

SUNSET INC.

Board of Directors Meeting
December 27, 2022, 9:00 a.m. EST

Mark Hilton called the meeting to order at 9:06 am EST. Linda Durst called the roll. Mark Hilton, Emidio Carrico, Deb Jones, and Linda Durst attended the meeting by phone. Some owners attended the meeting by phone.

Mark Hilton confirmed that proper notice was emailed to owners on December 13, 2022. The meeting is also being recorded.

Confirmation of a Quorum:

Mark Hilton confirmed with 4 of the 5 active board members present the quorum requirements were satisfied, and the meeting can be held. Stacey Howard joined the meeting.

President's Report:

Jonathan Stoner emailed his resignation letter. Deb Jones in 801 has volunteered to fill his position. Mark Hilton made a motion to appoint Deb Jones to the board and asked for questions/comments from the board members. There were no questions or comments. Mark Hilton made a motion to appoint Deb Jones to the board for the remainder of Jonathan Stoner's term until the next election. Linda seconded. Vote taken Emidio Carrico, Stacey Howard, and Mark Hilton with ayes. Motion carries. Deb Jones was welcomed to the board.

Emidio Carrico discussed the operating and replacement budgets and proposed maintenance fees. The major driver for the increases is the insurance rates increases and the average increase in the operating budget is 64% on the insurance line. The replacement budget will benefit because there are no planned items that will need to be replaced in 2023. There will be changes in the replacement budget in 2024 because of the new Statutory Reserve Calculations requirement. The maintenance fees will be brought up to the 2020 level. The sum of the operating and replacement increases for 2023 results in a \$2755.00 per quarter maintenance fee. This is an increase of \$775.00 per quarter or a overall increase for the year of \$3100.00.

Mark Hilton asked for comments/questions from the board members. Deb Jones asked for more clarification on the reserve budget. Emidio Carrico explained the Statutory Reserve Calculations for 2024 include items that are structural requirements over \$10,000. Mark Hilton and Emidio Carrico included other items that need tracked for future replacement and do not meet the Statutory Reserve criteria. Emidio Carrico noted that there is a reserve study budgeted for the end of 2023.

Mark Hilton made a motion to approved the proposed 2023 operating and replacement budget and maintenance fee of \$2755.00 per quarter. Emidio Carrico seconded. Vote taken Emidio Carrico, Deb Jones, Linda Durst, Stacey Howard, and Mark Hilton with ayes. Motion carries.

Emidio Carrico will contact the Sunset Accounting firm to find out when the last assessment for the deductibles will be mailed to owners and have them prepare the invoices for the new quarterly maintenance payments.

Owners Comments:

The meeting was open to the owners present and all questions and concerns were addressed.

With no further topics to be brought before the Board, Mark Hilton moved to adjourn the meeting. Emidio Carrico seconded. Vote taken Emidio Carrico, Stacey Howard, Mark Hilton, Deb Jones, and Linda Durst with ayes. Motion carries. The meeting was adjourned by motion and the recording was stopped.

Respectfully submitted,

Linda Durst

Linda Durst, Sunset Secretary