

Minutes

Sunland Condo Owners" Association Division 7

August 15, 2024 3:00 pm

Present: Robert Baer, Katie Venator, Joel Ogden, Carol Stults. Steve Lavelly; Kelly Foster via phone in. Owners: Nancy Baer (Scribe). Quorum present.

President's Comments: A homeowner's association should always put the community's needs first and the decisions made on the budget should reflect that. A good way to reduce costs in the long term is to have an evaluation of your association's properties. Preventing problems is infinitely cheaper than remedying them and anticipating what those problems are is the first step.

Secretary's Report: MOTION: Motion was made to accept the July Minutes as reviewed by Board via email was made by Secretary Carol Stults, seconded by Steve and approved unanimously.

Treasurer's Report: The financial reports were presented including balances, remaining 2024 budget and estimated cash flow at year end.

Financial Report – 08/15.2024

<u>Sound Bank</u>	<u>Balances</u>	<u>Totals</u>
Checking account 0085		\$ 110,749
deposits after 7/31/2024		\$ 4,309.25
Emergency Maint/Landscape Reserve 3402		\$ 27,648
Comp Roof Reserve - CD 1306	\$ 52,759	
Comp Roof Reserve - MMKT 7721	\$ 20,142	
pending tsfr - 3rd quarter roof comp res inco	\$ 9,742.50	
Total Comp Roof Reserve		\$ 82,643
Total Acct Balances - Sound Bank		\$ 225,350
<u>Kitsap Bank</u>	<u>Balances</u>	<u>Totals</u>
Tile Roof CD 5129 - exp 1/25/29	\$ 77,174	
Tile Roof CD 5131 - exp 10/25/24	\$ 12,403	
Tile Roof MMKT 5119	\$ 7,545	
pending tsfr - 3rd quarter roof assmt	\$ 875	
Total Tile Roof Reserve		\$ 97,997
Road CD 5128 exo 9/25/24	\$ 45,240	
Road CD 5132 exp 10/25/24	\$ 10,336	
Road MMKT 5118	\$ 8,655	
Total Road Reserve		\$ 64,232
Total Acct Balances - Kitsap Bank		\$ 162,229
Total - ALL Reserve Accounts		\$272,520.50
Total - All Accounts		\$387,578.75

Expenditures Since 7/18/2024

Check payment tracking		
payee	amount	category
Dynamic Graphics	\$ 55.00	7160 website
Moody's Rocket Roofing	\$ 814.50	5230 roof repair (9 roof reviews)
Katie Adolphsen Bartlett	\$ 100.00	5380 -Pest control
Bell & Bell - july invoice	\$ 500.00	7020 - Bkping
Carr Construction	\$ 916.89	5120 Deck (\$792.00) 5125 Fencing (\$124.89)
Katie Adolphsen Bartlett	\$ 160.00	5380 -Pest control
Peninsula Water Sol	\$ 1,794.33	5340 - Sprinkler mgmt
Katie Adolphsen Bartlett	\$ 170.00	5380 -Pest control
Westend Home Services	\$ 738.48	5125 - Fence 133CID
In The Clear LLC	\$ 1,925.00	5230 - Roof cleaning (\$1725) 5350 - pruning (landscape) \$200
CAJ - August pymt made on 7/31	\$4,526.00	7050 Insurance
Ambro's Landscaping August pymt made on 7/31	\$ 5,072.38	5320 - Grounds Contract
LZM Landscaping	\$ 738.48	5345 - Shrub replacement
Westend Home Services	\$ 868.80	5230 roof repair (9 roof reviews)
Joe Halberg reimb for overpayment of Resale Cert	\$200	4190 - Resale Certificate
LZM Landscaping	\$ 460.00	5320 - Grounds Contract
Bell and Bell	\$ 950.00	7020 - Bkping (resale certs/state license report/tax payment online
Katie Adolphsen Bartlett	\$ 110.00	5380 - pest
In the Clear LLC	\$ 4,360.00	5150 - Gutters \$2,180 5230 - Roof repair (cleaning) \$2,180
Total expenses	\$ 24,459.86	

Cash Flow – Operations and Reserve:

- Updated cash flow shows we should have an estimated balance of \$3,187 at the end of 2024 IF we spend all of our budget (not including any additional funds from any prepayments of 2025 dues).

Audit 2023: We are still waiting for the final updated Adjusted Journal Entries after our phone call with the auditors in early July. Emails have been sent twice in the last 2 weeks, and we will hopefully receive the final copy by 9/30/24. **NOTE:** the signed Representative Letter for the 2023 audit has not yet been sent, as we do not yet have a final audit -so we can't give them our approval that the audit is completed until that happens.

- The 2024 Audit/tax return proposal to be done in spring 2025 was sent from the Newman HOA CPA firm – the total cost will be \$3,100. **Motion was made by Carol Stults, Treasurer, to accept the 2024 Audit proposal from Newman CPA firm for a total cost of \$3,100 including tax return. Seconded by Joel, motion passed unanimously.**

CD renewals: There are 2 reserve CDS coming due – one on Sept 25, 2024 (Road Reserve account) and one on October 25, 2024 (Tile Roof Reserve account). It will probably be safe to renew both of those CDs but updated rates will be presented at the September Board meeting for approval of at least the one expiring on Sept 25th. Current rates are averaging 3.8% for the amounts in those accounts with shorter terms showing the highest rates; however, the rates may change if the interest rate is lowered by the Federal Reserve in September. Carol will keep the Board informed of any updates to the rate.

Budget – 2024 Updates:

The Board members are doing a good job of monitoring and staying within the budgets for 2024 including the Maintenance and Landscape Director, and using the budget comparison spreadsheets sent out via email to monitor.

- Maintenance budget shows correctly now on the financials, after the transfer of the \$32,037 from the Roof Reserve MMKT to the checking account. The remaining maintenance budget available as of July 31st is \$59,081, with expenses through today was \$3,580 leaving currently balance at \$55,501 budget dollars.
- The Landscape budget shows a balance remaining as of 7/31/2024 of \$34,254 adjusting to include the \$10,850 paid in 2024 for 2023 projects not completed in that year. Total expenses paid since 7/31/2024 total \$2,224.33, leaving 2024 landscape budget remaining at \$32,030 budget dollars.
- NOTE: After discussion, the Treasurer will charge the landscape timber replacement project at 134A to a landscape budget account as previously discussed. At the January 25th Board meeting, the minutes reflected that Maintenance presented a bid for the project and indicated they had ordered the work to be done by All In One Services. Maintenance will confirm a date to get this project done with All In One Services. In the future repairs to landscape areas blocks, rock walls, or railroad ties will be charged to the landscape account. Fence repairs or replacement surrounding the PUD equipment is historically a maintenance responsibility and will continue to be charged accordingly. The Landscape Director will be responsible to maintain or replace any shrubbery used as a barrier around the PUD equipment.

Finance Committee Report – 2025 Budget:

At the working meeting yesterday, the Finance Committee and the Board reviewed two options for the 2025 Operational and Reserve Budgets. The Finance Committee members

recommended an increase in dues with a budgeted allocation to contribute to the reserve accounts, with no increase in Roof Reserve assessments by Owners at this time, and Board members present all concurred. Any allocation from the total budget to roof reserves will be done for both tile and composite roof reserve accounts in the appropriate ratio. The Finance Committee will meet to do a final review on Sept 18th and the Board is invited to attend at 1:30pm at Carol's house for a working meeting – for those who wish to attend. Kelly discussed the Landscape budget process still remaining. The Committee will make a recommendation to the Board for the final 2025 assessments. The timeline was discussed - the Board will need to approve the final budget at the October 17th Board meeting for mailing by the Board Secretary on November 1st. *It was noted that Rob has reserved the Gathering Place for December 16th at 1pm in case a Board meeting is needed for year end business.*

Landscape Report: We Love Trees will be working on Hilltop again in September. There are several trees that will be pruned and two will be removed. Kelly and Katie will contact owners who live near large trees that will be pruned and/or cabled and will show the trees and what will be done. They will also be doing 'weight reduction' all of which saves the trees long term. A tree will be removed behind 133D Unit. Another one on the north front yard of 119A/B will also need to be removed because it is hollow. A communication will come out in early September to alert the Owners.

A discussion regarding stump removal was tabled, due to a lack of budget dollars for that now.

Brett Romano and Katie have been working on irrigation repairs, adjustments and planning. Two manual sprinkler systems will have timers added. Backflow Preventers will be added to both of these two systems per the requirement of Sunland Water. The first timer is located between unit 138 and Unit 134C and the second timer is located at 134A.

Kelly has been working with Carol on budget planning for the remainder of 2024 and 2025. This is in the early stages of planning so more information will be sent out as the process moves forward.

Newsletter: Will be delivered on Monday September, 17th.

Maintenance Report:

- A cement deck at 137-C will be done in August sometime by Jamestown Cement. There has been no response from them after Steve's calls but he will continue to try and get a definite date.

- The privacy wall repairs at 156 C and D will be done by RC Home Repair (Robert Carey) for \$3,930, after considering three bids. It was noted that the Owner will be charged for a portion of the cost. **MOTION was made by Katie to accept the bid from RC Home Repair as presented, seconded by Carol and approved unanimously.**
- There were 3 bids received for the replacement of support posts for the upper south deck at 155. All In One Services was favored by the Maintenance Co-Chairs. Approval of the bids was tabled until information on a possible start date could be verified with the preferred contractor. Allen Hunt is also qualified and his bid was the same essentially. It was noted that the Owners have been asked to stay off the deck, even though all the contractors felt the deck was safe and not in danger of collapse. The deck can even be done next year if that is necessary due to timing. Steve and Joel will check to see who can repair the deck this year so that we spend the budget dollars – Allen Hunt or All In One. Final recommendation was tabled and update will be sent out to Board for approval.
- Information from the two roof evaluations was summarized and distributed to Board members for their review. Per the reviews, doing the necessary smaller repairs as noted in the reviews will provide a longer roof life overall, and it appears we can delay doing any new reroof projects in 2025 – only repairs. A letter to the owners of 126 will need to be sent to explain why they will not be reroofed this year. Rob Baer had questions about debris on skylights, a divot noted in the picture on 133, cupped shingles and flat areas on 156 and 142 roofs which was not mentioned in the reviews. The option for a third roofer's evaluation was requested to be considered by Carol as previously discussed. It was also noted that one roof missed by the second reviewer will be done soon. The final roof review information will be used for ordering repairs for roofs, and also updating the reroofing schedule which will be issued once Maintenance Directors have approved the reroofing schedule changes.
- One more cement bid is expected on the repairs/replacement to the driveways at 157/159/161/163. Jamestown Concrete and Legacy Asphalt have submitted bids which for now indicated asphalt being almost half as much as concrete. Because this is a major expense, the Board discussed how to do only one driveway per year and budget for that each year. A meeting with the Owners will be scheduled once all bids are available.

SLOA Update:

- No word from SLOA regarding moving the file cabinets or files.
- The For Sale sign in front of the Gathering Place building is only for the north side Unit of that building. SLOA portion is not for sale.

Gov Documents Committee:

- The Governing Documents Committee has not met to finalize the revised Bylaws but will be completing their review hopefully before the September Board meeting. Information is needed from Dianna Kaspar, our insurance broker, next week regarding HOA insurance responsibilities and guidelines – examples of clear language to use in governing documents that defines the difference requirements and responsibilities for both Owners and Division to insure. The Committee will be updating the File Retention and Monetary Policies for the Bylaws as well.
- The Rules and Regs – Responsibility Chart – need clarification on what should be added regarding wasp/bees nest. Current addition is as follows:

In general, pests are the responsibility of the Owner to manage with the following exceptions:

- Moles are the responsibility of Division 7 and should be reported by the Owner with a Request for Service.
- Ants, such as carpenter ants, are the responsibility of Division 7 ONLY if they are nesting in trees or other landscape areas. Otherwise, eradication of ants are the responsibility of the Owners.
- Bees/Wasps/Hornets nests are the responsibility of Division 7 if they are located on an **exterior** part of the Unit or Limited Common and Common areas.
- Rodents (mice/rats) eradication is not the responsibility of Division 7.

Motion was made by Carol to accept the Responsibility Chart with the added language regarding pests; seconded by Steve Lavelly; motion passed unanimously.

Nominating Committee: Meeting will be held next week. All Board members were asked to actively seek out and submit potential nominees for the Board and for Committees to Steve Lavelly, Chair of the Committee, or any member of the Committee.

Insurance: Presentation by Dianna Kaspar, our insurance broker, will be here Friday- August 23rd - and there is currently about 15 Owners from Division 7 attending.

New Business: Steve Tucker has resigned from his Board position for health reasons. A motion was made by Carol to reluctantly accept his resignation; Joel seconded and the motion passed unanimously.

Old Business: Continuous barking by a dog(s) owned by the tenant residing at 156D continues to be an issue with Division 7 AND Division 17 North Sunland residents. The Owner at 156C, who is impacted the most, has asked Division 7 Board, SLOA, the Owner, and Clallam Animal Control for relief with no cessation in the issue. Clallam Animal Control cannot remove the pet(s) unless they are a danger or hazard. SLOA has previously sent a letter and levied a \$200 fine to the Owner. Division 7 Board President has communicated with the Owner and he has promised to address the issue when he returns on September 10th from out of town. He has been in touch with the tenant in regard to the need to keep the dogs quiet. Division 7 has no power over the Owner's choice of tenants except for violations of Rules and Regulations that must be followed by both Owners and Tenants. Hilltop has 8 Units that are not occupied by the Owner(s) – either as tenants or family members.

It was suggested that we send a copy of the Rules and Regs to the Owners who are renting or allowing family members to live in their Units, asking them to provide copies to their tenants. Kelly suggested that we also need to alert all Owners regarding pets.

ADDENDUM: Motion was made via email on August 20, 2024 as follows re the bid for repairs on the 155 deck posts tabled at the Board meeting:

MOTION: Carol Stults made a motion that we accept the bid from All In One Services for the repair of the 3 posts supporting the 155 upper deck. Kelly Foster seconded; motion passed unanimously.

Motion to Adjourned at 4:40pm was unanimously approved.

Next Board Meeting: September 19th, 2024 at 3:00pm.

Minutes submitted by: Carol L. Stults

Carol Stults, Secretary/Treasurer