



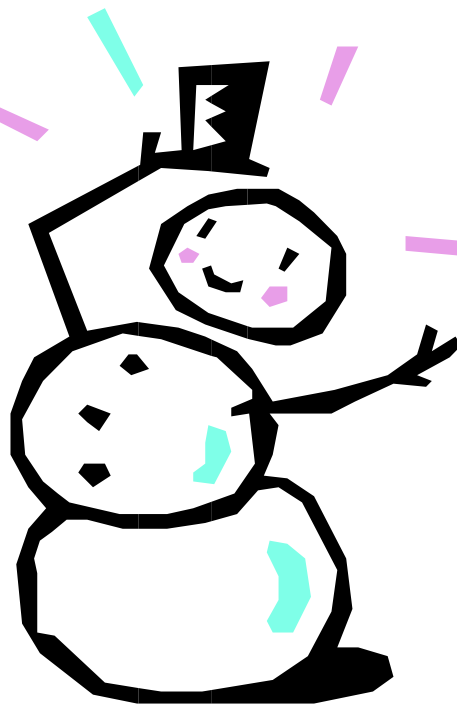
President and Manager's Message

Recent Board Activity

Two of the Board's most significant issues addressed at the fall and early winter meetings were a review and revision of the Association's Rules & Regulations and the 2012 budget. At the Board meeting on October 25th, the Board voted unanimously to adopt amended rules proposed by a review committee of Jay O'Connor, Mimi Kron and Chuck Doherty. In addition to amending some of the rules and supplementing them, this undertaking improved the format of these materials. The proposed

amendments and supplements were submitted to our counsel, Mr. Davies, for review and approval.

You should



review the Amended Rules & Regulations at your earliest convenience. Our Manager and Board members are too frequently faced with the contention

that "I was unaware of the rule" or "When did that change take place"? To slightly misquote an adage: "Ignorance of the rules is no excuse".

An index is now included with the Rules to allow you to easily access regulations relating to your day-to-day activities at the Terraces. As examples, you can readily find the rules relating to such diverse subjects as leases, smoking, parking, construction black-out dates, swimming and pets without the need to skim all of the rules.

The November 15th meeting included a consideration of the pro-

posed 2012 budget. This budget, which was delivered to all owners, was ultimately approved by the Board at its December 13th meeting.

The 2012 budget for operating expenses and reserve fund contributions totals \$1,656,500. This is the same amount as the 2011 budget. The operating budget is \$1,343,145 or approximately \$23,000 less than 2011 and the projected reserve contribution is \$313,355 or \$23,000 more than 2011. It is the goal of the Board to markedly improve the level of reserve funds from approximately \$360,000 (as of 10.31.11)



to \$600,000 plus by the end of 2012.

You will also note in the Reserve Accounts that the line item for cast iron pipes has been reduced to \$25,000 from \$100,000. In the past year, we have had only one major pipe failure thanks to the removal of blockages in the ground level lateral pipes leading to the city sewer. The Reserve Accounts do contain new line items: namely, the third floor glass block wall (repair/replacement) and the second floor garage floor. Additionally, the amount allocated for the ultimate replacement of the cooling tower has been increased. These changes off set the reduction for the cast iron pipes.

No major construction projects are planned for 2012 in furtherance of the intent to increase our reserves and in recognition of the many improvements made

and paid for in the last five or six years. The 2012 budget results in the quarterly assessments remaining at \$3,500.

At some of the more recent Board meetings, our Treasurer, Mr. Doherty, has advised that in compliance with the Florida Condominium Act an audit will be performed in 2012 for the financial year ended December 31, 2011. The results of this audit will be made available to all owners and Mr. Doherty has repeatedly offered to explain the results to any interested owner. The independent auditors retained for this purpose is the firm of Larson Allen, LLP.

2011 SALES ACTIVITY

While the sales of units in the Terraces remained "soft" from a dollar perspective, the number of sales has in-

creased. In Collier County, there was a general increase in the volume of sales and some improvement in price. Interestingly, the strength of the Canadian economy has prompted an influx of Canadian buyers in the Naples market.

SPECIAL EFFORTS

In an effort to further promote the Terraces, Jay and Sally O'Connor have nominated the Terraces for receipt of the Gulf Shore Association of Condominiums awards for "Best Exterior Renovation" and/or "Annual Beautification/Green Awards" scheduled to be presented at a GSAC meeting in February.

We are also grateful to Lois and Bryce Durban for their continuing photographic efforts in memorializing the good times we enjoy at the Terraces.

Once again, Mimi Kron and her helpers did a magnificent job of making our "Welcome Back" pot luck dinner a huge success.





RECENT FAREWELLS

In the fall, we bid farewell to Ms. Terry Griffith, who is now residing in an assisted living facility in Naples. Jim and Loretta Burke have sold their unit because of health issues. They will remain at their home in Akron OH.

Joe Raible (1103) has passed away - our condolences to Mr. Raible's family.

The following is a listing of the 2011 sales by unit:

Unit #	Sales price	Buyer	Home State
406	\$550,000	Tony and Lynn Crupi	New Jersey
504	\$415,000	Sorin and Rodica Iancu	Wisconsin
701	\$595,000	Anthony Plesner and Serena Koh	New York
907	\$600,000	John and Carolyn Connors	Indiana
1003	\$460,000	Keith and Vicki Ovitt	Illinois
1402	\$450,000	Arthur Sullivan and Lisa Dougherty	New Hampshire
1403	\$375,000	Jovanka and Ilija Urosev	Michigan
1405	\$900,000	Claude Veillet and Lucie Veillet	Quebec Canada
1702	\$460,000	Paddy and Mary Jamerson	Indiana

We have a reasonably large inventory of units for sale. These are:

Unit #	Owner	Unit #	Owner
501	Millikin	605	Wilkowski
608	Schrenk	804	Davis
1103	Raible	1501	Kosovich/Fujihira
1701	D'Elia	1801	English
1804	Baerresen	PH-2	Latzanakis





SOCIAL GATHERINGS

The Monday night "BYOB" gatherings will be resumed on the 9th of January (2nd Monday). Hopefully, the weather will permit these very casual gatherings to be held on our newly refurbished 3rd floor deck. If the weather does not cooperate, we will use the party room. For those new to the Terraces, the weekly Monday evening "BYOB" nights are a way to meet and socialize with your neighbors. Bring a glass of your favorite libation and a hors d'oeuvre if you wish. This gathering usually begins at 5:30pm and lasts for approximately an hour. Shorts and golf shirts are the order of the day. Lucy will post a reminder notice in the elevator.

There will be a Ladies' Luncheon on January 11th, held at Bricktops at Waterside Shops. There is a sign-

up sheet at the front desk. We are grateful that Alma Van Camp and Lois Durban have graciously volunteered to maintain this tradition.

Dr. Mark Eghrari has started "The Artist's Corner" on the third floor deck. This event will take place once a month around 3pm and consist of a discussion group focusing on everything from current affairs to poetry, art, music, literature and any interesting topic from those who are attending. Tea and other refreshments are available. Lucy will post a notice of the next Artist's Corner date in the elevator. Last month, over thirty people attended the initial meeting, which everyone considered a grand success. Bob Day gave a narration of his "adventures and misadventures" in World War II and other owners participated by demonstrating some of

their artwork. We thank Dr. Eghrari for bringing this cultural opportunity to the Terraces.

Other plans are afoot for additional social gatherings during the season. Notices are always posted in the elevators as well as the bulletin board across from the mail boxes.

BOARD MEETING SCHEDULE

January 24th at 9am

February 28th at 9am

March 27th at 9:30am
(Annual Meeting)

April 24th at 9:00am

SEASON'S GREETINGS

To all owners and residents: We wish you much happiness during this Holiday Season and may the New Year bring us all good health, good fortune, good friends, good times and good weather!

John Coleman, President
Lucy D'Amico, Manager of the Terraces

