

## **Sunflower Gardens HOA** **Annual Meeting Minutes**

Date: October 25, 2022

The meeting, held this year at the Bloomington Country Club, was called to order at 6:08 p.m. by President Don Westerhaus.

Proof of notice of Meeting: Notices were mailed on October 11, 2022.

Confirmation of Quorum: We must have 23 owners for a quorum. We had 37 owners appear in person or by proxy, so the quorum was met.

Approval of 2021 Annual Meeting minutes: There were no questions regarding the minutes. Leonard Kelley moved to approve the minutes without having them read aloud; the motion was seconded by Mark Smith. Approved by acclamation.

### Election of Officers:

- The Board proposed a slate of officers for 2023.
- Don asked for volunteers from members present to add their names to the ballot with no response.
- As in the last few years, the assembled group agreed to a motion by David Kaufman, with a second by Armelda Mayfield, to set aside Bylaws requirements for secret ballot in favor of a show of hands.
- Board nominees for 2023:
  - Chris Hahn
  - Chuck Malooley
  - Don Westerhaus
  - Kay Theis
  - Susan Wier
- Design Committee nominees for 2023:
  - Ruth Holman
  - Mark Smith
  - Jeff Stocker
- All nominees were elected by show of hand.

### Discussion regarding Stormwater Maintenance with Design Engineer Chelsea Moss:

- This Spring resulted in worse water damage on west and east side of property. Water seeping into units.
- Polled neighborhood and received ½ a dozen responses of water problems coming up to homes.
- Since HOA started, it was managed that owners were responsible for upkeep of their house and yard – interview with Phil Tapp confirmed (in receipt of letter).
- Spoke with attorney on how to proceed with this issue. Attorney looked at governing docs to see how the HOA could assist since some owners want to fix the issue and others do not. Attorney stated CCRs do not support current practice regarding how

the HOA is managed. CCRs state HOA is responsible for yard area outside the 5 foot strip.

- Board received a 2<sup>nd</sup> opinion from another attorney, which was in agreement with the first attorney.
- Met with City Engineer's Office onsite and showed them videos. They state this is not a City issue. They are only responsible for the water in the street until it goes down the drain.
- New Program designed to help neighborhoods and assist them in paying for fixing issues. Deadline for application was February, and we did not find this out until May. However, we did speak with a woman at the office that said they are looking to extend their program to larger Associations, and we could be a test subject. No guarantee, but we can't get anything unless we apply. In order to apply, we must have a formal proposal with certified plan from an engineer firm; plan must including the cost, ways to manage the water, greenery and/or rain gardens with native plants/trees to absorb some water and improve aesthetics.
- Talked to 2 engineers – one gave us a proposal, but didn't include cost.
- Area needs to be regraded in multiple places.
- Board agrees to pay for proposal (roughly \$4,000) and take to the City for possible grant money. They will help in bid process and managing.
- Proposal received on a phased repair project = \$50,000-\$70,000 estimated.
- Chelsea Moss preparing official proposal to submit to the City and will oversee completion.
- Chelsea is doing initial assessment, looking at pictures/videos, and walking property in Mid-November.
- Any Owner that would like to submit videos or photos, please send to Don or James so they can be forwarded on to Chelsea.
- Two to three weeks after initial assessment, Chelsea will have a report of problems, with a plan and estimate.
- Will submit documents to City for Green Stormwater Improvement Grant Program – no guarantee on Grant.
- Afterwards will have a full recommended phasing plan with bids.
- Chelsea will oversee contractors to meet City expectations and correct materials.
- Will design for a 200-500 year event, which is bigger than something that occurs every 100 years. Code states they have to plan for at least a 100 year event.
- City looking for a green design – native plants that will help absorb water, to be included.
- Chelsea will do a dual approach – best way to get Grant, and something that does the same thing but more cost effective if we are not able to obtain the Grant.
- Chelsea will reach out to firms involved with Sunflower and get drainage plans for City and School.
- Chelsea will be onsite 2-3 times per week to manage the project.
- Contractors must submit products and have them approved prior to installation. Chelsea recommends avoiding some Contractors that tend to change products without approval, otherwise she will make them take it out and start all over.
- Chelsea carries E&O Insurance – if she designs something wrong, she will fix it.
- Any Contractor errors will be fixed by the Contractor.

- Material errors – warranty on materials (Contractor will deal with this issue).
- Chelsea recommends construction management because Sunflower is private property, so City will not inspect. City requires plans only, probably won't come out.
- Board will try to have another meeting or send out information at each stage.
- Tried to build budget to deal with the plan. Owners can pay same way as always – annually, semi-annually, or quarterly.
- HOA currently has some money in the bank, but some of that is dedicated to insurance prior to owners reimbursing the HOA. Insurance is paid all up front in order to receive a price break. If paid monthly, it is 18% more.

#### Snow Removal:

- City of Bloomington Code of Ordinances Chapter 6.07 regarding Snow and Ice Removal passed out at meeting.
- City gives owners 24hrs to remove snow from sidewalks.
- Owners can elect to remove snow on their own or hire a company to do it for them.
- Jamar will have a list of companies as referrals, if anyone needs one.

#### Solar Energy:

- House Enrolled Act No. 1196 passed out at meeting.
- Allows homeowners to appeal and have set aside an HOA Covenant prohibiting uses of solar roof energy systems.
- Owners can go through the Design Committee for approval.

#### Financial Report: prepared by Tonya Myles:

##### **2021 Summary – Budget vs. Actual**

- Total income = \$71,226.88
- Landscaping maintenance was under budget by \$4,450 - mulch was less than ½ of what was expected
- Income tax filing fees was not billed out until 2022. In 2022, we paid for both 2021 and 2022 tax filings.
- Management fees were right on budget
- Legal fees were under budget by \$385
- Accounting fees were under budget by \$12, including Quickbooks and Appfolio fees
- Office supplies/postage were over budget by \$215
- Repairs/maintenance were under budget by \$62.50
- Annual meeting supplies were over budget by \$250 due to rental of space
- Nothing was spent on miscellaneous expenses, saving us \$350 in the budget
- Total operating expenses = \$57,160.34
- Net Income = \$14,066.54, which was put into reserves
- Motion to approve 2021 Budget vs Actuals made by Melinda Kelley, motion seconded by David Kaufman, all in favor, approved.

##### **2022 Summary -- Budget and Year End Estimate**

- Total Income projected to be \$75,200 consisting of:

- Landscaping maintenance is expected to be over budget by \$1,820 due to tree removal, which was a hazard so we had to have two tree removed so they would not fall on the units.
- Income tax filing fees over budget by \$400 due to 2021 being billed out in 2022
- Management fees on budget
- Legal fees expected to be under budget by \$1,525
- Accounting is predicted to be under budget by \$12
- Office supplies/postage is expected to be right on budget
- Repairs/maintenance expected to be \$14 under budget
- Annual meeting supplies are expected to be right on budget
- Miscellaneous is expected to be over budget by \$1,350 due to the design plan for stormwater maintenance
- \$1,516 spent on snow removal this year that was not budgeted for – Cul de sac was left off City route and had to be pushed. Jamar called the City and was told there was an error in their system and it was inadvertently listed as County. This has been fixed.
- \$0 to reserves
- Total expenses = \$77,085
- Net income = \$-1,885

### **2023 Proposed Budget**

- Increase in dues from \$1000 to \$2000 per unit
- Total proposed income = \$120,500, including \$30,500 for insurance
- Proposed decrease in Landscaping maintenance in the amount of \$3,475 due to current vendor rates which include mulching
- Increase in Jamar management fees of \$300 due to inflation
- Proposed increase in legal fees in the amount of \$525
- Proposed increase of \$150 in miscellaneous to cover cost of design plan
- Proposed budget of \$41,000 for stormwater maintenance
- \$9000 to reserves – 10% lender requirement for owners to be able to sell their properties with lender financing
- Snow removal budget that was presented for \$2000 was removed from the budget
- All other items to remain the same as budgeted for 2022
- Total Operating Expenses = \$120,500
- Net income = \$2000

Motion to approve financials and 2023 budget made by Terry Fink, seconded by Melinda Kelley. 34 in favor, 3 opposed—passed

### **New Business**

#### **Mowing, Mulching and Fertilization/Weed Control**

- R&S to continue with lawn care for 2023.
- Several lawn care companies will not continue in 2023 due to staffing shortages.
- Suggest crew not weed-eat dirt and please raise blades on mowers.

There being no further business, Susan Wier moved to adjourn, and David Kaufman seconded.  
The meeting was adjourned at 7:41 p.m.

Respectfully submitted,  
Tonya Myles  
Jamar Property Management, LLC