

Sunshine Estates Regular Board Meeting Minutes

Monday, February 9, 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. All present.
- 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 January 5, 2025, board meeting was approved.
- 5) No agenda items or amendments to the agenda were proposed.
- 6) Director's Reports:
 - a. Scott Kronshage – Golf Course
Scott's report included:
 - Manny and Joe fixed ten leaks on the golf course.
 - b. Pat Heinerikson – Common Grounds Area 1
Pat's report included these items done in the last year:
 - I dug a new trench for drainage from the roof. Concrete is next.
 - The roof repairs are going well. I went over plans with Will.
 - c. Tom Perrier – Common Grounds Area 2
 - See Tom's report attached to meeting minutes
 - d. Lisa Seiser – Common Grounds Area 3
 - A post in the dog park was replaced.
 - I want to thank Chris and Carmen publicly for cleaning the tennis courts. They volunteer as part of the community.
 - Lots in the storage area are in use according to requirements. A reevaluation of lot rent may be made to decide if we should charge by the square foot in the future.
 - Any structures placed on the lots have to go through ACC for approval.
 - Lalo painted new lines. Thank you, Lalo
 - I would like to remind residents that the sheds do not come with the lots except on the East side of the storage lot.
 - Nobody has been able to catch the stray dog in the lot area.
- 6) Financial report:
 - See Tracy's financial report attached to meeting minutes.
 - All of Tracy's motions were made and approved unanimously by the board of directors.
- 7) Committee Reports:
 - a. Architectural Committee update by Terry Lacy:
 - The ACC had 119 applications submitted and only three that were not approved.
 - b. Five Year Planning Committee update by Tony Tramel:
 - The Five-Year Planning Committee proposed \$360,000 to the annual budget for infrastructure repairs.
 - Work on the roof is going forward using the money allocated.
 - c. Flood Control Committee update by Scott Kronshage:
 - The meeting with the Cameron County Drainage Number 5 went well. They were very receptive to our needs.
 - They gave me a nice map that shows the area they cover.
 - They are looking at building more detention ponds and building and repairing culverts in the area.

- Some options are being investigated for a warning system. The state may come into play.
- More discussion is needed about blocking the streets during a flood.

8) Unfinished Business:

- a. Election Status:
 - See Beth's report on election status.
 - There were 306 election ballots.
 - 154 ballots were picked by homeowners.
 - 88 ballots were delivered to residents' homes.
 - 26 ballots were mailed to away addresses
 - 38 ballots were mailed to homes in the community
 - The packets were mailed at least 30 days prior to the election as required.
 - The ballot box is in front of Valerie's office.
 - Once a ballot is placed in the ballot box, it cannot be retrieved for any reason.
- 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.
 - Once the quick sheet is done, it will be emailed to residents and given out to new residents.
- d. Discussions are in process for recycling at the storage lot.
- e. We will have a dumpster and shred bin available again this year. Dates to be determined. Watch for notifications regarding availability.
- f. Tracy proposed a photo directory update done through Unique Church Solutions. This will be a SEPO sponsored event which will take place next season in December and January. All who participate in getting their picture taken will receive a FREE 8X10 photo and a directory booklet. It was well received and approved by the board. Next step will be to present this at next Women's Club meeting to start a committee. Since it is a SEPO event, anyone can join this committee and help make this project a success.
- g. A community member suggested letting walkers use the golf course in off hours. It is in the policies and rules to not allow it according to Randy.

Meeting Adjournment:

There being no further business to come before the Board, on motion duly made, seconded and passed; the meeting adjourned at 1:56 p.m. The Google Meet recording and video session were stopped.

Respectfully submitted,

Gay Paxton, SEPO Board Secretary

Mtg. Report 2.9.26

The catch basins on Tx. Ave and Encore Lakeside have been repaired. These areas will now hold the amount of water they were built for.

Tx. Ave lights have been repaired. The lightning strike from last summer damaged one of the cables coming into the breaker box. Lalo replaced it and some solenoids that control the street lights. Lalo also repaired and added breakers in the gazebo breaker box to solve street light issues.

The fiber crews will be finishing the south end of the course today or tomorrow. They have requested for more locates to be done in the #1- 3 area. Should be starting soon on the Northside.

I reached out to Raymond with T-Fiber to see if they had answers to questions we have regarding - Vacation Pause, \$300 card, Combs addresses, and the Founders Plan.

I shared the text with Jeff Leroy VP of construction and John Fury Sr. Dir. of construction, for Metronet Fiber.

Joe and Manny have been repairing the sprinkler system as breaks occur, from the drilling and digging for structures. We've been tracking the time and materials, and will be billing Simplyvast for that.

We want to keep the water sprinklers going as much as possible and make sure repairs are done right.

And I want to remind you, that before the drilling crews leave, I will be walking with Rob from Simplyvast and identifying what needs their attn.

If they are done in your area with drilling and you see something in your yard that needs to be looked at, write me note and give it to Valerie.

Tom Perrier
Director
Area 2

Financial update for January 2026

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. We are still working on the one delinquent resident who owes 2025 4th quarter HOA fees and weed control services. The first notice of delinquent HOA assessment was mailed certified in January. As for 2026 HOA fees, Valerie had to spend more time than she should have contacting residents to pay their respective HOA and storage fees. I thought my January newsletter article and my verbal reminder at the January board meeting would alleviate most of this monitoring. At the end of this month, we ended up having 20 residents who made no HOA payment and 6 residents who owe storage lot rent for the year. I was disappointed and frustrated with these numbers.
- 2) While making phone calls and sending emails for HOA payments, we found out that our accounting software program now allows payments via ACH direct deposit as a resident chose this option through the email that Valerie sent. There is no cost to SEPO for this service and SEPO will not charge residents anything for this service. There is a \$25 ACH transfer fee added to the payment which is kept by the provider of this service (Quickbooks). Valerie and I investigated the mechanics of this option and could not find a logical reason to disallow this service. I sent an email to the board explaining the service and asked for approval to set this up. Four board members plus myself were in favor of providing this service. To date, we have 2 residents who have used this payment method. To make this official and to get this in our board minutes, I am asking for a motion to approve the ACH direct deposit payment method.
- 3) The Wells Fargo Brokered 1-month CD at Ally Bank for \$100,000 expired on 01/05/2026. The interest earned on this CD, totaling \$337.53, was deposited in the Brokered Liquid Deposit account in January. I renewed this CD at Oceanfirst Bank at a rate of 3.6%. It will expire on 04/21/2026.
- 4) The Wells Fargo Brokered 9-month CD at Bank of America for \$50,000 expired on 01/23/2026. The interest earned on this CD, totaling \$1,506.85, was deposited in the Brokered Liquid Deposit account in January. I chose not to put the \$50,000 back into a CD. These monies are currently in the Brokered Liquid Deposit account earning 3.6%.
- 5) I transferred \$15,000 from the Brokered Liquid Deposit account to the Fidelity Money Market account on January 29th. The current interest rate is 3.7%. In January, we earned \$46.05 in interest on the original \$15,000 that I invested in December.
- 6) The back interest from 2025 that Wells Fargo owed us on the Brokered Liquid Deposit was paid in January. That amounted to \$257.59 and is currently in the Brokered Liquid Deposit account earning more interest.
- 7) On January 13th, Pat and I signed the contracts with McAllen Roofing for the roofs/gutters/downspouts on Retzlaff Hall and the office/library buildings. As noted on the balance sheet, we paid 50% of the contract amount for each building on January 23rd.
- 8) Memorial lockbox in library was checked and there were no memorial donations this month.
- 9) I reviewed the January financial transactions, and they all looked good. I sent the preliminary financial reports to Beth on 02/06/2026 and she sent them out to the community on 02/06/2026. January preliminary financial reports were also sent to our CPA on 02/06/2026 for review.

If there are no questions from the board, I am asking for an official motion to approve the January 2026 **preliminary** financial reports. January 2026 financials will not be final until our CPA completes our 2025 tax return.

Future Financial Matters for SEPO

- 1) I contacted our CPA and it appears that they are still on track to complete our 2025 tax return before our annual meeting on February 17th. When the tax return is completed, I will then re-issue the December 2025 and January 2026 final financial reports.
- 2) Investigate direct deposit for payroll.
- 3) In early March, we will have a locked 95-gallon shred bin placed in the library for residents to dispose of confidential paperwork. We will follow the same guidelines as last year, which are one file box per household. We will notify the community when it arrives.

2026 SEPO Election Committee Report

@ Board Mtg on Feb 9, 2026

Again, I want to thank those who volunteered to work on the 2026 SEPO Election Committee. I've been able to recruit a few additional folks since my last report and anticipate we will be able to complete the remaining tasks on election day, Feb 17, with ease.

On Jan 5, 2026 at the "Residents & Directors" meeting the Nominating Committee presented those homeowners who volunteered to run for the Board. There were no nominations from the floor. The result is three homeowners running in this Board election. There is also **one very crucial Covenants ballot** for you to vote on.

There was no special 'Meet & Greet' session this year. Instead, the candidates were available at the Jan 5 meeting to present information about themselves and answer questions from the Board and the community.

A day or two after the Jan 5 meeting the Election Committee started assembling (folding, stuffing, sealing & stamping) the 306 Election Ballot Packets. The distribution numbers were as follows:

- Picked up by Homeowners = 154
- Delivered to Homeowners' Houses = 88
- Mailed to Away Addresses = 26
- Mailed to Sunshine Addresses = 38

For a total of 306 Packets being distributed prior to the delivery deadline of at least 30 days before election day.

The locked ballot box has been outside the SEPO Office during office hours since the first day ballot packet pickup was available (Jan 10).

NOTE: Once a ballot is placed in the ballot box it cannot be retrieved for any reason.

NEXT STEPS:

1. At 12:30 PM on Sunday, February 15, 2026, and again at 11:30 AM on the day of the Annual Shareholders Meeting (**February 17, 2026**):
 - a. Signed & Unsigned 'Attendance Proxy' envelopes are separated and tallied, for the purpose of Quorum determination.

2026 SEPO Election Committee Report @ Board Mtg on Feb 9, 2026

- b. Any loose BALLOTS, BALLOT envelopes or other non-conforming documents not inserted in an 'Attendance' Proxy envelope are tallied (as NO votes) and bundled together.
 - c. Everything is then returned to the locked Ballot Box.
 - d. **REMEMBER:** If you didn't sign the 'Attendance Proxy' envelope you will need to physically sign in on February 17 in Retzlaff Hall between 12:15 & 1 PM, **prior** to the start of Annual Shareholders Meeting.
2. Promptly at 1 PM all tally sheets are given to the Election Committee chairperson and it is determined if we have achieved a 'quorum'.
*(A quorum is defined as the majority (50% +1) of the votes of the owners who are signed in as present at the meeting along with the signed 'Attendance' proxies. This currently means: 306 times 50% + 1 = **154 Proxy Signatures + Owners signed in as Present at the meeting**, are needed for a Quorum in order to continue the meeting and count the ballots.)*
 3. At the 1 PM meeting the Election Committee chairperson reports to the SEPO Board and the Shareholders if a quorum has been reached. If it has, the meeting will be paused and the Election Committee tallies the ballots.
 4. When the Annual Shareholders meeting is reconvened @ 3 PM, the Election Committee chairperson reports the election results to the Board and the Shareholders. A copy of the ballot results will be provided to the SEPO Board Secretary by the Election Committee chairperson after the meeting is adjourned.

PLEASE DON'T FORGET TO VOTE
by the 1 PM deadline on Tuesday, February 17, 2026.

Respectfully submitted,

Beth Parrish
2026 SEPO Election Committee Chairperson

Well Update 2.9.26

The time frame I'm aiming for is April/May. There will be equipment on the course for a time in the area of the 6th/7th holes. We will also be trenching for water and electric, and cart path removal.

I'm waiting for a quote for deepening an area of the 7th pond.