

SUNLAND CONDOMINIUM OWNERS DIVISION 7
BOARD OF DIRECTORS MEETING

AUGUST 16,2018

Meeting called to order by President Steve Lavelly at 9:30.

Present: Nancy Baer, Dawn Kerns, Steve Lavelly, Mike Mowatt, Joel Ogden, Richard Streeter, Carol Stults

Guests: Jack Marlowe and Steve Welborn, Audit Committee

Notice of July 26, 2018 minutes email approved.

The Auditors Report was presented and discussed with commentary by Jack Marlowe. Later arrival by Mr. Welborn also reviewed the suggestions of the Auditors and needed adjustments. The 2017 audit went much more smoothly and resulted in only two material weaknesses and no control deficiencies. There were two deficiencies noted in the Report of Internal Control. The first was the miscoding of a partial roof replacement to the roof repair account instead of to the roof reserve account. The Audit Committee decided to not make any correcting journal entries at this date because the error effectively corrected itself at yearend 2017. The second deficiency was the underfunding of roof reserves which the Board was aware of and will be analyzing with the intent of providing a plan by yearend . More bookkeeping adjustments and careful application of new efficiencies should maintain a well -functioning budget process. Mike stated budget surpluses have not been transferred to the reserves in the recent past and that needs to be addressed. Much gratitude was expressed to the Audit Committee members and the Treasurer for all their hard work.

As of August, 76% of owners dues have been received. Maintenance has spent 45.8 % of its budget, Landscaping has spent 43.75%, General and Admin. has spent 64% resulting in 43% of the budget being spent within 56% of the year. Per the Treasurer, any end of budget surplus over \$25,000 is to be transferred into the roof reserves. This will be further worked on to produce increased reserve funding. A motion by Carol and seconded by Mike was passed to present the amended and annotated 2018 Budget to membership at the annual meeting.

Landscaping: Richard has gotten another bid for taking down the dangerous tree behind 119 from Arbor's Edge Tree Service which was lower than the earlier one. Nancy moved and Carol seconded to accept Arbor's Edge's bid, passed. More dead bushes to be removed. Richard needs the use of a pick-up to continue cleanup. Offers are welcome.

Maintenance: Some unexpected expenses have come up including units 117B and 119A being up for sale which requires HOA repairs. Steve and Brad are almost caught up on their task lists. Roofing has begun. A higher than limit job (\$2000) was approved through e-mail for gutter repair.

Unit 138 had a garage door window with the original glass shatter and it will be replaced with safety glass.

Data and Records Com.: Work on-going on downloading a data program to the HOA computer. Newsletter well received. News items are welcomed.

Emergency Preparedness: Joel reported 12 attendees at the Neighborhood Mapping training. The three group leaders will receive forms from Joel and distribute to the groups for completing. Leaders are Steve Lavelly, Kitty Hawks and Robbie Justys.

Information packets for the September 20 Annual Meeting will be mailed on August 20 per Nancy.

After investigation of possible collection agency uses and costs for pursuit of dues arrears, Mike made a motion to consult a lawyer, Joel seconded and the pass vote was unanimous.

Adjournment at 11:30