**Annual Meeting Minutes**

**Holly Heights Subdivision**

**May 22, 2004**

**MINUTES OF THE ANNUAL MEETING OF THE HOLLY HEIGHTS SUBDIVISION HELD ON MAY 22, 2004 IN THE NETARTS COMMUNITY HALL, NETARTS, OREGON.**

**PRESENT: Gene And Rita Mccolgin**

 **Craig And Lynn Scheibner**

 **Rich Janulis**

 **Lynne And Dennis Maloney**

 **Lonnie And Carolyn Hayhurst**

 **Dale & Anne Duman**

 **Sharon Ike Smith & Son**

 **Thomas & Lorelei Reed**

**CALL TO ORDER:**

**Association president Rita McColgin called the meeting to order at 6:30 pm following the potluck dinner contributed to by all participants.**

**ESTABLISHMENT OF QUORUM:**

**As a result of the combination of lots 13 & 14 and the combination of lots 15 & 16, we now have 18 lots that come with voting rights. The group present at the meeting own 9 of those 18 lots. Additional votes mailed in by Claudia Silva and Mark Creamer (representing the shared property) and Mark Rife raises the total votes cast on any issue to 12 of the 18 lots thereby establishing a quorum.**

**NOTIFICATION:**

**Dennis Maloney reported that all owners had been sent email or regular letter outlining the issues. To his knowledge, all parties with voting rights had been given sufficient notice and opportunity to respond.**

**NOTE: THE MAIL TO THE OEVERSON’S WAS RETURNED YESTERDAY. I HAVE SINCE GOTTEN A REVISED ADDRESS FROM RITA MCCOLGIN AND HAVE RESENT THAT RETURNED LETTER TO THEM. I HAVE ENCOURAGED THEM TO VOTE AND COMMENT ON ANY OF THE ISSUES THAT ARE OF INTEREST TO THEM.**

**PREVIOUS MINUTES:**

**The minutes from the turnover meeting dated 3/18/2003 were briefly reviewed, voted on and approved as written.**

**TREASURER’S REPORT:**

**RICH JANULIS REVIEWED THE CURRENT STATUS RELATED TO THE HOLLY HEIGHTS HOMEOWNERS ASSOCIATION FINANCES.**

**All members of the association are current on dues.**

**The cost of painting existing homes will be in excess of the original projection by approximately $400 per unit based on the quote by J and L Painting. J and L is the company that painted the homes when they were new.**

**Water overage expenses were underestimated last year. Dues will need to be adjusted slightly to cover that difference.**

**We are currently on a payment schedule that does not match the calendar. It will be easier for all reporting to have dues payment schedule match the calendar year.**

**Reserves for road maintenance, insurance and landscaping are on track with original plans.**

**Two items budgeted in the original plan are being discontinued. The budget for regular window washing and soffit cleaning is being eliminated.**

**We need to hire someone to water the property since Steve Dutton is no longer residing in Holly Heights and he was performing this service for us. Rich has made attempts to contact the person who has been mowing the back lot to see what he would charge to perform this service for us.**

**Form 1120 H has been filed. This protects our filing status as an association.**

**Discussion of Painting Costs:**

**Four separate bids were solicited from the various paint companies in the area. The following are the total bids to do the 5 units (10 townhomes):**

**$16,000 J and L Painting**

 **8875 Doughty Road**

 **Bay City, Oregon 97107**

 **503 377-2713**

**$12,000 Mark’s Custom Painting**

 **7520 Fawcett Creek Road**

 **Tillamook, Oregon 97141**

**$ 8,650 James L. Hinds**

 **4626 Brickyard Road**

 **Tillamook, Oregon**

 **503 842-8301**

**$10,500 Thompson’s Painting and Drywall**

 **PO Box 391**

 **Tillamook, Oregon 97141**

 **503 812-0158**

**After discussions with Todd and Holly Bates and with each of the individual paint contractors, the board recommended that we use J&L. The reasons for that recommendation are:**

**They are the company that did the original painting of the existing homes in the Holly Heights subdivision.**

**They use two coats of paint when the others quoted one coat.**

**The two lower bids included “out clauses” that would allow them to boost the price.**

**The statement by Todd and Holly that these were the only painters that they would vouch for.**

**The board recommendation was seconded and voted upon and passed. J and L has been contacted and will advise shortly as to schedule. Homeowner dues will be adjusted to cover this extra expense.**

**The following items were discussed, voted upon and approved:**

**The term of office for board members of Holly Heights Association will be three years.**

**The current board (Rita McColgin-President, Rich Janulis-Treasurer and Dennis Maloney-Secretary) was reelected to serve two more years with their term to expire at the end of 2006.**

**It was agreed that dues will be based on a calendar year. In order to do so, the next billing will be for dues from May 2004 to December 2004 (seven months). From that point forward, dues will**

**be charged annually to match the calendar year. They can be paid semi annually if desired with ½ in January and ½ in July.**

**It was agreed that the next dues will include an adjustment to match the water overage charges from the most recent year. It is believed that the elimination of some other expenses (described in #5 below) will result in little change to the annual dues as outlined in the original schedule.**

**It was agreed to eliminate the reserve for window washing and soffit cleaning. This will now be left up to the individual homeowner.**

**It was agreed to add a reserve to hire someone to water the common area. We do not expect a substantial change to the annual dues based on this decision. It was agreed that the board would make the selection.**

**It was agreed that we would contact a company to reseal the existing driveways and to set a reserve for future maintenance on a regular three year cycle.**

**It was agreed that we would not set a reserve for roof replacement. It was decided that we could let the next board handle that issue.**

**It was agreed to set a annual reserve for semi annual pest control (bug spray).**

**The following Amendments to the CCNR’s were discussed, voted upon and approved:**

**Each homeowner must maintain hazard insurance and provide proof of same to the board of directors on an annual basis. The request for that proof will be included with the next dues billing cycle. This item was already in the CCNR’s but no procedure was established to handle follow through on this item.**

**All new homes and changes to existing homes must be approved in writing by the board of directors.**

**The board must be notified of any change of ownership to any existing property/home in the Holly Heights subdivision.**

**The board is charged to make sure that approvals for new homes in the Holly Heights subdivision will only be granted to homes that:**

**Are at least 2000 square feet in size.**

**Are painted in colors approved by the board from the palette originally selected by Todd and Holly Bates.**

**Use the same exterior materials as used in the original design of the five original townhomes in the Holly Heights subdivision.**

**Restrict property depth and setback to the outlines as laid out in the original plans designated by Todd and Holly Bates. This is to insure that views are not compromised for any owner of existing or future homes.**

**Do not include fences or any incursion into the common area that would in any way restrict the use of the common area by all lot owners.**

**These votes concluded, the meeting was adjourned at approximately 8:30 pm.**