

Sunbeam Subdivision Owners Association, Inc.
Member Meeting Minutes
December 9, 2024

Call to Order: Matt called the meeting to order at 4:05 PM

Establish Quorum: There were 51 lots represented at the meeting with 4 lots joining after the call. The totals were 50 lots in person and 4 by proxy at the time of voting. The quorum needed for the meeting was 43.

Approval of Previous Meeting Minutes – Motion was made by Kathleen Harrison and seconded by Stephanie Reed to approve the 2023 December meeting minutes. **Motion carried.**

Presidents Report and Financials- Matt Engel presented the financial statements to the owners present. The balance sheet was discussed first by pointing out the amount of money in the accounts which is; checking at \$418.20 and savings at \$36,619.17. The savings account is the escrow account which contains the deposits paid by owners and held by the association as security against any potential damage to the common area during construction. The corresponding liability for the deposits held is shown as a liability totaling \$39,000 on the balance sheet. There will be some irrigation charges taken out of the deposits soon for work charged to the association. The association did need to borrow \$3,000.00 from the escrow account to cover operating expenses. This amount will need to be repaid to the escrow account as soon as possible. Matt also pointed out that there is still dues from January 2024 that have not been paid and the association will need to consider filing liens against owners if not paid this year. Next year the dues will need to be paid on time or stricter actions will be taken on delinquent accounts. Management pointed out that the “other income” reflected on the profit and loss statement includes finance charges on the delinquent accounts. Matt then discussed the Year-to-date Profit & Loss Budget vs Actual that includes the proposed Budget for 2025. The Board worked hard on the proposed 2025 budget but there are needs in the HOA that warrant an increase in dues from \$325.00 per lot to \$465.00 per lot per year and a need for initiating a Capital Reserve assessment totaling \$2,975.00 or \$35.00 per lot per year. HOA dues are below budget due to the few lot owners who still owe 2024 dues. Landscape costs totaled \$17,652.44 and exceeded budget by \$5,152.44. The overages in the landscaping are due to the costs associated with the online baseline irrigation system that requires a certified technician and additional repairs and maintenance costs to address issues carried over from 2023. Legal fees exceeded budget by \$5,107.50 and included costs to respond to concerns expressed about ADU’s in the subdivision and the related Design Review guidelines. All other expense categories were close to or under budget. Two new expense categories were added to the 2025 budget that include a contingency of \$3,000.00 and snow removal by the mailboxes totaling \$3,150.00. The HOA ended 2023 with \$9,234.32 in the operating account and most of that was depleted in 2024 due to the overages in landscaping and legal costs. After creating the budget and looking at this year’s financials the Board feels a Special Assessment totaling \$8,500.00 or \$100.00 per lot is necessary to replenish the operating account and put the association in a position to repay the escrow account and enable the association to pay bills in a timely manner. In summary, the 2025 budget proposes \$500.00 for the annual assessment of which \$465.00 per lot will go towards the operating assessment and \$35.00 per lot will be put towards the Capital Reserve assessment. A separate savings account will be set up for the Capital Account. *Motion: There was discussion regarding both assessments, after which Kelley Weston motioned to approve the new dues amount, Lori Vawdrey seconded and motion carried by unanimous vote. Stephanie Reed motioned to approve the Special Assessment of \$100 per lot, Kelley and Sarah seconded and motion carried also by unanimous vote.*

New Business

1. Keeping of Escrow Deposit if irrigation repairs are not able to get done before blow-out. The deposit will be held until DRC approval to refund and all landscaping repairs are completed.
2. Lot mowing for weed and fire abatement. Several lot owners still have not reimbursed the association for their prorated share of the lot mowing costs. All owners are encouraged to refund this cost as soon as possible.
3. Landscape needs and budget: Tree maintenance/replacement and Hiawatha canal. Trees that have had elk damage may be replaced in phases but the association is giving them a little more time to see if they recover. Phase II plat approval will require that the HOA maintain the section of the Hiawatha canal in Phase II and the bike path will also need to be plowed in the winter.

4. Board of Director position.- Ed Dumke's term is up but the remaining Board would like to see him stay on. It was asked how many Board members are acceptable in our documents. There can be up to 7. There were nominations for Stephanie Reed and Lori Vawdrey to be added to the Board. Motion was made, seconded and passed for Ed to remain and to add the two new members.

Discussion: In discussion it was brought up that the white houses should be discouraged as there are so many already. DRC encourages diversity and house color is part of that. Members wish to have DRC be tougher on builders for compliance guidelines of building rules. There was also a consensus that all owners should receive copies of plans at the time of submittal to DRC for comments. Lastly there was discussion about making rules for Christmas lighting to be more subdued. The Board will consider all of these.

Adjournment: Motion to adjourn made, seconded and approved at 5:26 PM