SIERRA ASSOCIATION

2026 ANNUAL MEETING

TUESDAY APRIL 14TH, 2026

Sierra

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

www.sierraassociation.org

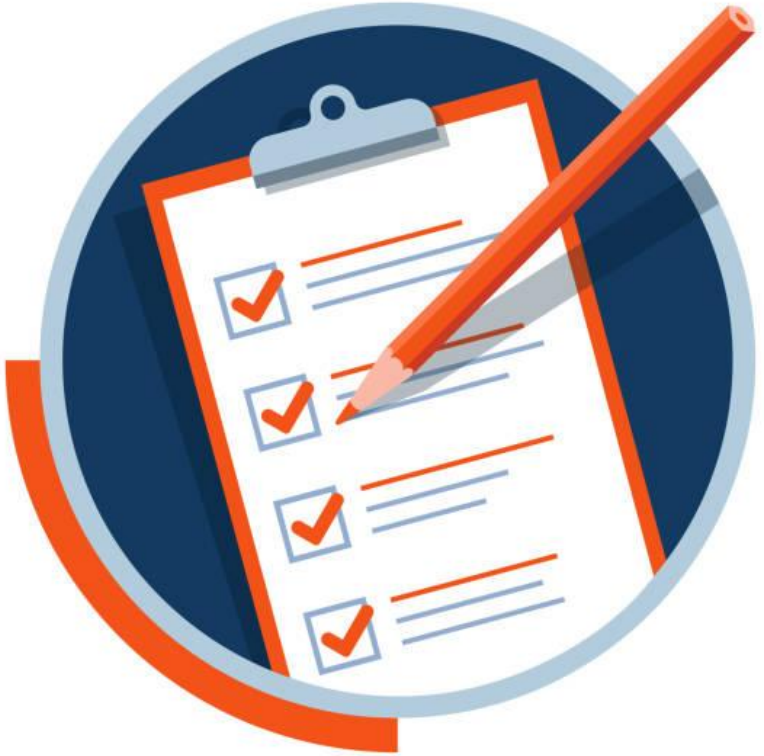
board@sierraassociation.org

Sierra Homeowners Association

SIERRA ANNUAL MEETING

2026 AGENDA

1. Introduction
   - Call to order and notation of members present
   - Board Member Update
2. Activities and Maintenance
   - 2025 Completed
   - 2026 Planned
3. Financial Update
   - 2025 Lookback
   - 2026 Budget
4. Open Discussion / Q&A
   - Thank you for attending!



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1 *INTRODUCTIONS*

- Board Members (current term)
  - President: Dan Viessman (5th Term)
  - Secretary: Jenna Schultz (3rd Term)
  - Treasurer: Cody Cox (3rd Term)
  - Members
    - John Broughton (3rd Term)
    - Jacci Haley (2nd Term)
- 2026 Board Update
  - One new applicant was submitted this cycle resulting in a vote held in late March.
  - Votes: Cody (19), Jenna (19), John (18), Jake (13)



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2 *ACTIVITIES AND MAINTENANCE*

2025 Completed

- Performed Annual Survey (53 Participants).
- 2025 Events:
  - 3rd annual Easter Egg Hunt on April 12th, 2025.
  - Paused the Annual Picnic to save money.
- No major maintenance completed in 2025.
- Established a long-range financial plan understanding large future capital expenditures on the horizon.
- Intentionally quiet year!

2026 Planned

- No survey in 2026.
- Planned Events:
  - 4th annual Easter Egg Hunt on March 28th, 2026.
  - No other major events planned for 2026.
- Maintenance and other changes:
  - Park updates: trash enclosure, benches, swing, and "no dogs" sign.
  - Routine park maintenance (refresh mulch, seal coat, etc).
  - Lighthouse repair – key and lockbox, potential roofing.
  - Continued park evaluation – inspection, secure footings, etc.
  - Begin first phase of mailbox replacement project.
- Governing docs amendment to allow for all electronic communication:
  - Neighborhood vote via certified mail – 67% approval needed.
  - Electronic notice consent will be requested (requirement).
  - Goal – All communications over email starting in 2027.
- Establish electronic dues payment option for 2027 annual dues.

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3 *FINANCIAL UPDATE*

2025 Financial Performance

	Actual	Budget	B/(W)
Dues Income & Late Fees	**$ 46,185**	**$ 45,325**	**$ 860**
Management Fees	6,000	6,000	-
Other Administrative Expenses	7,995	8,438	443
Neighborhood Party	129	250	121
Utilities (Electric, Water, Refuse)	2,102	4,677	2,575
Grounds Maintenance	13,257	16,064	2,807
Irrigation Maintenance	1,320	1,500	180
Playground Maintenance	717	1,308	591
Mailbox Maintenance	731	2,500	1,769
Tree and Shrub service	860	1,500	640
All Other, net	-	500	500
Total Expenses	**$ 33,110**	**$ 42,737**	**$ 9,627**
Net Income	**$ 13,075**	**$ 2,588**	**$ 10,487**
Ending Cash Balance	*$ 36,621*	*$ 26,134*	*$ 10,487*

- $13k of net income in 2025, increasing cash reserves to just over $36k.
  - $46k of Dues Income and late fees ($185 annual dues).
  - $33k of expenses for administration, maintenance, utilities, etc.
- Income was $10k ahead of budget from late fee income and cost savings.
  - $9k lower expenses from irrigation savings, mailbox maintenance avoidance and grounds maintenance and snow removal savings.
  - $1k of late fee income.

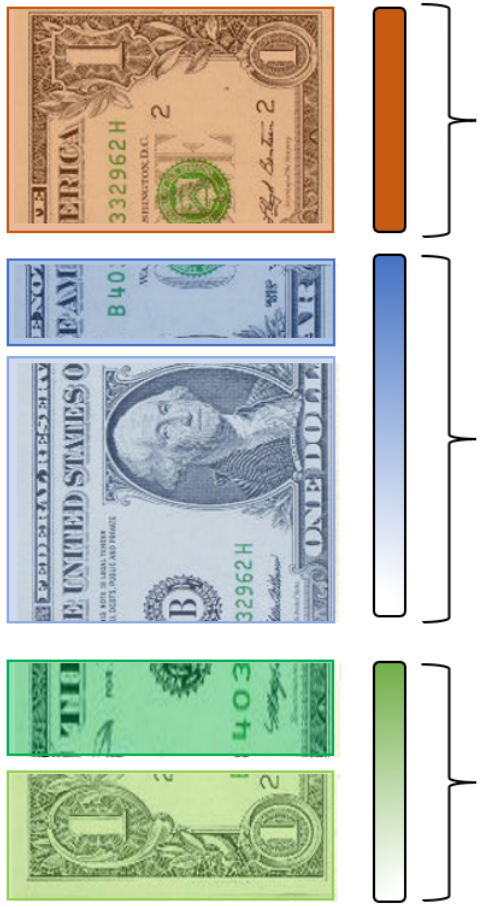
2026 Financial Outlook

	2026	2025	B/(W)
Dues Income & Late Fees	**$ 49,735**	**$ 46,185**	**$ 3,550**
Management Fees	6,000	6,000	-
Other Administrative Expenses	7,725	7,995	270
Neighborhood Party	130	129	(1)
Utilities (Electric, Water, Refuse)	3,650	2,102	(1,548)
Grounds Maintenance	14,000	13,257	(743)
Irrigation Maintenance	1,500	1,320	(180)
Playground Maintenance	1,500	717	(783)
Mailbox Maintenance	10,000	731	(9,269)
Tree and Shrub service	4,000	860	(3,140)
All Other, net	500	-	(500)
Total Expenses	**$ 49,005**	**$ 33,110**	**$ (15,895)**
Net Income	**$ 730**	**$ 13,075**	**$ (12,345)**
Ending Cash Balance	*$ 37,351*	*$ 36,621*	*$ 730*

- Largely break-even 2026, utilizing recent dues increases for maintenance.
- Lower net income after saving $13k in 2025 and $4k in 2024.
- Allowing the association to invest in needed planned maintenance:
  - Beginning stages of multi-year mailbox structure replacement.
  - Potential expenses for tree replacement or lighthouse repair.
  - Other routine grounds maintenance (mulch, seal coat, etc)

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3 *FINANCIAL UPDATE (ANNUAL DUES INSERT)*



% of Budget	per House	2026 Budget Allocation by Activity
Association Admin and Management (28%)	**$56 per House**	**Association Administration Expenses - 28% ($14k)** • Association Management Company (12%) • Property & Liability Insurance (10%) • Tax Prep and Audit Support (1%) • Other Supplies, Printing, Postage, Website, etc (5%)
Maintenance and Utilities (49%)	**$15 per House**	**Utilities- 7% ($4k)** • Water (5%) • Electricity (1%) • Refuse and Sanitation (1%)
	$86 per House	**Neighborhood Maintenance 42% ($21k)** • Park and common grounds Maintenance Contract (21%) • Tree and Shrub Service (8%) • Snow Removal and salt (7%) • Park Irrigation System Repair & Maintenance (3%) • Pest Control (Mosquito Spraying) (2%) • Playground Equipment Maintenance (1%)
Discretionary Expenses (23%)	**<$1 per House**	**Neighborhood Parties - <1% ($0k)** • Annual Party + Easter Egg Hunt + TBD Future Events
	$46 per House	**Remaining income leftover for projects - 23% ($11k)** • Lighthouse and Mailbox Repair and Painting • Park structure and swing set maintenance • Capital Savings for future major projects

Overview

- 2026 Dues increasing to $203 per household, which is an $18 increase from 2025.
- Dues increase needed to cover the following:
  - Building and maintaining capital reserve.
  - Association repairs and maintenance.
- $203 per house dues spent as follows:
  - $86 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.
  - $56 on administrative functions maintaining the association.
  - $15 on utilities, irrigation, and sanitation.
  - $46 for discretionary spending for maintenance and neighborhood events and building capital reserves.

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4 *OPEN DISCUSSION*

