

## **Sunshine Estates Regular Board Meeting Minutes**

Monday, January 5, 2026 @ 1:00 pm "Hybrid" Meeting: Retzlaff Hall & Google Meet

- 1) Call to order - President, Randy Davis, called the meeting to order at 1:00 pm.
- 2) SEPO Board Roll Call - Randy Davis, Tom Perrier, Lisa Seiser, Pat Heinerikson, Tracy Wagner, Gay Paxton and Scott Kronshage.
- 3) Verified that the Notice and Agenda were made available to the community by the required day/time.
- 4) Meeting minutes presented to the board from December 8, 2025, board meeting was approved.
- 5) Director's Reports:

a. Scott Kronshage – Golf Course

Scott's report included:

- The golf course is in good condition due to irrigation water.

b. Pat Heinerikson – Common Grounds Area 1

Pat's report included these items done in the last year:

- The hot tub still needs some repairs.
- Plans are in place to replace the roof and downspouts at Retzlaff Hall in April or May, weather permitting.

Pat over all the repairs done since he took office last year:

- Repaired brickwork on the east side office/library on north and south walls.
- Removed and replaced settled pavement by pumphouse.
- Replaced all non-working emergency lights.
- Repaired gas oven.
- Repaired the hall refrigerator.
- Repaired both pool area gates.
- Added lighting to pool pumphouse.
- Replaced damaged hot tub heater and pump motor
- Paint hot tub and replaced tiles in the pool area.
- Relocated shuffleboard equipment
- Replaced pool drains
- Painted pavilion floor.
- Secured sate flags in the pavilion.
- Removed oak tree in front of building that was causing damage to the building.
- Installed new lighting in the package area of the billiards room.
- Installed new signage around the buildings..

Items in the works:

- Replace roof, gutters, and downspouts on the haul.
- Replace south side door in the library.
- Stain pavilion shutters.
- Improve traction around entrances.
- Possibly update bathrooms.
- Update library and office.
- Add acoustic tiles to pavilion.

c. Tom Perrier – Common Grounds Area 2

- See Tom's report attached to meeting minutes
- d. Lisa Seiser – Common Grounds Area 3
  - Only cans go in the can shed. Signs will be put up soon.
  - Lisa is checking on a recycle bin for the community.
  - Lots in the storage area are in use according to requirements
  - Lalo painted new lines. Thank you, Lalo
  - Plans are still being made for drop-off week for large items such as carpets.

6) Financial report:

- Tracy Wagner (SEPO Treasurer) presented preliminary December financial reports. A motion to approve the December preliminary financial reports was made and seconded.
- See Tracy's detailed report attached to the meeting minutes.
- A motion to approve starting a money market account with Fidelity was made and seconded.
- A motion to approve continued use of the money market account with Fidelity was made and seconded.
- A motion to allow Treasurer to invest expired CD funds from Ally Bank through one of the Wells Fargo Brokered accounts for the best rate and term available as of 01/05/2026 was made and seconded.
- A motion to allow Treasurer to invest future expired CD funds from Bank of America through one of the Wells Fargo Brokered accounts for the best rate and term available as of 01/23/2026 was made and seconded.
- Tracy can only serve one more term. She is asking for an assistant to shadow her for the next two years, so there is a smooth transition when her term is completed. She highly recommends that the candidate has an accounting background.

7) Committee Reports:

- a. Architectural Committee:
  - The Architectural Committee did not have a report. Further discussions are tabled until the February meeting.
- b. Five Year Planning Committee:
  - There will be another meeting in the near future to discuss capital improvements which have been approved in the 2026 budget and potential recommendations for 2027.

8) Unfinished Business:

- a. Clean water dispenser suggestion
  - A clean water dispenser is not possible because Culligan no longer installs or services new commercial water dispensers.
- b. Water Well Update
  - See Tom's report attached to meeting minutes
- c. Creation of concise rules for owners & renters

- Concise summary of bylaws and regulations are in process for new residents on one sheet.
- Another sheet may be added to include gate and storage lot procedures

**Meeting Adjournment:**

There being no further business to come before the Board, on motion duly made, seconded and passed, the meeting adjourned at 1:43 p.m. The Google Meet recording and video session were stopped.

Respectfully submitted,

Gay Paxton, SEPO Board Secretary

## Mtg. Report 12.8.25

Had conversation with the Drainage District 5 manager and Asst manager this morning and thanked them for cleaning out the ditches which drain Sunshine. We also spoke about the culvert in the pond over at Encore Lakeside and that it needs repair, they said they would come out and take a look at it.

Lalo has put up Xmas decorations on Texas Ave, its looking very festive. He also completed painting the gazebo and replaced several lights along the street.

The fiber optic installation has started, they've completed most of Minnesota up to Iowa.

I haven't heard anything yet from T-Mobile about the community meet and great, but if you would like to get locked into the Founders rate you can go to a T-Mobile location and get that done.

## Financial update for December 2025

I want to highlight some items from the preliminary reports that I think are noteworthy, in addition to any footnotes in the financial reports:

- 1) Valerie and I monitored resident accounts to ensure timely payments of HOA fees. There is one home with a deceased owner that is delinquent with 4<sup>th</sup> quarter HOA fees and weed control services. Valerie and I are in contact with a family member to get this resolved. Unfortunately, we cannot start 2026 with a clean slate like last year.
- 2) In early December when I was discussing CD options with our financial advisor at Wells Fargo, he recommended that we start a money market account with Fidelity because this account should earn a higher interest rate than our brokered liquid deposit account as interest rates will most likely go down on the brokered liquid deposit account. The principal monies in this Fidelity account remain stable while it earns monthly interest. Access to the Fidelity funds for future use will be 2 days vs immediate access to the funds in the brokered liquid deposit account. In my opinion, this is not an issue. I want to remind the community that the CDs, brokered liquid deposit account and the Fidelity account are managed by our financial advisor at Wells Fargo and that the treasurer can view all activity in these accounts at any time. As reported on the balance sheet, I transferred \$15,000 from the brokered liquid deposit account to the Fidelity account. I received approval via email from board members to do this. Currently, I am asking for an official motion to approve starting a money market account with Fidelity, so it is recorded in our meeting minutes. I am also asking for an official motion to approve continued use of this money market account with Fidelity upon advice from our financial advisor at Wells Fargo. The average yield in December for both the Fidelity account and the brokered liquid deposit account was 3.6%. The interest earned in the Fidelity account was deposited on Jan 2<sup>nd</sup> so you will see that in the January 2026 financial statements.
- 3) I reviewed all our investment accounts to see how the interest rates changed from Jan 2025 to Dec 2025 and here are the results. The PNC money market account went from 4% in Jan to 3.2% in Dec. The PNC CD went from 4.3% in Jan to 3.59% in Dec. The RIO reserve contingency fund account went from 2.26% in Jan to 1.65% in Dec. The Wells Fargo brokered liquid deposit account went from 4.28% in Jan to 3.6% in Dec. The CDs through Wells Fargo went from 4.2% in Jan to 3.85% in Dec.
- 4) Memorial lockbox in library was checked and there were no memorial donations this month.
- 5) Sixty-six (66) owners paid their 2026 HOA fees in full (including the 2% discount) in December which is reported on the balance sheet labeled Unearned HOA Fees. This revenue will be transferred to the Profit & Loss statement in Jan. 2026.
- 6) Thirty-one (31) owners paid their 2026 storage lot fees in full in December which is reported on the balance sheet labeled Unearned Storage Fees. This revenue will be transferred to the Profit & Loss statement in Jan. 2026.
- 7) Forty-four (44) owners paid their 2026 golf cart trail fee in December which is reported on the balance sheet labeled Unearned Golf Cart Fees. This revenue will be transferred to the Profit & Loss statement in Jan. 2026.
- 8) Vacation payouts were done at the end of December. Per the employee handbook, SEPO will pay out up to 40 hours of unused vacation time at the end of the year. Two employees had 40 hours of unused vacation hours that were paid out on December 26th.
- 9) I reviewed the December financial transactions, and they all looked good. I sent the preliminary financial reports to Beth on 01/03/2026 and she sent them out to the community on 01/03/2026. December preliminary financial reports were also sent to our CPA on 01/03/2026 for review.

If there are no questions from the board, I am asking for an official motion to approve the December 2025 **preliminary** financial reports before any year-end adjustments from our CPA. December financials will not be final until our CPA completes our tax return.

## Future Financial Matters for SEPO

- 1) This week, I will be issuing a check to Rio Bank and depositing \$13,904.96 into the Reserve Contingency Fund which is 3% of our 2026 gross HOA maintenance fees as required by our fiscal policies item #7.
- 2) The Wells Fargo Brokered CD at Ally Bank will expire today, 01/05/2026. My plan is to renew the CD or transfer the funds to the Fidelity account for the best rate and term available, keeping in mind that capital expenditure downpayments may be needed this month. Currently, I am asking for a motion to allow the treasurer to invest these funds through one of the Wells Fargo Brokered accounts for the best rate and term available as of 01/05/2026.
- 3) The Wells Fargo Brokered CD at Bank of America will expire on 01/23/2026. My plan is to renew the CD or transfer the funds to the Fidelity account for the best rate and term available, keeping in mind that capital expenditure downpayments may be needed this month. Currently, I am asking for a motion to allow the treasurer to invest these funds through one of the Wells Fargo Brokered accounts for the best rate and term available as of 01/23/2026.
- 4) Last summer, we had to sign new bank documents for the brokered liquid deposit account at Wells Fargo due to an issue on their end. In this process, a new brokered liquid deposit account had to be set up. I am now finding out that there was a glitch somewhere in this setup with earning interest on the new money transfers of HOA fees that I made in December. Our financial advisor at Wells Fargo has assured me that this problem is getting fixed and that the bank will pay us interest on these funds retroactive to the date when the problem occurred. I expect we should receive this interest in January 2026.
- 5) I will be contacting our CPA to make sure he is planning to complete our 2025 tax return in early February. When the tax return is completed, I will then re-issue the December 2025 final financial reports.
- 6) I am reiterating my January newsletter article here in case there were some residents who missed the article. As we start the new year, I want to take this opportunity to remind you that your 2026 HOA annual assessment fees are due by January 20<sup>th</sup> to take advantage of the 2% paid in full discount. If you choose to pay monthly, the due dates shall be the **first (1<sup>st</sup>) day of each month** as stated in SECTION 4.6, DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS – DUE DATES of THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF SUNSHINE COUNTRY CLUB ESTATES 1, 2, 3, CAMERON COUNTY, TEXAS “A SENIOR HOUSING COMMUNITY”. Section 4.6 does not cover the option of paying quarterly and we do have some owners who choose that option. The Board is not taking away this payment option so if you are paying quarterly, the due dates are January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup>. Your cooperation in adhering to the payment dates mentioned above is greatly appreciated as this avoids phone calls and/or emails from Valerie each month reminding owners of their respective payments.
- 7) For those owners who rent a storage lot, that payment is due by the end of January. For those of you who use your golf cart on the golf course, you must purchase a golf cart pass for \$25. This pass gets placed on your golf cart and payment is due as soon as you enter the cart path to golf.
- 8) As I am writing this report, I am anticipating being re-elected for my second two-year term as treasurer of our community. If re-elected, my term will be completed in February 2028. At that time, I must step away from the treasurer’s role. I am looking for an assistant treasurer to take under my wing for the next two years so there is a smooth transition once I complete my term. I have asked a few people but have received no firm commitment which is why I am using this platform to get the word out again. I highly recommend that the treasurer has an accounting background. Please reach out to me if you are interested in being my assistant. Thank you.

## Well Update 12.8.25

On November 21st we had the exploratory well drilled and stoped at about 39'. The water that we pumped after completing the shaft came back at about 1950 on Jerry Weatherby's tester. This was a big improvement over the original well drilled. We ran the pump for about a day and retested the water and got a 1900 for that reading.

We sent a sample to Texas A&M the Monday before thanksgiving and hope to see results this week.

We have plans to start the working well after the first of the year.