

## SunLand Division 7 HOA Board Meeting Minutes

January 17,2019

Call to Order by Carol Stults, Vice President at 9:30.

Present: Nancy Baer, Dawn Kerns, Mike Mowatt, Joel Ogden

Absent: Steve Lavelly, Richard Streeter

November minutes approved as submitted.

Since several audience members were present to weigh in on the concrete Roof Reserve, that was addressed first. Mike Mowatt took the lead on explaining the current problem and the proposed responses. The HOA is not legally obligated to any dollar amount for reserves but must be financially responsible. Our auditors and reserve specialists have asked for a plan to remedy the underfunded composite roof reserve and road reserve and the drastically underfunded concrete tile roof reserve. They need to see significant progress to not fault the HOA. The tile roof reserve is currently at 19% of suggested funding. This underfunding is a negative factor when the unit is for sale. When tile roofs deteriorate, they are very expensive to repair and prohibitive to replace with tile. The tiles may be still functional but the underlayment can be badly deficient.

The current level of tile roof reserve is \$33,000 from seven units paying a \$135 charge/year since 1996. At this rate, in six years it will only increase by \$5,670. Replacement costs for all seven units is estimated at \$175,000. Among other options, the Board outlined an assessment of \$5000 to be paid over a two-year period and an increase in the yearly fee to \$400. This would result in a reserve of \$84,800 in six years. This has not been chosen yet and all options will be further discussed by the Board in a work session. This level of reserve funding would be sufficient to better cover repair/replacement and satisfy the auditors and reserve analysts that SunLand Division 7 is fulfilling its financial responsibilities. Such an

assessment will need an owner vote. The Board will review options to offer a final option to be voted on and all seven affected owners will be notified before the voting process occurs.

**Treasurer:** The Water Company issued bills for watering the islands for \$800.00 with 6-7 incorrect ones. This is being corrected. Dues payments are still coming in. The bookkeeper will be instructed on desired adjustments to the financials. Dawn strongly requested any Board member submitting a bill, to use the Chart of Accounts to write the correct account number and name on the bill before submitting it for approval and payment.

**Landscape:** The new landscaping crew assessed work left from the former company and is asking for additional paid time to catch up the needed work. Richard will present a full report at the February Board meeting.

**Maintenance:** Currently caught up on routine tasks. Four units (119-A, 116-A, 125-B, 138) are having repair work on their roofs, gutters, decks, or eaves.

**Audit:** Consultation with bookkeeper and Jack Marlowe.

**Old Business:** Robert Baer gave a report on options for establishing a little library on Hilltop. Jim Fitzpatrick raised a question on procedural rules for a new permanent structure placement on common grounds. Baer will investigate further and report in February.

**Next Board Meeting:** February 21 at 9:30

Adjourned at 10:45

Executive Session from 10:45 to 11:30

Minutes submitted by

Nancy Baer, Secretary