SIERRA ASSOCIATION

2025 ANNUAL MEETING

TUESDAY APRIL 15TH, 2025

Sierra

Sierra Association Inc.
P.O. Box 4,
Waconia, MN 55387

www.sierraassociation.org

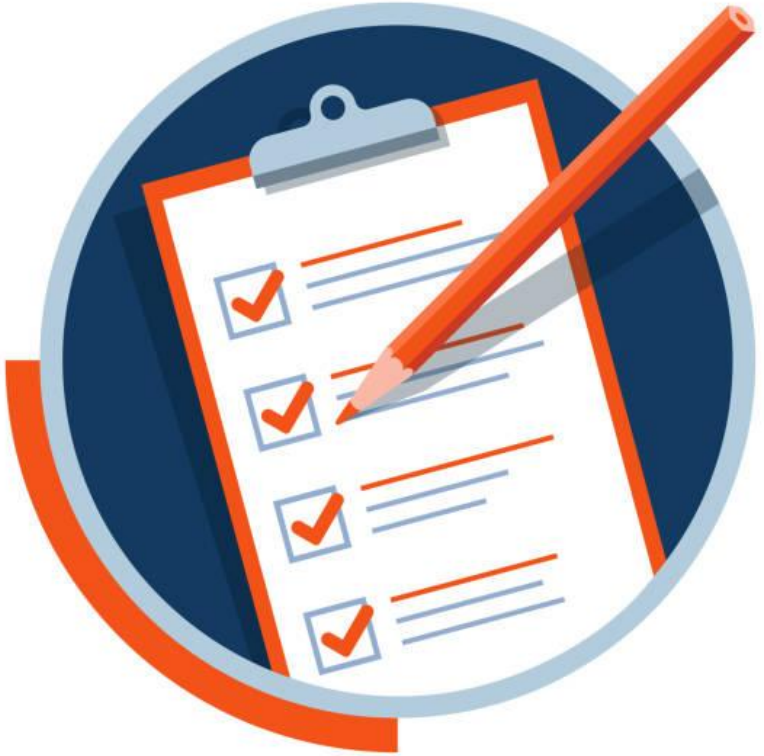
board@sierraassociation.org

Sierra Homeowners Association

SIERRA ANNUAL MEETING

2025 AGENDA

1. Introduction
   - Call to order and notation of members present
   - Board Member Update
2. Activities and Maintenance
   - 2024 Completed
   - 2025 Planned
3. Financial Update
   - 2024 Lookback
   - 2025 Budget
4. Open Discussion / Q&A
   - Thank you for attending!



SIERRA ANNUAL MEETING

1 *INTRODUCTIONS*

- Board Members (current term)
  - President: Dan Viessman (5th Term)
  - Secretary: Jenna Schultz (2nd Term)
  - Treasurer: Cody Cox (2nd Term)
  - Members
    - John Broughton (2nd Term)
    - Jacci Haley (2nd Term)
- 2025 Board Update
  - No new applicants were submitted this cycle.
  - Jacci Haley re-elected for a 2-year term. Dan Viessman staying on in an interim role.



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2 *ACTIVITIES AND MAINTENANCE*

2024 Completed

- Performed Annual Survey (76 Participants).
- Held the following events:
  - 2nd annual Easter Egg Hunt held in March 2024.
  - Annual Picnic held in July 2024.
- Established Sierra Park and Mailbox upgrade proposal, held two town halls and performed two separate votes.
  - Proposal was $575 Park Assessment; $175 Mailbox Assessment.
  - Assessment(s) failed as yes votes were below the 67% threshold.
- Researched potential neighborhood-wide trash and recycling rate.
- Maintenance and other neighborhood changes:
  - Refreshed playground mulch.
  - Irrigation repair (RPZ replacement).
  - Mailbox repairs.
  - City installed a water meter reading pole at the park.

2025 Planned

- Performed Annual Survey (53 Participants).
- Planned Events:
  - 3rd annual Easter Egg Hunt on April 12th, 2025.
  - Pausing on the Annual Picnic.
  - Potential cost-effective mini event late summer / early fall.
- Maintenance and other changes:
  - No major maintenance plans in place as we look to save money.
  - Will fix mailboxes as repairs are needed.
  - Monitor the park mulch, benches, and other minor maintenance.
- Looking for neighborhood assistance as we try and establish a mailbox repair plan in lieu of an assessment:
  - Design and consolidation ideas.
  - Referrals for local contractors (we have 1 quote in hand).
  - Volunteers, if that is a viable cost-effective solution.
- Establishing a long-range financial plan understanding large future capital expenditures on the horizon.

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3 *FINANCIAL UPDATE*

2024 Financial Performance

	Actual	Budget	B/(W)
Dues Income & Late Fees	**$ 41,513**	**$ 41,405**	**$ 108**
Management Fees	4,836	4,800	(36)
Other Administrative Expenses	6,083	5,680	(403)
Neighborhood Party	2,917	3,600	683
Utilities (Electric, Water, Refuse)	3,324	4,868	1,544
Grounds Maintenance	13,349	14,500	1,151
Irrigation Maintenance	3,553	1,000	(2,553)
Playground Maintenance	1,065	1,000	(65)
Mailbox Maintenance	2,255	1,500	(755)
Tree and Shrub service	-	1,000	1,000
All Other, net	401	100	(301)
Total Expenses	**$ 37,784**	**$ 38,048**	**$ 264**
Net Income	**$ 3,729**	**$ 3,357**	**$ 372**
Ending Cash Balance	*$ 23,546*	*$ 23,174*	*$ 372*

- Roughly $3,700 increased cash reserves, slightly ahead of budget due to:
  - $42k in dues, which increased $15 per house to $169 annually adding just over $3,500 in incremental revenue from 2023.
  - $38k in expenses were slightly ahead of budget by $264.
    - Savings from less irrigation and snow removal and pared back summer party covered one-time irrigation repairs, mailbox maintenance and higher administrative costs.

2025 Financial Outlook

	2025	2024	B/(W)
Dues Income & Late Fees	**$ 45,325**	**$ 41,513**	**$ 3,812**
Management Fees	6,000	4,836	(1,164)
Other Administrative Expenses	8,438	6,083	(2,355)
Neighborhood Party	250	2,917	2,667
Utilities (Electric, Water, Refuse)	4,677	3,324	(1,353)
Grounds Maintenance	16,064	13,349	(2,715)
Irrigation Maintenance	1,500	3,553	2,053
Playground Maintenance	1,308	1,065	(243)
Mailbox Maintenance	2,500	2,255	(245)
Tree and Shrub service	1,500	-	(1,500)
All Other, net	500	401	(99)
Total Expenses	**$ 42,737**	**$ 37,784**	**$ (4,953)**
Net Income	**$ 2,588**	**$ 3,729**	**$ (1,141)**
Ending Cash Balance	*$ 26,134*	*$ 23,546*	*$ 2,588*

- Expecting to add just under $2,600 to our cash reserves from:
  - $45k in dues, which increased $16 per house to $185 annually adding just under $4,000 in incremental revenue from 2024.
  - Increase needed to cover a nearly $5k increase in expenses noted below while trying to maximize cash reserve increases:
    - Vendor cost inflation (Maintenance, Insurance, Mgmt Co)
    - Higher utilities, more aligned with historical levels.

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4 *OPEN DISCUSSION*



APPENDIX

SIERRA ANNUAL MEETING

2025 SURVEY RESULTS

Overview

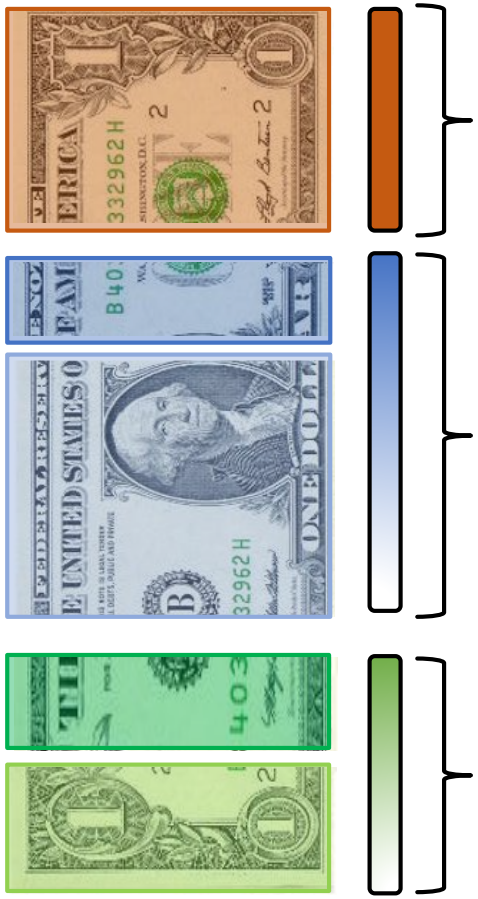
- 53 Responses
- Nine question survey:
  - How long have you lived in Sierra?
  - Are you in favor of pausing the annual picnic for purposes of growing the neighborhood reserves?
  - Are you in favor of replacing the annual picnic with a different, more cost-effective event?
  - Which season do you prefer for an event?
  - Are you engaged with Sierra in a digital manner (website, Facebook, and/or electronic communications)
  - Are you finding value in the quarterly newsletter?
  - How about the frequency of communications?
  - Provide suggestions for event alternatives.
  - Please share any other comments.

Themes and Take-aways

- 53 Responses out of 245 Sierra households.
  - Roughly 50% have lived in Sierra for over 10 years.
  - Less than 10% of respondents are new to Sierra.
- Over 90% in favor of pausing the annual picnic.
- Nearly 90% want a more cost-effective replacement.
- Ideally in Summer or Fall – pretty split between those.
- Over 90% engaged with our digital communications!
- With most of those people finding value in the newsletter.
- Over half are OK with frequency; Just about 20% want more.
- Really good picnic alternative suggestions (block parties, national night out, pay your own food trucks, movie night at the park, pot-luck, yard games, among others).
- Please help us get the word out on digital communications.
- Email the board to get added (board@sierraassociation.org).
- Board Take-aways:
  - Figure out a picnic alternative for this year.

WHAT DO OUR DUES PAY FOR

2025 DUES BUDGET ILLUSTRATION



% of Budget	per House	2025 Budget Allocation by Activity
Association Admin and Management (32%)	**$59 per House**	**Association Administration Expenses - 32% ($14k)** • Association Management Company (13%) • Property & Liability Insurance (11%) • Tax Prep and Audit Support (1%) • Other Supplies, Printing, Postage, Website, etc (7%)
Maintenance and Utilities (55%)	**$19 per House**	**Utilities- 10% ($5k)** • Water (8%) • Electricity (1%) • Refuse and Sanitation (1%)
	$83 per House	**Neighborhood Maintenance 45% ($20k)** • Park and common grounds Maintenance Contract (29%) • Snow Removal and salt (7%) • Tree and Shrub Service (3%) • Park Irrigation System Repair & Maintenance (3%) • Pest Control (Mosquito Spraying) (2%) • Playground Equipment Maintenance (1%)
Discretionary Expenses (13%)	**$1 per House**	**Neighborhood Parties - 1% ($0k)** • Annual Party + Easter Egg Hunt + TBD Future Events
	$23 per House	**Remaining income leftover for projects - 12% ($6k)** • Lighthouse and Mailbox Repair and Painting • Park structure and swing set maintenance • Capital Savings for future major projects

Overview

- 2025 Dues increasing to $185 per household, which is a $16 increase from 2024.
- Dues increase needed to cover increases in insurance coverage, maintenance contracts, inflationary impacts on administrative spending (ie postage, etc), and maintenance needs on aging association structures.
- $185 per house dues spent as follows:
  - $83 spent on Maintenance and Utilities covering mowing/maintenance on vast Sierra Common Land (Park and out lots), attending to trees/shrubs across the Sierra property, and maintaining the Sierra park and mailboxes.
  - $59 spent on administrative functions maintaining the association.
  - $19 on utilities, irrigation, and sanitation.
  - $24 for discretionary spending for maintenance and neighborhood events and building capital reserves..