

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

Date: October 17, 2017

The meeting was called to order by President Don Westerhaus at 7:09 p.m.

Introduction of Homeowners

Proof of Notice of Meeting – notices mailed October 2, 2017

Confirmation of Quorum – 20 owners appeared in person, and 18 by proxy, for a total of 38

Updates (James Eiermann and Don Westerhaus):

- There will be a new company for lawn care, G&G Lawn Care, in 2018; a homeowner requested that mowing not be on Thursdays because of trash collection. James noted that several owners have requested late-week mows so that the lawns will look good for the weekends.
- Fertilization will remain with GreenScapers
- Upcoming concrete repairs: Jamar will soon inform the HOA of approximate costs
- New rock planting for Sunflower cleaned up and revitalized at entrance (thanks to Donna and Greg Lobdell)
- Yard sale (see Susan Wier) will be held on October 28<sup>th</sup>
- Jamar and the Board are looking for a new insurance broker – the current broker did not give us timely notice regarding insurance renewal this year

Approval of 2016 Annual Meeting Minutes:

- Leonard Kelley moved to approve the minutes without having them read aloud; motion seconded by Bill Mankins; all in favor, none opposed – passed

Financial Report given by Tonya of Jamar:

- 2016:
  - Due to foreclosure on one unit, not all the HOA dues were collected
  - Over budget by approximately \$2,000 in landscaping maintenance due to additional mowing
  - Income tax filing slightly over budget by \$25
  - Legal/Professional fees over budget by approximately \$600 due to excess legal fees regarding drainage and foreclosure unit
  - Office supplies/postage over budget by approximately \$100 due to larger packets for annual meeting being mailed out
  - Annual Meeting supplies over budget by approximately \$100 due to larger annual meeting packets
  - Total Income: \$29,188.28
  - Total Expenses: \$34,948.09
  - Total Net Income: \$-5,759.81

- 2017:
  - Anticipated collection of all HOA dues for 2017
  - Landscaping maintenance under budget as of 8/31/17 by \$7000. Less mowing this year, but mulching was over budget.
  - Income tax filing over budget by \$35
  - Maintenance over budget due to items subsequently billed to homeowners as a pass-through expense. All owners have now been billed accordingly.
  - Annual meeting supplies – there will be no charge this year for annual meeting supplies, as Staples reimbursed the HOA due to an error in the package printing.
  - Total Income to date (8/31/17): \$38845.97
  - Total Expenses to date (8/31/17): \$24664.47
  - Net Income to date (8/31/17): \$2539.06
- Proposed budget for 2018:
  - Increase landscaping maintenance budget to \$31725 due to using a new company for mowing and mulching
  - Goal is to increase reserves
  - Board proposes increase in dues to \$800 per year, payable quarterly instead of semi-annually, although any owner may elect to pay Regular Assessments in advance (i.e., prior to September 30). Bob Sherwood proposed that we offer monthly automatic bank withdrawals for those who would prefer to automate their payments. Tonya clarified that Owners already can use their online portal for a one-time payment, or they can set up auto-pay in their portal (including monthly) at their convenience.
- Motion to approve financials and 2018 budget made by Tim Callahan, seconded by Bob Sherwood; all in favor, none opposed – passed

#### Election of 2018 Board:

- Don Westerhaus, Cathy Larson, Susan Wier, and Chuck Malooley were nominated to serve on the Board
- Motion to approve Board nominees made by Bob Sherwood, seconded by Gary Arvin: all were in favor, none opposed -- passed

#### Election of 2018 Design Committee:

- Greg Lobdell, Tim Callahan, and Dot Hufford were nominated to serve on this committee
- Motion to approve the nominations made by Leonard Kelley, seconded by Gary Arvin; all in favor, none opposed – passed

#### Presentation and Vote on Board-proposed Amendments--General:

- The Board proposed one By-laws change in two parts (the second, an addendum to the first) and 6 CCR amendments. Don Westerhaus noted that all proposals were influenced by the report of the ad-hoc committee, feedback from an information meeting for all interested homeowners (held on September 6, 2017), and consideration by the Board. They were also reviewed and approved by the HOA attorney prior to mailing them to HOA members.

- By-laws amendments require 66 2/3% approval (i.e., 30 of 45 possible votes); By-laws amendments go into effect when they have been signed by a minimum of two officers of the Board. They are later recorded by the Monroe County Recorder.
- CCR amendments require 75% approval (i.e., 34 out of 45 possible votes). In addition, any amendment to the CCRs that passes must be signed by all owners voting in favor of the amendment. Owners cannot sign for a proxy. The amended Declaration goes into effect when it is recorded in the office of the Monroe County Recorder.
- Voting for the proposed amendments was accomplished through a show of hands. To help the vote-counting flow smoothly, a motion was made by Terry Fink and seconded by Gary Arvin to count the negative votes. All were in favor—the motion passed.

Presentation and Vote on By-laws Amendments (led by Don Westerhaus):

- Change 1: A two-part change to Section 5.3
- Part 1 amends Section 5.3 from semi-annual to quarterly installments and payments on Regular Assessments. Quarterly installments are due in January, April, July, and October by the 30<sup>th</sup> of each of those months. If the total Regular Assessment is not paid by October 30, a lien shall be placed on each separate lot as of November 1 of the year in which the assessment is owed. Any owner may elect to pay Regular Assessments in advance.
  - Vote: 34 yes, 4 abstain – passed
- Part 2 (an addendum to Section 5.3): Adds Section 5.3.1 for insurance assessment. This separates the insurance assessment from the regular assessment and gives owners 30 days to pay from date of invoice. If insurance is not paid in full by due date, Board may follow collection procedures, including liens and/or fines, as described in Sections 5.3 and 5.10.
  - Vote: 38 yes--passed

Presentation and Vote on CCR Amendments (led by Don Westerhaus):

- Change 1: Add Section 1.29, which defines “Governing Documents” as the “Amended Code of Bylaws of Sunflower Gardens Association of Co-Owners, Inc.” and the “Covenants, Conditions and Restrictions” as amended and references I.C. 32-25.5-2-3.
  - Vote: 38 yes – passed
- Change 2: Delete “non-interest-bearing” from Section 9.7 regarding approved types of operating funds accounts and add “credit union” as an approved type of financial institution.
  - Vote: 38 yes – passed
- Change 3: Amend Section 12.3 to add the requirement that no additional changes to the governing documents, including amendments from the floor, can be voted upon at the meeting in which a vote on the proposal is to take place; the proposal must be resubmitted to the membership for consideration at a future time. All proposals shall be provided in writing to all Owners at least 14 days prior to the meeting at which they are to be voted upon. This section also includes adding email delivery and deleting personal delivery.
  - Vote: 38 yes – passed
- Change 4: Amend Section 8.8 to clarify maintenance areas, the HOA’s responsibilities for maintenance, and the funding of such maintenance via regular or special assessments. The

proposal generated a great deal of discussion on the issue of historical funding. A motion was made to table discussion and vote to another time made by Mark Smith, seconded by Bill Mankins.

- Vote: 38 yes – motion to end discussion and table passed
- Change 5: Amend Section 7.1.1 to state that Design Committee approval shall not be required if a repair of exterior damage restores the exterior of a residence to its original condition and/or appearance.
  - Vote: 38 yes – passed
- Change 6: Amend Section 7.5 to specify one-year terms for the Design Committee, changing the need for 2/3 majorities for election (either initially or “from time to time”), and eliminating the current requirement that in the event of a vacancy, the remaining committee members may only temporarily appoint a new member until a 2/3 percentage of all owners appoints a replacement.
  - Vote: 33 yes, 5 no – motion failed

Motion to adjourn the meeting made by Anita Westerhaus, seconded by Chris Hahn.

- Vote: 38 yes– passed (meeting adjourned at 8:31 pm)

Respectfully submitted,

Catherine Larson, Board Secretary

Tonya Newlin, Jamar