



SUNSET VILLAGE, INC.
Finance Committee Meeting

Thursday August 29, 2024, at 10:30 AM Maintenance Conference & Zoom
Zoom Link:

<https://us06web.zoom.us/j/82586431959?pwd=xNxiBYEnSTyaBiVyUnvdyobEa7Abbl.1>

Meeting ID: 825 8643 1959 Passcode: 233371
One tap mobile: +13052241968,84758636805#*411973# US
Dial by your location: +1 305 224 1968 US

Call to Order: The meeting was called to order at 10:33 AM by Karen Harding

Roll Call Attendees: Karen Harding, Chair via Zoom; Gary Thrasher, Roberta Maynard, via Zoom, Jan McCoy, Larry Smith, via Zoom, Bill Hickey, via Zoom, Drew Lawrence, Mike Parkman, via Zoom, Marilyn Corazza, Manager, Julie Durda, Administration Assistance

Guests: Doug Stevens (lot 135)

Proof of notice of the meeting: The meeting notice was posted August 27, 2024, at 10:29 AM

2025 Budget

Marilyn met with Resource Property Management (RPM) to discuss the draft budget. Karen and Marilyn reviewed the draft budget developed by the committee and compared the numbers with the RPM draft budget.

The committee reviewed some specific expense line items in the draft of the 2025 budget Karen has prepared after comparing the Resource Property Management (RPM) and the committee drafts.

- The number of renters (47) and shareholders (466) was adjusted and recalculated the dollar amount for the maintenance fees income.
- The Operating Interest was agreed on \$120,000 as the interest on the Certificates of Deposits has decreased and we will have or will be spending some of the money on projects.
- The Utility expenses were agreed to budget at \$70,000 based on the 2024 rate with a 5% increase.
- Office supplies was budget at \$12,000. There have been postal cost increases, and the mailings required by the association.
- Division Fees are required payments to the state in the amount of \$1,868.
- Licenses and permits \$4,500 based on the cost of previous years.

- Budgeted legal fees agreed at \$30,000. RPM suggested \$20,000 because we will receive a \$10,000 settlement. However, the settlement will be recorded as income. It would not be buried with expenses. The committee agreed to budget for the \$30,000.
- Insurance – the insurance proposal was received on the afternoon of August 28. The cost is significantly higher (\$22,000 increase) than the conversation previously with the insurance company. The 22-page proposal needs to be reviewed by the committee. The broker recommends the best options and there are not many insurance companies doing business in Florida who are willing to quote on our policies. The cost of insurance continues to rise, and our property assessment value has increased which is driving the cost of insurance. We will use the quote in our budget because of the renewal timing. The premium is due in September.
- Payroll cost suggested by RPM was \$302,000. Karen calculated \$329,000 with overtime cost. We feel we have better data and agreed to use the \$329,000 in the budget. This number allows for 3.5% raises if warranted.
- Pool reserve - \$167,000 is the amount recommended in the Reserve Study for 2025.
- Due to the increase of the insurance cost and other adjusted made, the prior year surplus will be adjusted to \$151,913. The shareholders monthly maintenance fee will be \$100 in 2025. The break-even point for the budget would be to increase the shareholders monthly maintenance fees to \$130. The goal is to obtain a balance budget in the next 2-3 years by doing a “step approach.” We don’t want to continue to use our savings as operating expenses. With an annual increase in maintenance fees of 15% in 2025, 2026 and 2027, we may be able to reach the goal of a balanced budget. The fees can be increased annually up to 15% without having a vote from the shareholders. The budget deficit of \$151,913 for 2025 and the budget step plan information will be reviewed with the shareholders when the 2025 budget is presented. The shareholders can anticipate a maintenance fee increase in the coming years. RPM will send out a budget package to all shareholders, so they can review the information prior to the September 18, 2025 meeting.

Motion: Karen Harding stated a motion the Finance Committee is hereby recommending that the Board of Directors approve the 2025 budget as presented today with \$151,913 to be used from prior year surpluses and an increase in monthly maintenance fees from \$87 to \$100 as of January 1, 2025.

Seconded by: Larry Smith. The motion passed with a unanimous vote.

Adjournment

Motion to adjourn was made by Karen Harding, seconded by Bill Hickey. Motion passed unanimously. The meeting adjourned at 11:14 AM.

Respectfully Submitted:

Roberta Maynard