

Sunland Condominium Owner's Association Division 7
Annual Meeting
September 29, 2022

Call to Order and Welcome by President Steve Lavelly

Quorum: A quorum has been established. Board members present include Steve Lavelly, Carol Stults, Joel Ogden, Rob Baer, David Lotzgesell and Brenda Owens. There were also 15 attendees in the audience.

Secretary Brenda Owens:

Approving 2021 Annual Meeting Minutes and review of the past year.

Brenda made a **MOTION** to approve last years' Annual Meeting Minutes dated 9/16/21. Steve Lavelly seconded the motion and passed unanimously.

Meeting Minutes - approving previous months' meeting minutes during the current meeting has been a smooth transition and much easier to vote on.

Annual meeting packets - electronic templates have been created to streamline the process for the Secretary to send out packets and will make an easier transition for future Secretaries.

Various templates have been created and saved electronically for conducting business, i.e. Violation forms, Hold Harmless, etc.

SOP's (Standard Operating Procedures) are still in process. This will benefit any board member that is nominated for the Secretary position.

Finance and Audit Committee by Steve Welborn:

- 2021 Audit Report. Auditors are gathering information and drafting the report. Final report will be available after the results of the special assessment are documented. This will be posted on Div. 7's website. The Communications Committee will send out an email to all when it is ready. There was a comment from the audience asking who does our audit report - answer is Newman and Co. CPA. The Reserve Study Audit is done by Reserve Associates.

Treasurer Report by Carol Stults:

Financial Updates

- Monthly financials – through August 2022.
- Bank balances reflect \$83,041 in checking and savings, and a total of \$296,550 in Reserve accounts.
- Major operational expenditures in September included \$20,812 for the gutter reconstruction and replacement fascia for 108 building and \$3,326 for the new gutter installation.
- Outstanding Annual Dues Assessment through today total only \$1,014 past due. Accounts overdue for 30 days have been charged interest of 1% as allowed in the RCWs.
- 4th quarter dues reminder has been sent – and those who do not have email or are new to Hilltop have been given a hard copy of the invoice, as well as anyone who requested it in response to the reminder email. This system appears to be working well, with few glitches.

- Reserve expense in September was \$74,000 from the composite Roof Reserve account for 108 re-roofing project. September Reserve receipts include \$1,050 on 9/29/22 for the Tile Roof Special Assessment which will be transferred from checking to Reserve in October. Reserve outstanding payables include only 1 Tile Roof Special Assessment account for \$4,569, this is due 5/31/2023, as well as a transfer to the Road Reserve of \$3,500 to be reviewed and approved by the Board this fall prior to year end – and transferred by 12/31/2022.
- 2022 Budget status – we anticipate being at least \$7,000 over budget, attributed totally to the replacement of rotted fascia and underlayment wood for 108 building and gutter repairs due to winter ice damage in January. Budget for Maintenance and Landscape was adjusted in the summer – removing \$15,000 for Landscape and adding it to the gutter needs for Maintenance. The financial documents do not reflect this change, but the cash flow document does.
- The Secretary of State report is now confirmed completed. Their online system was down this year, due to technical upgrades on the State’s website, and the notices we received saying we had not filed were in error. A letter stating our report status as complete was received.
- **Cash Flow:** You have been given the current estimated cash flow through August 2022 and budget predictions. We anticipate having a total of \$43,267 in the operating accounts at year end (not counting any prepayments of 2023 dues). The cash flow document and the budget allows the Board to track all committed 2022 expenses to ensure our operating cash is sufficient to complete the project in 2022.
- **DRAFT Budget – operating and reserve:** as noted in your Annual Meeting packets, the 2023 budget will be approved at a Special Owner Meeting on November 17 at 4:30pm prior to the regular Board meeting.

Questions from the audience:

1. What is the \$7,000 under Professional Services on the 2023 budget? Carol S. answered that this money is for hiring a part time person to do some of our admin work.
2. Why is mulch \$10,000? Steve L. answered that the costs have risen and we are choosing priorities while keeping our grounds beautiful. Question - how do we choose priorities? Glass replacement vs mulch? Joel O. answered that we choose priorities starting with safety first for our owners and community and go down the list with that priority in mind.

- **Special Assessment – Comp Roof:** as presented in your packet. We hope that this was informative.

President, Steve Lavelly, called for all votes to be turned in: The Annual Meeting Ballot vote count for proposal of the special composition roof reserve showed 41 yes votes and 2 no votes. The vote passes. The vote count for open Board of Director positions passes, welcoming David Lotzgesell and Katie Venator. Thank you all for being here and thank you owners who sent in proxy’s to be included in the vote count.

Maintenance:

Maintenance Priorities 2022:

1. **Roofs** – Keeping roofs repaired and replaced (when needed) must be the top priority for Maintenance, as it affects the safe living conditions of the residents and repairs to the interior of the units is costly if maintenance of roofs is not a continuing priority.
2. **Gutter repairs and replacements** (when needed) – Gutter issues can also affect the interior of the units due to leaks. In December 2021 and January 2022 we experienced significant record-breaking temperatures that resulted in damage to many gutters – particularly older gutter systems. Gutters must be kept free of debris by regular cleaning, repaired where the gutters are damaged by ice or snow, and replaced if old and no longer in working order. Melting and refreezing of dripping icicles from gutters onto pavements is a considerable liability risk as well.
3. **Decks, Fences and Privacy Walls** – Priority must be given to decks that represent a hazard to residents from rotted beams and decking. To save on long term maintenance costs, Trex is now used and paid for by Division 7. Fences and Privacy Walls are secondary to decks for repair/replacement. Because of rising lumber costs, cement is preferred for south side decks that are ground level, due to minimal maintenance costs.
4. Any repairs that create a hazard to owners, creating potential liability.
5. **Drainage and Storm Drains** – funds should be used each year to ensure adequate water drainage and storm drains are free of debris. Landscape budget is used for drainage from irrigation lines.
6. **Exterior Painting** – Painting schedule needs to be updated for annual review of whole building painting required. Siding and privacy walls/fences should be inspected annually for spot painting to minimize any damage and lower the need for full exterior painting.
7. **Road maintenance** – Division 7 must maintain road crack repair to extend life of the asphalt for 8-10 years. Review of our road by professionals confirmed the importance of not leaving cracks open to rain, in order to get the most out of the asphalt surface. Regular road repairs should be considered if they represent significant dips or hazards to cars and pedestrians.
8. **Mailbox repairs**
9. **Driveway Repair/Replacement** – driveways and walkways represent a significant expense. Replacement of a driveway should be done only after an evaluation demonstrates a hazard to the owners and their vehicles. All effort should be made to repair driveways where cracks and buckling is done, rather than a full replacement. Driveways are not to be repaired just for aesthetic purposes.
10. **Glass replacement** – Replacement of glass when seals are broken is the lowest priority for maintenance budget dollars. A waiting list is kept by the Maintenance Director after review of the

glass and bids are received. The budget is set each year and once the funds are used for those on the top of the list, the remaining requests will be handled in subsequent years.

2022 Operating Maintenance Projects

- Decks repaired or replaced – 5 decks were repaired or replaced - 121B, 137A(cement), 126B, 126C, 116A. **Question from Audience:** How will dryer vents to the outside wall work with the cement decks? Joel will check on this and let us know.
- Privacy walls repaired – work was done on 7 privacy walls
- Gutters repaired or replaced – 126, 161, 108, 157, 133 north/sides, 119.
- Gutter reconstruction converting from embedded gutters prior to roofing – 108 Hilltop building
- New Roof & Gutters – 116, 126
- Glass Replacements – 138, 126B; 7 requests for glass replacement remain on the list.

2022 Reserve Maintenance Projects

- 108 Reroof building project (\$74,000)
- Road repair to areas where sinking and tree roots had done damage. This prolongs the life of the road which is estimated to need replacement in 8-10 years. (\$5,900)

Pending projects remaining

- Drainage – installation of French drain/drain field repair –117A ; In preliminary talks with contractors and SLOA - possible 2023 project / 2022 if budget remains to do the work once the bid is in.
- Glass Replacement – 134A
- Gutter replacement for 116 (prior to roofing) – will be done in 2023.
- Skylight repair – 125B – need to find contractor who will repair
- Siding repairs – 126A east wall and 126B Patio area and 108A patio area– rotted areas that need to be repaired. One bid received – possible 2023 projects.

Landscape Report by Steve L. and Rob B.: We are still looking for a Landscape Director or Assistant to Director (or volunteer) to oversee small sections or quadrants of Div. 7. Please let us know if you are interested.

Pests: We have found both a trapper for raccoons and a person to trap moles. She has trapped 3 moles so far and will move to new areas the first week of October.

Irrigation: We have had Sanford Irrigation out multiple times to fix breaks in lines, replace broken heads, and adjust automated systems. We have two (2) automated control boxes that need to be replaced on the west end of Hilltop. Sanford will do the work. Since we are at the end of the season nothing will be done until spring of 2023. **Audience asked:** Are the sprinklers working? Steve L. said most have been turned off for the year. All sprinklers on the North side of Hilltop are turned on manually and repairs need to be made on several sprinklers on the South side. We will replace and update the system as we have money. **Audience asked:** What is going on with the grassy area in front of the pool? Steve L. said he and Rob met with SLOA to talk about taking care of this area. A

small portion is Div. 7's while the largest part is SLOA's responsibility. They are hoping the clean up will start soon.

Trees: We had one tree next to 156-D which Arbors Edge Tree Service cleaned up dangerous branches and did an overall safety check of the tree. He felt the tree was in good condition and didn't need to be taken down.

Shrubs & Bushes: Because of the harsh winter we lost several large to medium bushes, some of which have been removed and will be replaced by spring of 2023. We have others that still need to come out. Thanks to Bob Lemaster and David Lotzgesell for doing this work for the H.O.A.

Landscape Contract: A one-year extension with Ambro's Landscape has been signed. The new monthly cost is \$4,350.00 plus tax. It has been added to Ambro's contract that he will pick up garden waste from the four garbage cans at our dump site the 1st and 3rd weeks of each month, he will also pick up overflow of larger limbs.

Landscape has had a turnover of directors this year for a variety of reasons. So, Rob Baer and Steve Lavelly as Board members have picked up the slack. More importantly we have had several homeowners step up and help with manual watering, pruning, and removing and replanting of shrubs and bushes. We thank the following people Rob LeMaster, David Lotzgesell, Tony Cline, Carol Stults, Barber Powell, Ted Foster, Debbie McGehee, Nancy Baer, Patty Lavelly, and Richard Streeter. I know we have helpers that I have missed so please forgive me.

Data Committee by Rob Baer:

Keeping accurate records of maintenance/landscape reports is an important function of the Homeowners Association. Like meeting minutes, repairs, changes, etc. by the HOA or the individual owner to each Unit is essential information to retain for the Association, to operate properly. Recent history is often known, but in years to come a written record will be a valuable resource.

The last few years we have used a computer database (Db Pros) to track maintenance/landscape information. The database has cost \$612.00 per year to allow two people to input and access the data. The work is labor intensive, and we don't make use of all aspects of the database. It has been decided to end the subscription at the end of the year, which will save the subscription cost. The data that has been entered into the system is retained by the HOA in a computer readable form. Because the continued record keeping is important, we will be looking at other options to track maintenance/landscape information in the future.

Insurance Committee by David Lotzgesell: David let us know that Bob LeMaster took Div. 7's insurance policy over to his personal insurer to get a quote and to see if our rates were competitive. His personal insurance carrier told him that we (Div. 7) had excellent insurance coverage and pricing. Thank you Bob for checking on that for us.

Governing Documents Committee by Carol Stults:

Committee Accomplishments

- For the past 2 years the Governing Documents Committee has worked to bring our documents up to date with current practices, reformat the documents so they are easily understood and readable, and to clarify some of the roles and responsibilities of the Association. The result has been a vastly improved Declaration/CCR document that was filed with the County, and updated Bylaws that now contain the full extent of Board Responsibility. Both of these revised documents are on the website.
- **Rules and Regs** – The Committee's last task for now is almost done! The committee is meeting the 2nd week of October to finalize the updated Rules and Regs for review and possible approval by the Board at the October Board meeting. Updates include reformatting for easier reading and understanding, as well as clarifying the Rules for Owners, again based on current standards being used. Once approved by the Board, the Rules and Regs document will be provide on the website for the Owners use.

Communications Committee by Carol Stults:

- Newsletters will be sent out. David L. suggested noting that there is no parking in the grassy area by the pool now that it is closed. If homeowners have any suggestions please let Carol know for the Newsletter.
- Email communications updates – use of Owner email accounts

Emergency Preparedness Committee by Joel Ogden:

Update of meetings. Joel stated the importance of being prepared for snow, power outages and emergencies.

New Business: Audience member suggested that all exterior front and back door steps and/or porches should have hand railings for safety. Joel will look into this matter. Particular porch in question was for 119C.

Old Business: Steve L. reminded everyone that the Bylaws were changed from 7 to 9 members for the Board. We can use any volunteer help and please encourage your neighbors to volunteer. **Audience comment by Penney Van Vleet:** Colleges and High Schools have internships where we may be able to find possible helpers. Penney volunteered to get contact information for the Board and would volunteer to lead this. Steve stated that our insurance liability could be a problem but we can definitely check into it and bring it up in our next meeting.

Adjournment: Meeting adjourned at 6:30pm

MOTION made to approve minutes as presented via email by Carol S., Seconded by David L., all in favor voting yes. Motion carries.

