

KSMA Board Meeting Agenda and Meeting Notes

March 13, 2023

In attendance:

Susan	Paul B	Ray
Brian	Jackie	Doneg
Linda	Jeff	Paul S

- A. Progress on road construction (Ray)
Scott would like to drive around KS with Susan and Paul and identify intersections that need trees trimmed back and soil moved off pavement. Then meet with Coastways to discuss work to be completed to reclaim sightlines and breadth of roads.

Susan will put an update on the shoulder work in the Kiwanda Shores (KS) newsletter.
- B. Local Fire Chief visit to future board meeting (Doneg)
Fire Chief James Oeder of the Nestucca Rural Fire Protection District would like to make a presentation at the KSMA board meeting on fire protection issues in KS. The Board agreed to ask him to join us at the next meeting. Doneg will contact the Fire Chief.
- C. Updates on other matters (tsunami signs, Kiwanda Corridor Project, Short-term rentals) (Doneg)
 - Tsunami signs (Doneg): There is a pause on installation of additional signs in Pacific City. One sign (of the two) signs installed on KS gates was stolen. Susan asked for a replacement. The tsunami signage project will let us know when the installation of signage will begin again.
 - Kiwanda Corridor Project (Doneg): County is moving forward in 2023 with the renovation of the Cape Kiwanda parking lot, including construction of a new bathroom. Work on the Pacific Avenue bridge is the next item to be constructed.
 - Road repair (Ray): We are aiming for the end of May to fill potholes.
- (D) Financials review (Brian)
 - Road work (Brian): Need to bid road work to pave Cape Kiwanda Drive from gate to “sink hole”, past the entry to the quads. Don’t yet know the cost.
 - Budget (Brian): Finances are strong. Statements are available for review.
 - Cash on hand
 - Checking: \$30,777
 - Money market account: \$118,854
 - Reserve account: \$50,098
 - Some of the funds (approximately \$20,000) will need to be moved from the MM account to the checking account to cover projected expenditures.

- There are \$33,384 in accounts receivable. Susan indicated that one past due account was paid in full with penalties. Paul S has been working to bring in the past due amounts.
- (E) Bookkeeping proposal
 - Brian made a proposal to change the structure of compensation to Robin the bookkeeper. Currently, Robin does not appear to bill for all the hours she works and is paid \$25 per hour billed. The proposal is to pay Robin a fixed annual amount of \$5,000 (compared to the \$3,000 to \$3,500 she receives currently). Payment to Robin would be made quarterly. This will help ensure that Robin will remain with KS doing a great job. The proposal was unanimously agreed to. Motion by Brian. Second by Paul S.
- (F) Investment of funds committee report (Linda)

Linda provided a summary of the research conducted related to the tasks assigned to the KSMA Investment Committee at the prior KSMA board meeting. (See March 12, 2023, "Report of the Chairperson of the KSMA Investment Committee", which was circulated to Board members.) It was noted that the Investment Committee of three members did not meet, although Linda spoke with other Board members in conducting the research and preparing the recommendations.

Two recommendations were made by Linda, with modifications suggested by Brian, Doneg and others. These recommendations are:

1) Immediate Steps:

- Take steps to immediately investment KSMA funds in:
 - Four (4) \$25,000 CDs
 - One (1) \$50,000 CD
 - \$18,000 into money market account

This investment strategy will provide market-rate interest income as well as sufficient liquidity to access the funds as needed over the next twelve months.
- Citibank was identified as a financial institution with (a) competitive interest rates, (b) options for sufficient liquidity, and (c) possibly the ability to establish the account and manage the funds remotely. Specifically, a 12-month Citibank CD with a 4.05% interest rate and no early withdrawal penalty was identified as one option for investing the funds. Subsequent research was needed to determine if a KSMA account can be established remotely at Citibank.
- The Board authorizes Brian, the KSMA Treasurer, to establish these accounts with Citibank, or to select another financial institution that best meets the investment goals of the KSMA, and to determine the exact amounts of the investments depending on the account balances in the current KSMA accounts.

2) Longer-term research

- The Investment Committee is to research whether and how funds might be invested in ladder CDs.

- The Investment Committee is to research whether to maintain the KSMA funds in the institution used for immediate-term investment or to invest in an alternative financial institution.

The above two (2) recommendations were agreed to unanimously by the KSMA Board. Doneg will write up the proposal that has been agreed to and circulate to Brian, Linda and Susan.

There may be some complications in establishing bank accounts for the business (KSMA) in that signatories will need to be established at the new institution. Paul S and Brian are the current signatories. Robin does not have signatory rights. Ray is stepping off the Investment Committee. Brian is staying on the Committee.

- (G) Changes for Linda and Alan (Linda)
Linda (and Alan) will be moving from KS, but not far. They are selling their KS home and buying another home. Linda will depart the Board when their home sells.

- (H) STRs (Short-term rentals) (Brian)
Brian reported that the County is working on revising the STR rules (Ordinance 84). Currently, the County has established a moratorium on the issuance of new STR permits. Paul S made the point that the moratorium (and possible new restrictions on STRs) could result in property values dropping and difficulty in selling properties. Some owners may need to sell if they are not allowed to rent their homes on a short-term basis. Others agreed that, particularly for those who are mid-stream with building a new home, the STR moratorium is problematic.

Doneg mentioned that the most recent draft of the STR regulation revisions dropped provisions that would cap the number of STR permits allowed. But, it was not clear whether this meant the STR Committee (and the County generally) was not going to consider caps, or postponing consideration of the caps until later in the STR Committee process. Doneg suggested that the Board might want to survey KS owners if the STR cap proposal is still a possibility to see if a different cap percentage, or no cap, would be preferred by KS owners. County staff have indicated that they may propose the ability of subareas like KS or Shorepine to establish STR cap limits that are different from the city-wide (e.g., Pacific City) cap levels. Paul indicated it might be difficult to reach owners through email; Susan indicated we may have emails for as many as 90% of KS owners.

Brian mentioned that the County could be subject to claims if STR rights are reduced / eliminated. Ray stated that it is a "takings" issue. KSMA might comment to oppose the restrictions, but it is important that KSMA not get between the County and KS owners who might need to sue to secure compensation.

Doneg will report back to the Board after tomorrow's County STR Committee meeting if the STR cap proposal is still under consideration to determine if a survey of KS owners might be useful.

- (I) Proposed Communications/Webmaster role (Paul and Susan) Purpose:
 - Provide capability to email all members
 - Enhanced ability to manage member data
 - Ability to manage website
 - Decision documentation...i.e., ACC

Paul suggested we need a coordinator of Web activities. Brian mentioned he might be able to identify three people who might be interested in serving in this role. Susan suggested we contact the three people to see if one of them might work out.

- (J) Planning for annual meeting?
- (K) Next board meeting date: May 8, 2023, 6:00 pm PT