME AND PLACE

On October 23, 2005 at 10:07am in Gearhart, Oregon, Dr. Charles Starr, President, called to order the Annual Meeting of the Pacific Terrace Homeowner Association. Dr. Starr presented opening remarks about the purpose of the meeting.

ROLL CALL AND QUORUM

Dr. David Rosencrantz called roll. Upon completion he noted that for the purposes of constituting a quorum, a sufficient number of homeowners was present either physically or by proxy. Dr. Rosencrantz noted that all members had been mailed copies of the meeting notice.

DISCUSSION

Dr. Starr discussed and clarified the number of affirmative votes required to change the Declaration. Additionally, he reviewed the history of the Association's reserves, payments, etc.

The minutes of both the 2004 Annual Meeting and the September 18, 2005 Special Meeting were approved by voice vote.

Mr. Paul Tice, General Manager of Gearhart by the Sea, reviewed rental performance, website improvements, status of wireless internet service and other matters. Discussion followed during which Mr. Tice also responded to questions.

Mr. Mike Plymale presented the Treasurer's Report, including discussion of the September 2005 Balance Sheet, Income Statement and Comparison to Budget. Discussion followed during which Mr. Plymale also responded to questions.

Dr. Starr reviewed the status of the well and the need to have it redrilled during the Spring of 2006.

The election of Directors to new three-year terms followed. The Board presented the names of three individuals; specifically, Patsy McKelligon, Chiane Kathrens and Charles Starr. Additionally nominations were made from the floor; specifically, Tony Hines and Stan Muir. A motion to approve the names presented by the Board was made, seconded and passed.

The resignation from the Board of John Burton was announced; Dr. Starr indicated that the Board would appoint a replacement to fill out his term.

A motion was made and passed that Homeowners be given the opportunity to volunteer their names for future Board candidacies. Three Homeowners offered their names for future consideration; specifically, Tony Hynes, Stan Muir and Sharon Brown. All spoke from the floor about their backgrounds and interests.

NEW BUSINESS

At the September 18, 2005 Special Meeting a motion was passed that at this meeting proposals be presented for amendments to the Declaration and By-laws so as to proceed with assessments on a 1/46th basis consistent with the voting sentiment evidenced at the May 2005 meeting. Mike Plymale described two alternatives for modifying the Declaration; discussion followed. A motion was made to amend the first alternative relative to garages; it failed for lack of a second. Then the first alternative was moved seconded and voted upon; it failed. Next the second alternative was moved seconded and voted upon; it also failed. The Declaration remains unchanged.

The proposed renovation project was discussed, with specific attention to the decks, railings and support posts. Mike Maltman, the general contractor chosen by the Board to carry out the renovations was introduced and spoke on these subjects.

A motion was made and seconded to proceed with the renovation project including payments over a five-month period; discussion followed. In due course the motion was voted upon and passed; the renovation project and associated five-month financing was approved.

A motion for reconsideration was made to allow a two-month period for homeowners in the two-story buildings to work with Mr. Maltman to seek alternatives that reduced the cost of decks and railings. It was seconded and passed unanimously.

Mr. Plymale presented the 2006 budget for the Association; it was moved, seconded and approved.

ADJOURNMENT

There being no further business to come before the association, a motion to adjourn was made, seconded and passed unanimously; accordingly, Dr. Starr adjourned the meeting at 12:04pm.

Terry Murphy, Acting Secretary