

Sunland Condo Owners' Association Division 7
Board of Directors Meeting
January 19, 2023, 4:30 PM

Gathering Place

Certification of Quorum: In person attendance; Rob Baer, Katie Venator, David Lotzgesell. Joel Ogden., Carol Stults., Kelly Foster (after Board appointment) and via phone Scott Bower.

Call to Order:

- Rob Baer, President

President's Comments:

- Praise for the quick response by owners and Board members to inquiry re. fuse box brand by CAU insurance staff.

Secretary's Report:

- Approval of the December 15,2022 minutes. Rob made a MOTION to accept the latest email, Katie seconded, with all in favor voting yes. Motion carried.

Treasurer and Finance/Audit Committee report:

Monthly financials

- **Sound Bank** – as of today, Jan 19
- NOTE: First Federal Checking and Savings accounts are now closed and deposited fully in these two accounts at Sound Bank:
 - Checking and savings balance combined - \$102,951.
 - Savings currently is \$4,997.

We have kept a little over \$11,000 in savings in the past, which we have not touched in at least 5 years. Treasurer recommends that we keep only the approximate \$5,000 in savings for now – or even abandon having savings and transfer that amount to either checking or to our Emergency Reserve. Reminder that we can easily transfer money from Emergency Reserve to checking at any time. Another option would be to purchase another CD with the savings account (current rate is 3.3% for 3 months or 3.5% for 6 months). MOTION was made and seconded close the savings account at Sound Bank, and move the savings account balance to the Emergency Reserve. Motion passed.

 - **Emergency Maint/Landscape Reserve** balance is \$28,586.17.
 - **Total Comp Roof Reserve** balance is \$94,214.43 including:

- Comp Roof Reserve MMKT balance \$9,893.55
- CD – Comp Roof Reserve (6 months) \$93,000.00

- **Kitsap Bank – as of Jan 1, 2023**

- Total **Tile Roof** Reserve is - \$84,731.25 including
 - Tile Roof Reserve MMKT balance is \$10,733.53
 - CD Tile Roof (14mos) is \$73,000.00
- Total Road Reserve is \$71,406.09 including
 - MMKT balance is \$13,733.53.
 - CD Road Reserve balance is \$61,000

Total for all Reserves is **\$284,724.48.**

• **Dec 31st financials reflect:**

- Aging – we have \$37,917.50 of prepaid dues and special assessment payments.
- We have NO accounts past due.
- There is one outstanding invoice for the Tile roof special assessment from 2019 – which is not due until May 31, 2023.

• **Significant invoices** paid since our last Board meeting include Ambros and Sunland Water.

• **2022 Surplus Funds calculations:** The calculation for 2022 operations surplus funds is based on allowing us to retain 25% of the next year's budget totals (\$63,870) and transfer to reserves anything over that amount. Currently our adjusted operating balance as of 12/31 is \$56,923, after deducting prepaid 2023 dues/assessments and uncleared checks. Since we are allowed to retain \$63,870 in operating accounts, we will not be required to transfer any operating to reserve accounts this year. We can monitor later in the year and see if our cash position would warrant making a reserve transfer, especially after most major projects are completed.

• **2023 Budget** – Copies of the 2023 budget were presented to the Board – and are to be used throughout the year as a benchmark for spending. Members were asked to keep this copy in their Board book for reference. Note the new accounts that were created in 2022 are listed so that you can use to charge expenses correctly.

• **Business License** – The application for a Business License is on hold as all of the owners are complying with using correct association name. The Treasurer can bring up our application which is complete at any time and submit it online, if needed. Incoming checks will be tracked carefully if there are any further issues in the entity written on the check, and are will also be checking all financial documents and reports – including Reserve studies and governing docs to ensure consistency in our legal name for now.

- **Monetary Policy** – The Finance Committee will be reviewing and updating the Monetary Policy in the bylaws and making recommendations for any updates.
- **Audit 2022** –The 2022 Financials will be sent to the auditor hopefully by Jan 31st. The Treasurer did make it clear to the auditors when we sent our commitment letter, we want to complete the audit in a timely manner this year – hopefully complete by May 1. The auditors will file an automatic tax return extension so that we have until August 15th to file, but hopefully the audit could be done in time to file our tax return by April 15th.
- **New Owner – 147 Hilltop** – Joe Hallberg, who currently resides in Tacoma. He will be doing some renovations but will be moving in as soon as those are completed. Social Committee has been advised.
- **Confirming ownership** – Discussion was held on how best to verify the legal owners of each unit. Units purchased in the last five years are accurate. We need to ensure that votes and invoices are sent to owners only.

Landscape Report:

- **Landscape Report:** Kelly Foster was nominated for second position on the Landscape Committee and accepted by a unanimous vote.
- Scott reported Jason is working on storm clean up on the street and pruning at 161 and 163. Unit 108 and 148B have broken sprinklers but can wait until spring when irrigation will be turned back on.
- Kelly will be the contact person to engage a new mole trapper and ensure necessary forms are in place. Rob will retrieve mole traps and buckets and store them at Scott's home.
- Scott will donate several large bins for yard waste in addition to those already in place. Stickers will be applied to the bins (see December 15, 2022 minutes).

Maintenance Report:

Update on recent projects.

- Joel confirmed the project for filling road cracks is scheduled. This was approved in 2022.
- Roof and gutters at 116, and gutters at 125, 133, 140, 142, and 138 will be addressed. A payment of \$515.85 was moved, seconded and passed.
- Owners need to remember to cooperate with our contractors who are hired by the Association, and not to confront contractors personal, but to contact the appropriate Board member for assistance in communicating to the contractor. Owners are not to authorize additional work but need to speak directly to Board members if an issue arises or additional work needs to be done.
- Window glass replacements are set for 119B and C, 108A, 134A, 138, and 126B.
- Estimates are being sought for deck work at 137C and D, and 119C for Trex or concrete.
- The new Reroofing Schedule for 2023 was present, Motion was made and seconded. Motion passed. It will be added to the Bylaws.

Data and Records Committee:

- Our data center has been notified that we wish to end the monthly subscription fee for online access, and keep records on a laptop or PC. This is being investigated so that we secure the data on a computer or external drive for our use.

Communications Committee/Newsletter:

- Newsletter – next issue will be delivered Feb 13th.
- Business cards – Some business cards have been printed, but they aren't the final design. Will work with others to confirm the best simple design and will print them in house to avoid any cost.

Welcoming & Social Committee:

- A successful holiday party was held with good attendance, excellent food, and fun.

Governing Documents:

- The final form of our Rules and Regulations was presented by Carol for approval. Discussion on the adjusted penalties and enforcement of Division 7 and SLOA regulations followed. A Motion was made by Scott Bowers to adopt the Rules and Regulations as presented and was seconded by David. Motion passed. Carol, Nancy Baer, and Margaret Cos were thanked for their work for the past 2 years on the governing documents.

Nominating Committee: No report

Insurance Committee: Should have an estimate by mid-February.

New Business:

- None

Old Business:

- None

Next Board Meeting:

February 16, 2023
4:30 - 6:00

Adjournment: 6:10 pm