

Sunland Condo Owners' Association Division 7
Board of Directors Meeting
July 20, 2023 - 4:30 PM, Gathering Place

Minutes

Certification of Quorum: In person attendance; Rob Baer, Katie Venator, Joel Ogden, Carol Stults, Kelly Foster. Owners present – Nancy Baer, Toni Cline

Call to Order:

- Rob Baer, President; quorum was established.

President's Comments:

- Rob presented some pictures of the 4th of July picnic.
- Photos of irrigation boxes were reviewed and discussed including identification of valves vs solenoid. It was agreed that a manual showing photos for each control box and irrigation section to document the entire system, including maps. Joel suggested numbering the box so that there is reference point to what zone is covered by that box. The Board agreed this was needed. Kelly asked to hold further discussion until her presentation for the Landscape Committee.

Secretary's Report:

- Approval for the June 22, 2023 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 7/20.2023

- **Sound Bank** –Total of accounts at Sound Bank - \$241,561
 - Checking balance \$125,331
 - Emergency Maint/Landscape Reserve \$33,601
 - Total Comp Roof Reserve balances TOTAL \$82,630 includes:
 - MMKT – \$32,630
 - CD expires 5/27/2024 – 11 months - \$50,000 NOTE: Investment for Comp Roof Reserve – CD was completed at 5.15%
 - All Special Comp Roof assessments paid in full as of 7/17/2023
 - Do we want to purchase another Comp Roof CD for \$25,000? Next roof will not be done until 2024 and maybe not even then. Rate is still at 5.15% for 11 months. This would limit roofing reserve expenses to after July, 2024 if required.
- **Kitsap Bank** – Total of account on deposit is \$167,998.
 - Total **Road** Reserve is - \$75,974 including

- Tile Roof Reserve MMKT balance is \$13,925
- CD Road Reserve - \$62,049 (matures 1/25/2024 – rate is 3.44%)
- Total **Tile** Reserve is \$92,024 including
 - MMKT balance is \$17,768 (\$4,569 final pymt dep of spec assmt)
 - CD Tile Roof (14mos) is \$74,256 (matures 1/25/2024 – rate is 3.44%)
- Do we want to consider CDs for \$8,000/\$9,000 for Road and Tile Reserves? The current best rate at Kitsap would be 4.26% for 11 months. Since we do not anticipate expenses other than the road repair in 2023 we could consider that. Bid for road repair from Rainbow Sweepers for \$3,267.00 for 2023 which is only Road Reserve expense expected.

Total for all Reserves as of 7/20/2023 is \$284,229, and income for the remainder of the year includes interest earned plus \$3,500 road reserve allocation to be done in November.

Motion was made to purchase a CD for up to \$12,000 for Tile Reserve and for up to \$8,000 (NOTE: amended by vote to \$10,000 due to bank requirements) for the Road Reserve at Kitsap, and CDs for up to \$22,000 at Sound Bank for Comp Roof Reserve for 11 months. Katie seconded. The motion was passed unanimously.

Cash flow estimate through 7/31/2023 – reviewed expenses to be paid through end of July. Cash Balance in operating estimated at \$86,017 at end of July, if all 3rd qtr dues are paid.

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 is needed, which can cover some of the extra emergency expenses of 116 (\$12,404).**
- **AND if needed the Emergency Reserve can cover some of the \$12,404 as well, 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.**

June 30, 2023 financials reflect:

Agging – The accounts listed as unpaid as of 6/30 for the special roof assessment have now been paid. Postal delivery is lagging a great deal – and many of the payments were sent in the last week of June. All tile roof and comp roof special assessments are now paid.

- **Audit 2022** – The Final Draft of the 2022 audit has been received – tax return will be sent next week by the CPA firm. We passed with flying colors. Audit is posted on the website for all residents. Tax payment will be remitted by end of July. Estimated taxes to be sent in September (\$750) and December (\$250) for a total of \$1,000.
- **Audit 2023** – Engagement letter was sent from Newman and Associates for 2023 Audit to be done in early 2024. The price is \$3,000 (up \$200 from 2022 Audit). **Motion was made by Rob Baer to engage with Newman and Associates for the 2023 Audit in the amount of \$3,000. Second by Carol. Motion passed unanimously.**
- **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. Next working meeting may need to be schedule in August vs late September with the Board attending. The September Board meeting has been moved to

Thursday, Sept 28th due to Board member travel schedules. Board members will confirm calendar limitations back to Carol.

Final 116 Roof project costs: Here is a summary of the final costs:

- Total Comp Reroof Reserve Cost - \$78,302.88 (reroofing expense which was estimated to be \$75,000) paid for from Comp Roof Reserve Account.
- Total Gutter construction/installation – \$12,598.26. (NW Gutter Pro \$2,598.26 and Nailed it Roofing \$10,000) Paid from 5150 Gutter operations account.
- Total emergency siding/beam repair – Paid for from Operations 5145 Emergency Repairs - damage due to leaks from gutters- \$12,404.14. No actual roof leaks detected. This can be expensed to Emergency Reserve at a later date in 2023 if required.

Landscape Report:

- Katie and Kelly will do a walk around tomorrow to document any issues.
- Big news on timers from Brett from Peninsula Water Solutions repaired the first island – he now installed a Noid device (a wireless irrigation system device/valve controller and flow meter - <https://noidtech.com/professional/>) which we can use for any of the systems that have solenoids. No electricity is required. The question was asked if we can remove the old timer box – still to be determined. The whole island is working well now and greening up. The cost was under \$500 which was determined to be reasonable. We will be limited to using this solution only if there is a particular solenoid. While we can't do them all at once, we can afford to convert a lot the manual ones to this option. The park area between 116 and 126 only has valves. But 108/116A system could be converted using this device. Need two people to coordinate as the sprinklers are far from the controls in many places. Kelly will use budget dollars as available to convert where possible.
- Brett is also working on the list as requests come in. Kelly is tracking all completed requests in her Landscape report.
- Volunteer coordination for turning on the manual sprinklers is now managed by Kelly and Katie. The section around 126 building may need additional volunteers to assist.
- Some sprinkler issues on the east side of 142 but the sprinkler heads are buried. Other areas that are now fixed include the park area between 116 and 126 which is now green due to greater frequency of watering.
- A landscaping plan for 163 south side slope was discussed. Water may be available by adjusting sprinklers on the south system; front system is a drip system and getting a bid would be a first start to negotiate with them on adding sprinklers there.
- Raccoons were discussed again. Now that there are babies we can't do anything. Katie, who captures the moles, does have a trapping license. Carol agreed to call Fish and Wildlife to see if someone could come out and discuss it with Kelly.
- Bark was discussed and cost was confirmed to be close to budget of \$12,000 if all is done in the front yards. Kelly reported this was a low priority based on other pending budget expenses that are necessary and not optional. It was felt that best to explore having mulch delivered for those want to use it on their own. Perhaps we can survey the owners to see if that cost is ever warranted.
- Trees were discussed – arborist will be called to assess, particularly the white fir very closely behind 117D. There are other trees that are too big for Jason to prune, such as the ornamental cherry tree right by 117, which is covering half the roof now and needs to be pruned by an expert. Another tree near 155 located on golf course property will be reported to them as possibly dying or diseased. It

will be up to the Golf Club to address. We will have an arborist look at it and send his report to the Manager with a photo.

- 121B reported no plants off her deck – Kelly will possibly be putting in heather.

Maintenance Committee:

- 116 Reroofing is complete. Some trim painting will be done now that the new gutters are being done today. This was the largest composite roof in the division and the most complicated. All beams that were rotted on the top were repaired and repainted.
- Jim Byers of Nailed IT Roofing checked out the next 10 roofs scheduled to be replaced to assess their conditions. 126 roof isn't in good shape but it will last 1-2 more years – no areas of leaks were seen. We are discussing doing 126 in 2025 and revising the reroofing schedule. 126 reroofing will include removing embedded gutters which is the last building with that model of gutter installation. Expect more projections as we discuss the 2024 budget.
- August 3rd the road crack seal will be done. Carol will put out communications alerting owners. RSI Rainbow Sweepers is the contractor.
- In the Clear will begin doing the roof cleaning in the next 2 weeks.
- The bid for repair on the railroad ties on the east side of 134A was \$4,200, which we do not have budget for this year. Additional bids will be sought.

Data and Records Committee:

No Report

Communications Committee/Newsletter:

- Newsletter – next issue will be delivered Sept 18th.
- Reminders for payment of 3rd quarter dues will be sent on Friday July 21st.
- Reminders for the August insurance presentation will also be sent.
- Owner list/Emergency number contact sheets. We need to send out contact sheets for all Owners to ensure we are tracking emergency numbers and contact numbers. We also need permission to provide our email list to the CERT volunteers in Sunland for easy communication. We could include that as a question in the contact sheet (check box). It has been suggested that we do a new Owner packet for handing out upon closing of a sale or move in. Carol will submit a draft contact sheet to the Board for editing and approval.

SLOA REPORT – Katie reported from the SLOA meeting as follows:

- SLOA Reserve study indicated they will be at 42.5% funded at the end of 2023 but now they are at 42% funded vs being fully funded. They have almost \$400,000 in Reserve accounts. The pool continues to be the main expense for maintenance.
- Internet improvement was discussed at the SLOA meeting. Astound has brought in another access point through Sunland North, which will split the users through two portals, which might increase bandwidth. Fiber optics is still being pursued but barrier is crossing Sequim/Dungeness road.
- Garage Sale rules are changing. Details to be confirmed when final rules come out. Owners/renters could have 5 sales a year but no more than 5 sales per week can be scheduled. No signs will be allowed on Sequim-Dungeness Road.
- 2024 Budget – discussed having less than a 5% increase for 2024 (since inflation rate is 3.3%). Dues for 2024 will be \$350.

Welcoming & Social Committee:

- 4th of July went well. Very pleased with volunteer help setting up and taking down, as well as contributing to the potluck. Estimates for food will be adjusted in the future.
- Welcoming new owners – have met most of the people.
- Nancy noted that there are two American flags installed which Nancy thought might be against our Rules/Regs. It was noted it is not against Rules and Regulations to have a flag on the unit. If a flagpole on Common Area is being installed, it requires a Request to the Architecture Committee.
- Next event will be December 20th for Christmas Party.

Governing Documents:

The Gov Documents committee will be getting together in August or September to review potential changes in the Rules/Regs and the Bylaws that further define owner vs HOA responsibilities. Common Area and Limited Common area were discussed. Carol reminded everyone that Limited Common area is still 'Common Area' – but it is assigned for the use of the owner of that unit. The committee will present drafts to the Board by the September Board meeting, if not before.

Nominating Committee: Katie is chairing the Nominating Committee, with Debby and Joel McGehee as volunteers as well.

Insurance Committee: Update regarding our insurance agent the presentation regarding Insurance coverage for HOAs to Owners. The date is set for **August 14th at 1pm** and at least 3 other Sunland HOAs are attending. The meeting will be held in the Ballroom (which Sunland Golf is providing free of charge). The Communications Committee will put out a HOLD THE DATE notification as well as a reminder the week before. It was requested by a Division 7 owner that we record the meeting or provide it live on Zoom.

Estimate for 2024 Insurance has been requested for budget planning.

New Business:

- **Question from Toni Cline attending** – She requested that we install additional speed bumps on our street. It was suggested that we could ask the road repair company who are coming on August 3rd about creating some. Rubber ones might be less maintenance, but we need to use 'mound' ones not the bumps.

Old Business: No report.

Next Board Meeting: August 17th at 4:30pm **(NOTE this is a DATE CHANGE!)**

Adjournment: Motion to adjourn was approved.

Minutes submitted by: _____

Carol Stults, Secretary/Treasurer