

Sunset Harbor Resort Condominium Association, Inc.

Board of Directors Meeting

October 14, 2025

A regular meeting of Sunset Harbor Resort Condominium Association, Inc. Board of Directors was held on October 14, 2025 via Microsoft Teams, hosted at Hyatt Vacation Club at Windward Pointe, 3675 Roosevelt Boulevard, Key West, Florida 33040.

Present from the Board of Directors were: George Detsis, President; Marilyn Gordon, Vice President and Treasurer; Diane Gilreath, Secretary; Don Heisler, Vice President/Member Relations and Dennis Thomas, Member at Large

Present from Management Company were: Fabian Garcia, General Manager; Bill Whelihan, Vice President, Resort Operations; Jon Dindo, Area General Manager; Adam Baraniewicz, General Manager, Hyatt Vacation Club at Windward Pointe; Brandon Weilenmann, Assistant Vice President, Finance; Holly Snyder, Regional Director, Finance; Kyle Lanke, Staff Accountant; Jonathan Doepke, Director, Corporate Operations; Lisa Trosset, Director, Association and Board Relations; Florence Khoo, Assistant Vice President, Architecture and Construction; Joe Gamb, Director, Architecture and Construction; Ben Alexander, Associate Director, Association Management; Zafera Aaron, Manager, Association Management and Colleen Keane, Board Relations Specialist, Association Management

Owners present were: Steve Gordon, Jeff and Lynn Hopkins, Margie and Ernie Plassp

CALL TO ORDER

George Detsis, President, called the meeting to order at 9:04 a.m., Eastern Time.

ESTABLISHMENT OF QUORUM

Mr. Detsis announced with all Board Members present, quorum was met.

APPOINTMENT OF RECORDING SECRETARY

Mr. Detsis appointed Colleen Keane to serve as Recording Secretary.

PROOF OF NOTICE OF BOARD OF DIRECTORS MEETING

Notice of Board of Directors Meeting was provided via email to Board Members on November 22, 2024 and posted on site as required by the Association documents. The Agenda was posted in the lobby and placed in all arrival packets the Sunday prior to the meeting.

APPROVAL OF AGENDA

A motion was made by George Detsis to approve the Agenda as presented. The motion was seconded by Don Heisler and unanimously carried.

Prior to approval of the minutes, Ms. Gordon commented on the statement made by Mr. Thomas during the August 19th meeting. Mr. Thomas stated that Ms. Gordon had a conflict of interest in working with the investment policy process. Ms. Gordon found the accusation needed to be defined. Ms. Gordon stated, a treasurer or anyone can only be involved in a conflict of interest if they are obtaining some type of financial goal or benefit. Ms. Gordon also stated she has not received any financial benefit. Ms. Gordon stated she works with the Board President and the Wells Fargo advisor to invest funds properly which earn substantial interest to increase the Association owner's reserve funds. Ms. Gordon offered to discuss the issue with Mr. Thomas. Mr. Detsis stated since we would be speaking with Brandon later in the meeting, the investment policy options would be discussed.

APPROVAL OF PREVIOUS MEETING MINUTES

A motion was made by Don Heisler to approve the August 19, 2025 Board of Directors Meeting Minutes, as amended and to include the Action Items as an organized list to be included in the backup of the meeting minutes. The motion was seconded by Marilyn Gordon and unanimously carried.

Action Item: Include August BOD Meeting Action Items in the August Meeting Minutes for the record. Carry over old action items that are unresolved into the October Action Item list, and note items that are closed, open, or pending.

Action Item: Develop a template to include Action Items from all Board of Director meetings into an organized list to be included in the meeting minutes for all future BOD meetings.

RESORT OPERATIONS REPORT

Fabian Garcia presented an update on resort operations. Highlights included:

- Forecasted 2025 occupancy is 95.5%
- 2025 year-to-date occupancy is 94.8%
- Guest satisfaction scores
- Room refresh photos

FINANCIAL REPORT

Brandon Weilenmann provided an update on financials. Highlights included:

Current Financials

- 2025 year-end operating fund balance deficit is (\$125,631).
- Key operating variances include:
 - Housekeeping – favorable variance driven by savings in contract labor and supplier rebates, mitigating overage in guest/cleaning supplies
 - Insurance – favorable variance driven by property insurance renewal premiums less than anticipated, liability insurance, cyber/umbrella insurance and property insurance credit allocations
 - Electric – favorable variance driven by savings driven by cost per kWh and consumptions less than anticipated but on par with previous year
 - Water/Sewer – unfavorable variance driven by overage driven by increase in cost per gallon year over year and an increase in usage year over year

Action Item: Fabian Garcia to explore options for monitoring leak detection with plumbing. Continue monitoring increase in water usage and rule out any possible leaks.

- Bad debt – unfavorable variance due to unpaid 2025 maintenance fees

Accounts Receivable

- As of August 31, 2025, 2025 Maintenance Fees were 1.50% uncollected
- 15 foreclosures and Deed in Lieu of Foreclosure were completed in 2024
- 10 Deed in Lieu of Foreclosure have been completed year-to-date 2025

Ms. Gordon stated the foreclosures slated for Q2 2026 are eligible for a foreclosure sale Q4 2025. She also expressed the need to continue working on compressing the foreclosure timeline and for the Management Company to finalize a workflow and timeline to be implemented by beginning of year 2026. Mr. Dindo explained that the Management Company was reviewing the internal processes and external contracts to determine what they could committed to. Ms. Gilreath added, that so far it seemed 2 months could be compressed from what was recently reviewed with the Management Company, though a full timeline commitment had not yet been proposed and finalized.

Action Item: Ms. Gilreath and Ms. Gordon are to continue working with Fabian Garcia and Jon Dindo to develop and finalize a foreclosure workflow and timeline for presentation to the Board in February 2026.

Reserve Update

The Board reviewed 2025 projects and statuses. Mr. Garcia provided an update on proposed 2026 reserve projects.

Action Items: Bill Whelihan develop 5-year assets look ahead related to SIRS and Non-SIRS projects and funding.

Action Item: Bill Whelihan to plan and implement a Reserve Workshop for April 2026 with the Board to discuss and educate on SIRS and Non-SIRS requirements, projects, funding and timelines.

2026 Budget and Maintenance Fee

The Board reviewed the 2026 budget and maintenance fee and thoroughly discussed line items where costs could be lowered.

A motion was made by George Detsis to decrease the maintenance fee from \$294.89 per unit week to \$275 per unit week. The motion was seconded by Dennis Thomas. George Detsis, Marilyn Gordon, Diane Gilreath and Dennis Thomas voted in favor of the motion. Don Heisler voted against the motion. The motion carried with majority voting in favor of the motion.

Action Item: Bill Whelihan to draft a letter to the Owners to be mailed with the Nov.1 Annual Maintenance Fee billing, providing information regarding the State of Florida SIRS impacts along with Operational inflationary increases and savings realized.

Ms. Gordon stated her intent to segregate the two different reserve line items for structural versus nonstructural. Mr. Weilenmann informed the Board that transactionally would not be a feasible process. Ms. Gordon referred to an example of Coconut resort having a reserve #1 and #2.

The Board resumed discussion on the proposed 2026 projects.

<u>Projects</u>	<u>Budget Expense</u>
Install new PMS system	\$272,016
Replace HVAC unit handlers (2)	\$107,995
Replace compressor on rooftop	\$93,157
Replace gazebo roof	\$72,450
Replace televisions	\$70,000
Cycle 4, Pre-Development	\$31,985
Replace luggage carts	\$18,812
Replace ice maker	\$14,284
Replace pool/spa pump/filters/spa heater	\$9,035
Assess pool/spa	\$5,854
Telephone VoIP install	\$4,848
Subtotal All Projects:	\$700,436

Mr. Detsis stated that he believed not all projects needed immediate approval and attention. The Board discussed all projects, and Mr. Heisler voiced his disapproval of the installation of the new PMS system. The Management Team expressed the urgency to upgrade from the current 30-year-old system. Ms. Gilreath inquired about the approach and whether a QA/QC process would be implemented prior to roll-out. Mr. Weilenmann confirmed a robust QA/QC would be implemented. It was further discussed that more information would need to be brought to the board on scoping, material selections, and pricing with respect to the gazebo and TV projects.

Action Item: Replace gazebo roof and Replace televisions requires further information from the MC on project scopes and pricing prior to Board final approval.

A motion was made by Dennis Thomas to approve a not to exceed amount of \$700,436 from the Sunset Harbor Resort Condominium Association, Inc. Reserve Fund including each project and item thereof, as presented. The motion was seconded by Diane Gilreath and unanimously carried.

ACTION ITEMS

The Management Company provided updates on the action items.

A motion was made by George Detsis to increase the golf cart and scooter parking fee for transient guests to \$40 per week. The motion was seconded by Marilyn Gordon and unanimously carried.

Action Item: Jon Dindo to finalize Management Contract Amendment for 13% lock in accordance with 2022 letter agreement and timeline moving forward.

Action Item: Jon Dindo to follow up with Marilyn Gordon and clarify the number of Foreclosure sales scheduled for October. Confirm if and why 13 units did not make it to the scheduled sale. Identify any causes for delay.

Action Item: Bill Whelihan to follow up on the discussion regarding the RFP issued for Investment Providers and to provide updates at the February 2026 BOD meeting.

NEW BUSINESS

Announcement of Next Meeting Dates

Tuesday, April 7, 2026 – Board of Directors Meeting

Tuesday, August 18, 2026 – Board of Directors (Budget) Meeting

Tuesday, October 6, 2026 – Board of Directors, Annual and Organizational Meetings

The Board noted that the regular February virtual meeting had been eliminated from the schedule presented. The Board discussed the merits of adding back to the schedule a virtual February Board of Directors meeting. The Board further discussed the pros and cons of switching the remaining in-person meetings to virtual meetings. Ms. Gordon suggested a virtual meeting in August. The Board requested the October 6, 2026 meeting date be changed to October 13, 2026.

Action Item: Management Company verify the 2026 meeting schedule and dates, including virtual meeting for February 2026.

PUBLIC COMMENT

The Board welcomed questions and comments from guests and owners in attendance.

Public Comment #1: Difficult to access availability when exchanging due to the competition introduced to trading because of the Portfolio Points climate. Requested the Management Company to address the problem for owners.

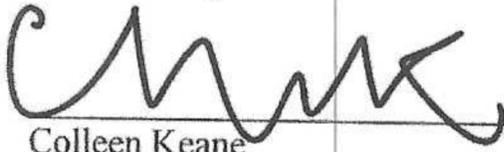
Public Comment #2: Bad debt affecting the maintenance fee increase is a concern.

Public Comment #3: Concerned about the continued issues resulting from the Website upgrade that occurred in June 2025. Difficult to make reservations.

ADJOURNMENT

There being no further business to come before the Board, a motion was made by George Detsis to adjourn the meeting at 1:05 p.m. The motion was seconded by Marilyn Gordon and unanimously carried.

Submitted by:

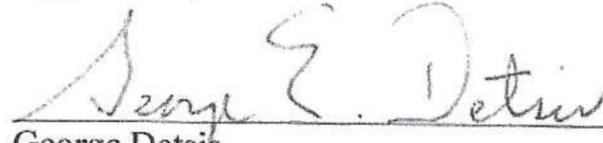


Colleen Keane
Recording Secretary

02.24.26

Date

Approved by:



George Detsis
President

02/24/26

Date

Sunset Harbor Resort Condominium Association, Inc.
Action Items
10.14.2025

Pending/New Action Items

ITEM	ACTION ITEM	PERSON RESPONSIBLE	DUE DATE	STATUS
From October 2025 Meeting (Items marked "Complete" to be Removed Next Meeting. Items not completed will be carried until marked "Complete".)				
1	Include August BOD Meeting Action Items in the August Meeting Minutes for the record. Carry over old action items that are unresolved into the October Action Item list, and note items that are closed, open, or pending.	Colleen Keane / Diane Gilreath	Immediately	Complete
2	Develop a template to include Action Items from all Board of Director meetings into an organized list to be included in the meeting minutes for all future BOD meetings.	Colleen Keane / Diane Gilreath	Immediately	Complete
3	Explore options for monitoring leak detection with plumbing. Continue monitoring increase in water usage and rule out any possible leaks.	Fabian Garcia	April- Report status to Board	Pending
4	Develop a foreclosure workflow and timeline for presentation to the Board.	Lead – Fabian Garcia / Jon Dindo With - Marilyn Gordon / Diane Gilreath	February – Report Timeline to Board	Underway
5	Develop a 5-year assets look ahead related to SIRS and Non-SIRS projects and funding.	Bill Whelihan	April – Report to Board	Pending
6	Reserve Workshop – Plan and implement a workshop with the Board to discuss and educate on SIRS and Non-SIRS projects funding and timelines	Bill Whelihan	April – Reserve Workshop with Board	Pending
7	Letter to Owners with Maintenance Fee Billing describing the SIRS impacts to Florida Associations and Operational Savings	Bill Whelihan	Immediately, Nov. 1, 2025 Mail-out	Underway
8	Provide scope, material, and pricing options to Board for final project approvals regarding TVs and Gazebo projects.	Fabian Garcia	Feb 2026/April 2026	Pending
9	Follow up and clarify the number of Foreclosure sales scheduled for October. Confirm if and why 13 units did not make it to the scheduled sale. Identify any causes for delay.	Jon Dindo	Immediately	Underway

10	Follow up discussion on the Request for Proposals issued for Investment Providers	Bill Whelihan	February BOD Meeting	Pending
11	Action Item: Management Company to verify the 2026 BOD meeting schedule and dates, including virtual meeting for February 2026.	Fabian Garcia	December	Pending
12	Include the Voting Results and Open Rate in the October Annual Meeting Minutes	Collean Keene / Diane Gilreath	Immediately	Underway
From August 2025 Meeting (Items marked "Complete" to be Removed Next Meeting. Items not completed will be carried until marked "Complete".)				
1.	Obtain pricing on pool gate emergency exit	Fabian Garcia	ASAP	Complete. Information/update was provided to the Board on June 16, 2025. Board approved installation in August 19, 2025 meeting.
2.	Remove red ink from minutes	Collean Keane	ASAP	Complete. Meeting minutes will be completed in all black ink moving forward.
3.	Developer Right of First Refusal – 2022 Foreclosure Inventory Purchase Agreement	Jon Dindo	Next BOD Meeting	Complete. Developer is currently not interested in exercising Right of First Refusal. Clause releases January 1, 2026 and additional information regarding Developer intent forthcoming. Mr. Dindo to send 2022 FIPA document to Board members for historical, information purposes.
4.	Foreclosure Timeline Processing	Jon Dindo Fabian Garcia Brandon Weilenmann	Prior to next BOD Meeting	Complete. Meeting scheduled with Marilyn Gordon and Diane Gilreath to further discuss foreclosure process.

5.	Board Vice President, Marilyn Gordon, requesting to receive all invoices	Brandon Weilenmann	1/1/26	Pending. Mr. Weilenmann and Ms. Gordon will meet regarding invoicing review procedures and discuss options to streamline while ensuring accuracy
6.	Review useful life and contribution numbers presented in 2026 Estimated Operating Budget Notes, Structural Components and Roof Replacement	Brandon Weilenmann	10/14/25 BOD Budget Approval Meeting	Complete.
7.	Provide a cost breakdown of Structural vs. Non-Structural portion of reserve increase	Brandon Weilenmann	10/14/25 BOD Budget Approval Meeting	Complete.
8.	Finalize Management Contract Amendment for 13% lock in accordance with 2022 letter agreement	Jon Dindo	ASAP	Complete.
9.	Provide Board with 2025 proxy language prior to owner distribution	Association Management	9/5/25	Did not Occur.
10	Provide RFP's for Board consideration for Investment Policy	Brandon Weilenmann	2026 April Meeting	Complete.
11.	Property Management System Update	Bill Whelihan	Next BOD Meeting	Complete. Mr. Whelihan to provide additional details in the next Board meeting.
12.	Additional gazebo options provided.	Fabian Garcia	2026 April Meeting	Pending.