

Annual 2023 Sunrise Homeowners Association Meeting

Grace Brethren Church, Melbourne, FL 32940

Meeting Minutes

Date: 1-14-2023

Board Member Participants: John Kepner, Jack Gehl, Jacklyn Lizotte, Larry Leaman, John Brown, Fran Henderson, Tim Henderson

Phone Participants: Lawyer -Mr. Clayton (Clayton and McCullough)

Wayne McDougale-Book Keeper

Homeowner's Participants: 21 present, 22 proxies total 43, Need 33.

Call to order: 2:13 PM

This is our annual meeting; we have 133 Homeowners in our HOA. We must have 33 homeowners present for a quorum; we have 43 with proxies.

Introduction of Board Members, plus Arbitration and Bookkeeper.

John Kepner- President

Jack Gehl- Vice President/Grounds

Larry Leaman- Treasurer

Jacklyn Lizotte – Secretary//Social Committee

John Brown- Rules and Violations/Grounds

Fran Henderson- ARC

Tim Henderson - Arbitration

Bookkeeper- Wayne McDougale

Remember we all are volunteers please be kind.

General Business: Meeting called to order at 2:16 PM

Roll call.

Proof of notice of meeting. Posted on board and mailed out.

Meeting agenda: Overview

Treasurers report:

Hi I'm Larry Leaman, several things need to be discussed today. First, I want to mention the reports, all of goes into keeping the reports of our Financials. Thank you, Wayne McDougale for all your hard work.

As you can see, we are Wells Fargo members.

Our Checking is low. Our reserves funds are low as well.

We should have 75% of our capital requirements in our reserve funds. The president will go over where we should be with what we have in capital. We should be able to maintain this, without having to ask for a one-time HOA fee assessment.

Our business account is 2322.91 our reserve's is 38452.58.

I'm going to provide a run-down of the proposed and the actual from 2022 and I will highlight where we didn't make it so you can see. We need to make sure our reserve funds stay funded in order to see what we need.

Please hold your questions to the end, we will hold a question and answer at the end.

Income.

133 homes here

\$49740 for income from dues

Total operations were \$52228

Expenses I will not hit on every section I will touch on the deficits.

Expenses insurance was a huge deficit, our first insurance company went under we were paying \$3K then, we are now at \$6K to pay our insurance; "ouch" it was double. If anyone has another insurance company, they think that could provide us with a better quote please let us know.

The insurance covers:

Management Liability

Property Liability

General Liability

That is the total for all 3.

Next thing. We had a huge defect for utilities. It has gone up quite a bit. Went from \$2850 to \$3517 around \$700. They are expecting 3 more raise hikes in 2023. We must plan accordingly.

Front entrance lights on left hand side Proposed was \$1200 dollars for bulbs and different things. More than that went out. John became our electrician, bought parts, and fixed it. We were trying to save money there. Lights \$800, hires Eau Gallie Electric to install the lights and new timer, \$600 for labor. We are trying to cut corners wherever we can to keep our bills and yours down.

The park was replacing the park bench & tic tac toe board. We ordered to save on shipping then we pay installation, \$1000 planned to \$3336.

As you can see.

I do not need to go over each one.

You can see the costs are going up, not just for us but you as well and we need to keep this in mind.

Social \$1200 kept to \$690.

One thing not mentioned is the capital gains replacements. A huge one we had to do was the sprinklers for the common areas. The sprinklers were not working and that would cause needing sod. We could no longer take water out of the retention pond. We had to put 2 new wells and new lines. The old lines were under water from original installation. \$24K is what it cost us. \$12K from operations and \$12K from reserves.

We are trying to keep cost down and keep the organization in a positive financial status as the bylaws state.

President: will have more for capital requirements.

Purposed budget:

This hurts us to recommend we need and increase our dues. We have to ask that we increase our dues about 7 dollars a month, looking at \$460 for the full year. You can pay biannual or the full year.

Income 131 homes multiple by \$460 gives us, \$60260. This is the funding we need and the funds to replenish our reserves.

First insurance budget \$7500, deficit area.

We are increasing it because we do not know where they are going.

Other area is utilities \$3517 actual 2022 cost, budgeting \$4100 for 2023.

Park back down again there are other things that must be addressed but we already replaced the bench.

There is the basketball court.

Irrigation is back down to reasonable maintenance.

Community gathering \$1500, used \$690 for last year.

\$8250 to go into reserves fund. Right now, only 38K in the fund. Normal budget is 6K, we transferred \$5K last year.

We already know the playground is getting hazardous, the basketball court and the fence at the park. We need to be cognizant of these things.

Irrigation is back to \$800 because of the upgrades performed this past year.

Proposed budget is \$60K, that's as close as we are going to get with dues and \$8250 to replenish reserve funds.

Q and A

Q: What is safety and security? A: Cameras and internet at park.

I want to thank you for taking care of the neighbors.

Q: You talked about insurance I use a brokerage for insurance. Larry- could I get your information after the meeting. Discussion.

Q: I agree with raising the dues to get keep up with increase in costs but are everyone paying their dues?

A: All dues are paid? We had \$130 unpaid; we are working on getting that one paid.

Q: Wild animal control?

A: Are you next to the reserve area? We have had occasional gator in the retention pond, we have had to call to have them removed.

Q: I have to say I really appreciate the replacement of the bench. It was a hazard. There are a lot of people and kids who use it.

Q: We are new. How do we pay the dues?

A: There is a mailbox at the park, or you can mail it in.

Q: Park says there is not a lot in the plan. Is the gazebo part of it? Cause, it's a safety issue.

A: Larry- it's not in the budget right now.

Discussion on it needing to be replaced. We investigated getting a replacement something like a Pavilion to include storage to reduce the cost of our current storage unit fees. What was the estimated cost? Larry does not remember. Continued discussion.

Q: I think you may want to consider something a little bigger with power for birthday parties and things like that.

A: Larry invites everyone to the monthly meeting.

Q: Thank you for keeping social at \$1500 is appreciated, so we can continue to do things for the community.

Switch to John Kepner for Capital Requirements

Right now if you look \$4213 includes dues already coming in. That is with our increase of \$80 per household. What we expect our budget to be next year including \$8500 for reserve funding. We have about \$110K worth of assets, we need to have 75% of that to be able to replace these things in a timely manner. Previous boards did not take those into considerations.

We have some major things like the swing set at the park which should have 20-year life span in Florida it is about 15 years and without proper maintenance, it could be less.

This Association has been together for 25 years, the water pump going to the parks was not strong enough and the water lines could have been compromised. It needed to be replaced. We had the \$24K to replace now, and then start putting away the funds for 25-year lifecycle replacements. It was approximately \$10K for the 2 wells, with the other \$14K plus going towards replacing the pumps, timers, irrigation and electric around the lake and at the park.

The builder put the retention pond in, with the expectation that the pond would be the HOA responsibility. There hasn't been any dredging on the pond since it was created. Discussion on the baffles and the retention pond.

When they were doing the wells to upgrade the irrigation at the retention pond, we investigated the dredging at the pond.

We had minor flooding during the hurricane behind the homes on the south side of Homewood and we couldn't find the drains.

Discussion on previous flooding. Discussion on cleaning the drains.

Refreshing the signs? We are looking for a company to redo the signs at front pond and park. Discussion.

Discussion on front entrance maintenance.

We must vote for annual increase. \$80 a year for household. We have the lowest HOA dues in the area. We do not have a pool or a clubhouse.

You will be seeing here in the future we have been working with the lawyers to upgrade our by-laws, the initial covenants and restrictions were never recorded with the county 25 years ago. We must go back and make sure all bylaws are recorded properly with the county.

We will be trying to get them on the website for everyone to review. We have already paid to get this started. One thing that was mentioned today is about short-term rentals and Air B&B's. We do not have any restrictions currently that is something we need to look at as a community.

We cannot differentiate against renters. Discussion on it. We want to eliminate short term renters. Those are some of the changes we are having written in.

We are that gets dicey, is when you have people already doing it. We do not Grandfather it in.

Tim Henderson - If you guys get stuck with that, please let me know. I know in the past they have gotten stuck. If you need help rewording it, please let me know.

John Kepner- we talked with the lawyers, and they have already started.

Q: Are you starting from original?

A: And yes, we are marrying the two together. Continued discussion on it.

General comment: Important thing about by-laws is not to screw over people for how they are doing things. Be careful. There is 1 person who beat the Association twice on things. Like what you can put between the road and sidewalk. Just saying do not get into that stuff.

Larry Leaman- I think right now John wants to get to the vote.

John Kepner- \$80 increase a year, for annual dues.

Lawyer (Mr. Clayton)- I got the impression you all are getting the vote for the budget. This is one of the most important things the board votes on the members do not. The board approves it and member must go through a different process. It is the boards responsibility.

John Kepner - Sir for our association, it has been a common courtesy to let the Homeowners vote on the increase in dues for our budget.

Discussion on courtesy.

21 Homeowners showed up 22 gave their Proxy.

How many

Yes- all.

No- 0

Approved

Continued discussion.

Lawyer- how much are we increasing net from last year to next for dues?

Wayne- About 23%

Lawyer- Should get members. If it is over 5% we need members for approval.

Nominations for board:

Jack Gehl

John Brown

John Kepner

Larry Leaman

Jacklyn Lizotte

Fran Henderson

Kimberly Weber

Tim Henderson

February 4th first meeting to assign roles.

General Discussion:

Will Davis train is still up.

Jack Gehl- we have an exceedingly small problem. With people driving extremely fast in the streets. Please talk to your neighbors who may be doing a little fast driving.

We are on the slate for 2023 for grading the roads.

There is a sewer sinking on Meghan should be fixed on Meghan.

Cannot put in speed humps because floods on the roads.

Discussion on it.

Jack will go back to county to talk about it.

Discussion on it.

Tim- 15 years ago, we can call Brevard County Sheriff and pay them to come out to write tickets for speeding.

Motion to adjourn the meeting:

HOA Meeting is held every Sunday of the month.

Facebook

Motion to adjourn seconded by Jackie, Jack, and Larry.

Meeting adjourned: 3:21