

Sunland Condo Owners' Association Division 7
Board of Directors Meeting
August 17, 2023 - 4:30 PM, Gathering Place

Minutes

Certification of Quorum: In person attendance; Rob Baer, Katie Venator, Joel Ogden, Carol Stults, Kelly Foster. No Owners were present.

Call to Order:

- Rob Baer, President; quorum was established.

President's Comments:

- Rob thanked everyone for their volunteer efforts as Board members.

Secretary's Report:

- Approval for the July 20th minutes: Carol Stults made a **motion to accept the minutes as last presented to the Board, and Joel Ogden seconded the motion. The motion was approved unanimously.**

Treasurer and Finance/Audit Committee report:

Monthly financials – balances as of 7/31/2023

- **Sound Bank** – Total of accounts at Sound Bank - \$215,319.50
 - Checking balance \$99,888
 - Emergency Maint/Landscape Reserve \$33,605
 - Total Comp Roof Reserve balances TOTAL \$81,826.53 includes:
 - MMKT – \$31,826.53
 - CD expires 5/27/2024 – 11 months - \$50,000 **earns 5.15%**
 - Comp Roof CD for \$25,000? Rate is still at 5.15% for 11 months. This would limit roofing reserve expenses to after May 31, 2024 if required. Motion?
- **Kitsap Bank** – Total of account on deposit is \$168,006.80.
 - Total **Road** Reserve is - \$75,978.75 including
 - Tile Roof Reserve MMKT balance is \$13,925
 - CD Roof Reserve - \$62,049 (matures 1/25/2024 – rate is 3.44%)
 - Total **Tile** Reserve is \$93,750.88 including
 - MMKT balance is \$17,772.13
 - CD Tile Roof is \$74,256 (matures 1/25/2024 – rate is 3.44%)
- Per last months Board approval, CDs will be purchased/finalized tomorrow as follows:
 - \$12,000 Tile Roof Reserve CD from Tile Roof MMKT
 - \$8,000 Road Reserve CD from Road MMKT

- \$22,000 Comp Roof Reserve CD from Comp Roof MMKT.

Total for all Reserves as of 7/31/2023 is \$284,247, and income for the remainder of the year includes interest earned plus \$3,500 road reserve allocation to be transferred in October/November time frame.

Cash flow estimate through 8/30/2023 – reviewed expenses to be paid through end of August. Cash balance at end of 8/30/2023 is estimated to be \$76,392.

Reminders on budget vs actual and cash flow:

- Div 7 is not going to use the \$6,000 budgeted for a clerical assistant this year. That can be repurposed wherever budget categories are spent or overspent.
- AND if needed the Emergency Reserve can cover some of the \$12,404 spent on emergency repairs at 116, if necessary. Recommend waiting to see until October where the cash position stands after 4th qtr revenue is received and most expenses for maintenance and landscape are resolved.

Aging – All invoices for the special roof assessment are paid.

Two accounts for 3rd quarter dues are past due– emails were sent yesterday, and one owner has called and reported sending a check. A letter with an update invoice showing added interest will be sent at the end of August per our usual practice. Otherwise, no past due accounts exist.

- **Finance Committee Update** – The Board and Finance Committee met in a working meeting to review options for building up reserves, as well as initial 2024 budget planning.

The Committee is putting forth

1. A recommended operating budget that shows a 3% increase in dues. Note the changes made include a 20% estimated increase in insurance – we should discuss the options now based on the meeting on Monday, which appears to indicate close to a 30% increase, because we had no increase last year – more will be discussed under Insurance. It may be difficult to keep the operating budget the same as 2023 with no increase due to the insurance costs for 2024. Review of additional items....questions?
2. Two recommended options for Annual Roof assessments as shown on the documents provided. It is recommended the Board consider only increasing Comp Roof by 3x the current rate, and the Tile Roof annual assessment be increased to \$500 per year from \$350.

My research on the past amounts charged for comp roof annual assessments confirmed that the total annual roof assessment from all 56 units with comp roofs was set at \$12,990 in 2006 and has never changed. The Consumer Price Index has risen 56.5 percent since that time, which means we need to be putting at least \$32,384.87 to stay even against the cost of roofing.

Landscape Report:

- Report on Jason and James work – they are working hard and crossing off a lot of the requests that have come in. Positive feedback from the Board members was noted – Jason is definitely more effective and working hard.
- Contract for 2024 with Brett from Peninsula Water Solutions was discussed – Kelly will report with draft proposal to ensure that we have Brett to assist with irrigation repairs including spring start up and fall shutdown.
- Moles and raccoons – Katie has caught some moles but is adding more traps based on Requests. There still has been no solution to the raccoon situation, as long as there are babies they can't be trapped. No response from Fish and Wildlife.

- Arborist is coming to review the trees by 117 and others. Will report back to the Board on results of the meeting.
- Kelly gave updates on Service Requests. Some pending issues were discussed further:
 - a discussion of the conditions noted in a neighbor request regarding a unit's south patio and surrounding landscape conditions. Notifying the Owner was discussed, as there is a tenant in residence, and a draft letter will be sent out for review.

Maintenance Committee:

Maintenance updates:

- 137D – railings and west side wall reconstruction. Still waiting on final bids from Allen Hunt for railing - calling additional contractors to see if we can get someone out to complete.
- Road Repair completed – some areas need patches – not more crack seal but Joel will review options for larger patching to be done where there are a lot of small cracks.
- 121A driveway – one long crack will be sealed by Joel or Steve Carr. The larger patch area of 121A driveway needs to wait until we patch other areas – Joel will call Lakeside and get an estimate for the patches needed, including 121A driveway, 108 Driveways, 156B tree root, etc.
- 142B – Eric Godfrey - privacy wall repair needs to be done.
- 145 Hilltop – gutter loose will be fixed by Steve Carr.
- 155 Hilltop- Steve Carr will look at the issue and paint the siding where shrub was recently pruned.
- 133D Paint was delivered by Steve Carr as requested by owner Teri Ward.
- 134A – still seeking more bids on the railroad tie replacement – first bid was \$4,000 which is too much. Joel will inform the residents that it will be next year before the work can be done due to budget constraints.
- 134B – evidence of leak in closet ceiling interior was determined to be old from prior leaks that occurred before reroofing in 2020. No leak on roof is detected.
- 156D – Joel or Carol will email the Owner to let them know of possible issues with the supports under the sunroom, as well as the runoff from the sunroom causing issues with 156C privacy wall.

Data and Records Committee:

Carol will write to the Database company one more time and try to resolve the issues of transferring out of the Online version.

Communications Committee/Newsletter:

- Newsletter – next issue will be delivered September 18th
- Owner list/Emergency number contact sheets. A draft contact sheet will be ready for Board review in September, and will be included in the packet of information/ballots for the Annual meeting in November.

SLOA REPORT – Katie will report when next meeting is held.

Welcoming & Social Committee: No report

Governing Documents: The Gov Documents committee met and compiled a draft list of Responsibility definitions. Additional info will need to be added as you review the copy and send any additional

suggestions. They will also be reviewing the Governing Documents to assess whether additional insurance information and regulations are needed. This includes the CCRs, Bylaws and Rules/Regs.

Nominating Committee: Katie is chairing the Nominating Committee, with Debby and Joel McGehee as volunteers as well. The Board discussed options for how to attract more volunteers. Kelly offered to assist with a write up or Frequently Asked Questions that could be given out to Owners.

Insurance Committee: The Board discussed the meeting with Dianna Kaspar from CAU. The presentation was well attended, and Dianna did an exceptional job in communicating the difference between what is insured and who does maintenance.

The renewal estimate from Dianna indicated our insurance may go up as much as 30%. Rob will set up a phone call with her to discuss options for raising deductibles as she recommended as well as any other ways to cut costs.

New Business:

Old Business: Final bids and votes on work mentioned in the August Board meeting as follows:

- **Sept 8, 2023: Review of bids for work on branches and one small tree removal between 119C and 121A by Arbor's Edge.** Bids were sent to Kelly from Arbor's Edge in the amount of \$4,150 to include Pruning and Maintenance of limbs and removal of one pine 14-16 inches located between 199 and 121. **Motion was made by Carol to approve the bid presented by Arbor's Edge; seconded, and motion passed unanimously by email vote on Friday, 9/8/2023**
- **Sept 9, 2023: Review of bids for 137D projects (railing for porch and patio/wall repair due to leak):** Bids were sent to the Board from Allen Hunt for the 3 projects for completing work at 137D. Back porch railing was bid at \$1,087; West side porch railing was bid at \$3,641; Repair of west wall by side porch needed due to leaks from gutter bid at \$6,364 (emergency reserve expense). **Motion was made by Carol Stults to approve the bids as presented. Seconded, and bids were approved unanimously by email vote on Saturday 9/9/2023.**
- **Sept 14, 2023: Review of bid for 137D emergency west wall repair due to rot and leak from window.** Bid was received for additional funding to repair more of the west wall on 137D than was originally thought. A new bid is for \$16,250 as a worst case scenario. Some of this work will negate the need to invoice for the Sept 9 estimate of \$6,364 for the northwest corner repairs. **Motion was made to accept the bid of \$16,250 for the emergency repairs on the west side wall surrounding the window at 137D. Second was made and motion passed unanimously by email vote on 9/14/2023.**

Next Board Meeting: September 28th at 4:30pm **(NOTE this is a DATE CHANGE!)**

Adjournment: Motion to adjourn was approved.

Minutes submitted by: _____

Carol Stults, Secretary/Treasurer