

Sunrise Lake Property Owners Association, Inc.
101 Sunrise Drive
Milford, Pennsylvania 18337
Telephone: 570-686-1880 Fax: 570-686-2320
www.sunriselake.org

SLPOA Budget Meeting
Saturday, April 13, 2023
Held by Zoom and in person

Doug Dow officially calls meeting to order at 1:00 p.m.

ATTENDANCE

Doug Dow, Vice President	Present
Christine Hollay, Treasurer	Present
Mike Ryan, Secretary	Present
Ron Hansen, Director	Present
Bernadetta Kalea Castellano, Director	Present
Jeannette Gonzalez, Director	Present
Rick Nolan, Director	Present via Zoom

This Budget meeting is being held in person and via Zoom. By participating in this meeting, you consent to being recorded.

Board Report: Doug Dow for the SLPOA BOD

At this time, we would like to introduce Jeannette Gonzalez who was recently appointed to the board. More about Jeannette at the regular meeting.

This is a special meeting to discuss the 2024-2025 draft budget only.

Copies of the draft budget for 2024-2025 are available in the office and at this meeting and have been sent to residents via e-mail.

This meeting will be to introduce the 2024-2025 budget. Budget-related questions will be taken following the Treasures report.

A regular board meeting will be held immediately following this meeting and will include a vote to approve this budget.

Financial Report:

Account balances were given. Total in all accounts is \$654,212.52.

Account information:

10 years ago, in 2014 – we had a total of \$33,000 in the bank including just under \$11,000.00 in reserves.

Capital improvement reserve accounts are funded by home and lot sales and that money has always been put in a separate account and only used for capital improvements.

The reserve accounts also get funded from the profit from our fiscal year. For example, last year our profit was \$58,109.29. We moved \$30K into our capital improvement account and \$28,109.29 into our reserve account. This year if we do not end up with a surplus due to the dam project, we will still most likely fund the reserve account from our money market account.

We get a large majority of our pre-paid dues prior to June 1st but the pre-payments are always moved to our money market account and used in the designated fiscal year. We never have to borrow to cover expenses.

2023-2024 Collection rates:

Lot collection rate - We have collected \$76,000 of \$111,000 billed for lots (68 percent).

House collection rate \$694,000 of \$806,772 billed (86%).

We have collected \$59,000 in prior dues, finance charges, and late fees.

Delinquencies:

The majority of our residents do pay their dues. We have tried a variety of collection efforts over the years: collection agencies, settlements, liens and judgements. Our office manager Karen does a fantastic job with our collections and I urge you to reach out to her if you would like to discuss your account. We had three of our bigger accounts go to court with our attorney this year. As you can imagine this is a very long process and it is cost prohibitive to go after every account at once. Doug will go into more detail about the next steps we are taking at our Board meeting.

Owners that owe less than 1K, \$60,000 total owed.

Owners that owe us between 1-10K, \$358,000 total owed.

46 people owe us close to 1 million dollars.

31 of these are houses – \$800K (2 are bankruptcies, 2 are deceased)

15 are lot owners – \$282,500.00

Doug Dow: Our snowplowing contract is going out to bid, we anticipate there will be savings. We will be looking at all costs to save. We are making sure we get the best possible pricing. Professional fees (Attorney's fees) will be \$40,000. This will be to collect the \$1M that is owed to us. The fees will be charged back to the homeowners. We will have a CPA audit the community. We will need it to apply for funding for the dam. Security has been cut back. We will have dumpster day, and have updates made to this building that need to be done.

Resident: Has a problem with Security.

Christine Hollay: Security will be discussed at the next meeting.

Resident: Question on the spillway.

Christine Hollay: Budget line #9070-Spillway is what is allocated from our dues for this. We need to find out the final cost then the rest will come from looking at grants and loans.

Resident: Question on Budget line #7206-Engineering. We spent \$3,200. Is that what we did on Overlook?

Christine Hollay: Yes, and the engineering fees for the project are included in the dam spillway. The engineering for the project will always be included in the project in Capital Improvement.

Resident: Without us knowing what this is going to cost us, what is our objective to having cash on hand? What number are we looking at?

Doug Dow: According to the Planned Community Act of PA, they suggest having reserves of 50% of their operating budget.

Residents: On the collections, you said a lot of money owed is interest, what is the money we can get from this?

Christine Hollay: Explained interest and septic fines on accounts. We never write off legal fees, dues, citations. The only thing negotiable is the finance charge.

Doug Dow: When we take someone to Magistrates Court, which is the lesser of the two, the Magistrate judge *may* reduce the amount that is owed. When we go to the court, we are going to the court where everything that is owed on their account, that would be all interest, fees, fines, collections will be due. When you go to the Court of Common Pleas, we do the same thing. All fees are collectable

and due. We are estimating that we can collect 40 cents on the dollar. It's a conservative estimate.

Christine Hollay: We took 3 people to court last year.

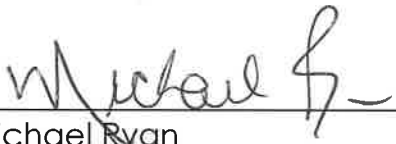
Doug Dow: One had a judgement and they paid in full. One is an elderly man with limited income and the judge is allowing him to pay \$100/month and one is going to foreclosure. Generally, a foreclosure will net 40% of the market value.

Resident: Commenting on potholes on her street and the paving budget.

Doug Dow: Roads for paving: West Shore to South Shore up to where the pavement cut is. Stateway from Sunrise Drive to about mid-way. Bald Ridge complete. We are contracting with a paving company to do professional pothole repairs on Vista, Overlook, the other end of Stateway, Gristmill, Golden Eagle Terrace and Upper Spruce.

Adjourn meeting.
All in favor.

The minutes are respectfully submitted to the best of my ability.



Michael Ryan
Secretary
SLPOA BOD



Date