

Sunland Condo Owners' Association, Division 7

Board of Directors Meeting Minutes

July 18, 2024 – 3:00 PM, Gathering Place

Minutes

Quorum present: Robert Baer, Katie Venator, Kelly Foster, Joel Ogden and Carol Stults: Board member Steve Lavelly absent.

Karen and Steve Tucker, owners, Nancy Baer, Scribe

Call to Order at 3:05pm

President's Remarks: It is encouraging that there has been discussion concerning Standard Operating Procedures for HOA committees to provide Best Practices standards. I look forward to continuing the discussion. Secondly, one of SLOA's automated speed signs will be installed near the green space for a while as soon as it is repaired.

Secretary's Report: Board minutes for 6/20/2024 had no changes. Moved by Carol to accept as sent, Joel seconded and passed unanimously.

Treasurer and Finance/Audit Committee report:

ACCOUNT Balances as of	07.17.2024	
Sound Bank	Balances	Totals
Checking account 0085		\$ 62,124
pending deposits		\$ -
Emergency Maint/Landscape Reserve 3402		\$ 27,645
Comp Roof Reserve - CD 1306	\$ 52,554	
Comp Roof Reserve - MMKT 7721	\$ 52,171	
Total Comp Roof Reserve		\$ 104,725
Total Acct Balances - Sound Bank		\$ 194,494
Kitsap Bank	Balances	Totals
Tile Roof CD 5129 - exp 1/25/29	\$ 76,580	
Tile Roof CD 5131 - exp 10/25/24	\$ 12,403	
Tile Roof MMKT 5119	\$ 7,543	
(includes dep of \$875.00 from 2nd qtr revenue)		
Total Tile Roof Reserve		\$ 96,526
Road CD 5128 exo 9/25/24	\$ 45,000	
Road CD 5132 exp 10/25/24	\$ 10,336	
Road MMKT 5118	\$ 8,654	
Total Road Reserve		\$ 63,989
Total Acct Balances - Kitsap Bank		\$ 160,516
Total - ALL Reserve Accounts		\$292,885.57
Total - All Oper and Reserve Accounts		\$355,009.88

<u>payee</u>	<u>amount</u>	<u>category</u>
Bell & Bell - June pymt	\$ 500.00	7020 Bookkeeping
Kate Adolphsen	\$ 170.00	5380 Pest Control
Ambro's Landscape July	\$ 6,157.38	5310 - Bark/5345 Shrub/5320 Grounds contract
Westend Home Services	\$ 217.20	5160 misc - mailbox roofing 147/149
Westend Home Services	\$ 543.00	5230 - Roof (155)
CAU - July	\$ 4,526.00	7050 Insurance
Newman & Company	\$ 3,000.00	7010 Audit
Peninsula Water (July	\$ 1,318.84	5340 - Sprinkler
Nancy Baer	\$ 239.91	7040 - Events
Carr Construction	\$ 1,177.81	5130 Patios/5160 Misc/5120 decks/5170 Painting
Total expenses	\$ 17,850.14	
6.15.2024 through 7.16.2024		

Note that 3 of the CDs mature in September and October. Sound and Kitsap Bank are expected to stay at almost the same rates for now. The first page of this financial report was sent to owners prior to the Board meeting, a new practice to keep the Owners informed of financial transactions earlier in the month.

Cash Flow--A deficit of \$7,000 is expected if all Landscape and Maintenance budgeted funds are expended due to costs from last year and unexpected maintenance and landscape costs. Some prepayment of 2025 dues will be received in December, keeping our cash position positive. Budgets reflect what is remaining to be spent after the expected expenses are paid. \$18,000 is left in the painting budget due to no building being painted except – maintenance is doing only touch ups after evaluating the units next up to be painted. The Cash Flow document (attached to these minutes) indicates how much budget is available for each section – Maintenance, Landscape and General categories. If we spend carefully for the remainder of the year, our cash position will hold.

Unit 147 reroof total cost was \$32,037 and the Finance Committee recommends to the Board to move funds from Roof Reserve to Operating Fund to cover that total cost (Operational funds were used to cover that cost initially). Maintenance has deferred replacing the front porch on 117A, which should give them additional budget to use on other projects.

Carol made the motion to charge Composite Roof Reserve Account the cost for 147 and replace in Operating Fund. Joel seconded and passed unanimously. It was noted that the Tile Roof Reserve Account is underfunded as well as the Comp Roof Reserve. Tile Roof Reserve income is \$3,500 per year paid for by 7 units at \$500/year. This and other financial matters will

be studied in the Finance Committee meeting which will be next month on the second Wednesday at 1:30 8/14.

Elizabeth Rosenberg has resigned from the Finance Committee feeling she could better serve elsewhere. Thank you for your service.

The 2023 Audit has been completed with high praise for a clean, precise, and accurate report. The auditors were asked remove the AJE requirement for Division 7 to label reserve accounts as “contractual liabilities” specifically, even though they are listed a liabilities. Keeping the specific names (Roof Reserve, Tile Reserve, etc) helps to avoid confusion for owners. The auditors will advise how best to reflect the reserve names in our records for clarity. No other action is required, and once the final copy of the audit is sent, we will sign the Representative letter acknowledging the completion of the 2023 Audit.

Taxes are done and submitted with a \$566 refund expected.

Landscape: The contracted services of Peninsula Water Solutions are deemed very helpful and worthwhile. Ambro’s Landscaping was charging for bark/mulch, which was not known, and Jason was told to not buy any more this year. Also, dead bush removal costs had reached an additional \$750 so Kelly has told him to stop doing so unless a work request has been submitted and approved by Katie or Kelly.

Unit 133D, Terry Ward wants shrubs (14 heather plants) across the building’s back yard, at her expense.

Katie reported on the continued contractor/proposal search for landscape projects. The 163 back slope may be done in two stages in the fall.

Irrigation consumption findings were reported by Rob based on SunLand Water Yearly Report. Division 7 has improved significantly on water usage due to new meters, repaired leaks, Peninsula Water Solutions assistance and volunteer water use managers. We used 760,604 gallons in 2023 and 260,691 gallons through June in 2024.

Maintenance: Cement decks are the preferred answer to aging decks, providing the HOA with little to no maintenance for at least 40 years. 137C will be the next deck converted to a cement patio, and will be completed this year. 142A had a drain problem found and repaired (proved to be irrigation leak). 161 driveway is being priced by competitive contractors with decisions on asphalt or cement. Driveway replacements throughout Division 7 in prior years have all been done as brushed cement, unless Owners wish to pay the price difference. 156C scheduled for deck work in mid-August.

SLOA: Sponsored Yard Sales need to go through the SLOA office. Plans are needed for Division 7 to manage traffic, depending on the number of units choosing to have a sale on Hilltop Drive on the two weekends designated. SLOA will advise us on the number of Owners registered with them.

Discussion continued regarding where to move two Division 7 file cabinets from SLOA offices, which have been sorted and cleaned out, leaving only necessary papers at this point. Deadline and plan to be determined.

Social Committee: Nancy Baer praised the Fourth of July and 50th Hilltop Drive Anniversary cooperation and fun shared by residents. The \$134 collected has been sent to Sarge's Place Veteran's Services for a Sequim facility.

Governing Documents: RE the Rules and Regulations edits: The Hold Harmless form, Owner/HOA responsibilities chart, have both been added to the R&Rs. The Finance Committee will work on the Monetary policy and file retention guidelines after the 2025 budget is set. We will need more information on insurance for both the R&Rs and the Bylaws – but will visit with our agent in August when she visits to finalize recommended wording re insurance coverage – both Owner and HOA. There was a discussion regarding rules re propane tank concealment as SLOA is overseeing notification to all Owners in Sunland, confirming Division 7 supports the SLOA rule re propane tanks. There was no need to specifically include it in Division 7 R&Rs.

Insurance Committee: Diane Kaspar from CAU, will be at the Golf Club Meeting Room August 23, 2024 at 1:00 p.m. Come with your questions to hear a very understandable speaker. This will also assist with our insurance questions.

New Business: Derek Brown's resignation from the Board was accepted after Katie moved, Carol seconded and it was passed unanimously. His Board participation was appreciated.

Reserve Study will require careful reading and planning to improve our ratings.

Adjourned at 4:50pm after motion by Katie, second by Carol, and passed by Board.

Old Business:

July Minutes addendum: MOTION made via email on 7/25/2024: Steve Lavelly, Chair of the Nominating Committee, made a motion to appoint Steve Tucker to the Division 7 Board of Directors, for a 1 year term to assist the Maintenance Directors. Motion was seconded by Carol Stults; motion passes unanimously.

Next Board Meeting: July 18, 2024 at 3:00pm.

Minutes submitted by: Carol L. Stults

Carol Stults, Secretary/Treasurer