

SHOA , INC 2026 Annual Meeting

February 26, 2026

5:30 pm United Methodist Church

Meeting called to order at 5:35 pm by Chuck Hogue, SHOA Board President. To take roll everyone in the room was asked to state their name and address.

Role call started with Kristen Nelson, Hal West, Glennis and Manuel Espinoza, Robin Dowler, Charles Cox, Sonya Lister, George & Barbara Tyson, Nancy Woodman, Dennis Myers and Mary McCutchen, Heather and Rowdy Keeney, Kevin McCarthy, Ron and Ellen Bradley, Thomas and Serena Carlin, Carol Lambert, Chuck Hogue, Nate Nelson. There were 17 members present, 8 ballots and 8 proxies. Quorum was present.

First item on the agenda was the review and approval of the 2025 Annual Meeting Minutes.

Robin stated that she had a change to the minutes and a question about some contents. Robin asked to have “get” changed to “record” on page 3. Also asked to change if covenants be “filled” with the County and that should be changed to “record”. Robin also had a question about when given the valid covenants at the last meeting? Chuck stated yes and that the Valid covenants were handed out at the last meeting. They have been recorded and no need to record them as per our attorney. Robin asked when were they recorded? Chuck stated when the subdivision was formed. Original in 1999. Robin asked why the Covenants filled in 2023 were not valid? Chuck said that SHOA went to an Attorney and the Attorney stated they were not valid. Robin asked does anyone else have any questions regarding this. Charles stated he did. He said they checked with the County and the ones that are there are the ones that were filled in 2023. Nate stated the County is not looking at the original ones that were filled. Nate stated that we have our Attorney working on this. He will refile the original covenants and remove the incorrect Covenants with the County Clerk and Recorder. Chuck stated that invalid covenants have been recorded and they are not valid. Chuck stated that we now have “clouded title”. Nate stated that if this does not get corrected at the Clerk and Recorder, they will continue to hand out the invalid covenants. Nate stated once we get HOA Services in place, the correct covenants will be available through the HOA Services portal. Chuck then stated that the contract was already signed with HOA Services. Having a management company in place will give a common place that realtors as well as homeowners can go to get the information they

need. HOA Services was highly recommended. The Board did get the Nine Polices and Procedures created to avoid paying the \$900 HOA Services would have charged if they were not in place. HOA Services will then have all the documentation that is required.

Nate stated since Kristen and I have gotten on the board, we put the financials on the cloud, send out quarterly billings, send receipts when payments are made by homeowners, file tax returns, create budgets and have a 3 year budget comparison.

Nate asked has anyone seen The Shadowbrook Neighbors Newsletter? This is not coming from the Board.

Robin asked if the Board met with Mark Shoberg of HOA Services? Kristen and Chuck meet with Mark. Ron Bradley asked that we need to vote on the 2025 Minutes. Robin asked is there a little confusion about the Covenants. Robin was going to make a motion and she did not. Ron Bradley motioned to approve the minutes with the changes as requested, seconded and all was in favor. Motioned was carried

Chuck stated next item on the agenda is the 2025 Budget vs Expenses.

Any questions on this? Robin asked on the proposed 2026 Budget how did we come up with the amount of \$48,300 in income. Kristen stated that is based on dues increase, if approved. HOA Services expenses are also included in the proposed budget. Nate stated is there any questions on 2025 Budget vs Actuals. Charles stated that some people have asked for information. He stated that some asked if they could get a copy of the LiquiGreen contract. Charles also stated that some would like to volunteer to help in the community. Then Chuck stated that the CCRs are what the community is managed by. Nate stated that Mark of HOA Services said – “the Board is voted on by the community and they are putting the full faith and trust in us before signing a contract”. The benefit this community has is that Kristen has been a Controller/Contract Administrator for a Landscape company for many years. Kristen reviews many contracts and she has reviewed this contact and compared them to what she has seen. Mark stated the whole community does not need to be given any contracts. Charles stated that he has not been able to get information that he wants to see for years. Heather Kenney stated that she has a question, she stated that there are not a lot of people to vote for and she does not know who the people on the Board.

Thomas Carlin made a motion to approve the 2025 Budget as written, seconded by Nate, all in favor eye and no one opposed.

Next item on the agenda is the 2026 Budget.

Chuck stated that LiquiGreen as well as HOA Services have been hired per CCR's. Robin asked who the HOA hired to repair the invalid CCR's that were filed with the County. The Board has hired Stuart Foster. Ron Bradley stated that Kristen sent out an email that we were needing to hire HOA Management Services and the details. Chuck stated that it was a misprint. 2026 Budget discussions centered on that LiquiGreen had a 2% increase, State Farm had a \$20 increase as we just received the new bill, Xcel and one GVP bill is for the electricity and GVP has two invoices for 2 pumps with and 8-10% increase. Tax return cost is \$30.00. We have filled the previous tax return and have not heard anything from the IRS. State filing is current and is \$50.00 per year. We get income on interest as we keep majority of money in the interest account. HOA Services cost is part of the budget and they will run the Annual meeting. It will need to be done during business hours. Kristen will continue to do what she can to save the community money, like doing the tax return. Nate stated that he would like to have the members vote for the HOA Management Company. Charles asked what is the Boards option if the Members vote down the Management? Chuck stated that the Board has the right to hire HOA Services. Robin stated that herself, Jack Spinelli, Charles Cox met with HOA Services and Mark stated that the Board has the right to hire a management Company of behalf of the community. It does not need the members approval. Nate stated that he wants the members to vote because he wants to see how the members stand on HOA Services and the dues increase. Dues increase is not just for HOA Services it is also for the past years that the budget has been negative. We have not hired HOA Services for Architectural review. Thomas made a motion to take a vote of hands for the management company. CCRs, Bylaws, Polices and Procedures are the State order of documents. Chuck stated that he does not think there should be a vote to approve the Management Company. Thomas stated that he has a question that the 2026 budget is still showing that it will be operating at a deficit. Nate reviewed over 20 years but I will talk about the last 9 years, from 2017 – 2025 there has been an overall net loss of \$18,123. Charles did not know until the last few years that the HOA was operating at a loss. Charles just wanted information. We need to aerate every year as this helps the water absorb into the roots. The budget has not changed enough in the last 7 years to keep up with the changes in cost. Ron stated the board is restricted to a 5% increase of dues and anything over that requires the approval of the members, Ron stated that he thinks that we can cut expenses. Nate stated the suggestion that people can volunteer to spray the ditches is not possible. The state requires that you have to be a licensed sprayer to spray in common areas. That makes it a huge liability to the HOA and to the person that sprayed if they are not licensed. Ron also stated that the pumps can be shut off to save money. The pumps are computerized and run efficiently and can burn out if you turn them on and off. It can shorten the life of the pump dramatically. The reason we have some onpeak time of the irrigation running is in case there is a irrigation problem it can be seen during the day. Then

the irrigation zones will run starting at 9pm. We have over 100 zones that need to run. Robin stated that we need to know what is in the checking account. We have about \$26,000 in the accounts; technically we have nothing in Reserve. All funds are held in operating accounts. Checking and savings with funds transferred to savings(reserve acct) to maximize interest earnings.

Chuck stated we need to get back to the vote on a one time dues increase. Nate motioned a \$50 dues increase per quarter starting on July 1st, 2026, raising from \$250 per quarter to \$300 per quarter. Robin stated that we really do not have a choice but to vote for the dues increase to keep the HOA solvent. Thomas said lets just fix this problem and increase the dues. The budget still states that we would be operating at a negative. Nate stated that \$35 per house per budget will cover the HOA Services and wanting to add some additional money to help cover expenses. Kristen did make an error on the budget regarding the electricity. It should have been \$3400 and not the \$4700. That will drop the negative net income to \$900. We have had inflation of over 23% in the last few years. Nate stated that the board has not kept up with expense increases. We need to just move forward to get the budget in line. Kristen reviewed the LiquiGreen contract for the last 5 years. Over the last 5 years they have hardly increased their contract. Kristen stated it is not fair to take a contractor and nickel and dime them to death. They will not want to continue to work for you. LiquiGreen is very aware of expenses and do not do anything without approval. Chance has a lot of knowledge in the irrigation system that we need. Ditch water is very hard on the irrigation system. Thomas made a motion to increase the dues to \$300 per quarter, effective July 1, 2026 as that will take care of the more than 30-day notice. Nate seconded, all in favor, no opposition. Motioned carried.

Robin discussed the onboarding process of HOA Services. HOA Services will be sending out information to the community in the third week of April with the onboarding process. Kristen stated to please make sure that all email addresses are up to date. Nate stated that if a member does not see something from HOA Services in the next month to please reach out to Kristen and or Nate.

Nate made a motion to approve the 2026 budget with the dues increase seconded by Thomas. Unanimous approval.

Nate made another motion to vote for the Board and adjourn the meeting. Motioned approved. Thomas Carlin volunteered to be a write in on the ballot.

Board Voting results:

Nate Nelson – 24 Votes

Kevin McCarthy - 20 Votes

Hal West - 20 Votes

Robert Gooche - 17 Votes

Chuck Hogue - 16 Votes

Thomas Carin – 10 Votes

Charles Cox – 2 Votes

Robin Dowler – 1 Vote

Meeting adjourned at 7:25 pm.