

SUNSET HILLS BOARD MEETING
SUNDAY, March 12, 2006
6:06PM-7:45PM
At the home of April Marchand - President

Attendees:

**Jamie Pugh; April Marchand; Mike Black; Deanna Hall; Jennifer Jackson;
Mark Mayo; Bill Edmundson**

April Marchand opened the meeting by introducing Mark Mayo and Bill Edmundson. Mark is the husband of Beverly Mayo [who was one of the original Sunset Hills Advisory Board members] and is attending the meeting to present an analysis of our 2006 Budgetary items. Bill Edmundson is also an original Sunset Hills Advisory board. Bill is attending our meeting in order to help clarify issues at hand as they relate to early meetings of the Advisory Board and Mady Corporation.

April discussed the Letter of Opposition that she is writing regarding the proposed Multi-Family apartments planned for the 8800 block of Old Denton Road. The Keller ISD has already written their Letter of Opposition citing traffic flow, among other issues. Sal Espino has provided April the draft of a similar letter to use for creating the Sunset Hills letter.

April announced that at the March 29, 2006 turnover meeting, that a representative from Keller Pointe will make a presentation offering a substantial discount in dues to join Keller Pointe to Sunset Hills residents. This would be a reduction from \$710 annually for non-residents of Keller to \$590 per annum for non-residents. At this point, April turned the meeting over to Mark Mayo.

Mark Mayo opened his presentation by handing out copies of the Sunset Hills HOA Operating Budget Analysis YTD Nov. 30, 2005 actual budget expenditures and comparison to the 2006 Budget as set forth by Mady Corp. Mark explained how Mady had subsidized the HOA during the period that they managed Sunset Hills. Also, how the debt that Mady Corp incurred does not pass along to Sunset Hills HOA at the time of the turnover. The Sunset Hills HOA does not have to pay back any monies lost by Mady Corp. during the developments of Sunset Hills. We went over 2006 budget items and detailed how much each of the 253 homes in our neighborhood annual dues of \$250 are allocated to each budget item:

• Landscape Maintenance	\$72.88
• Irrigation – Water Usage	\$71.46
• Electric – Billings	\$24.77
• Lake Maintenance	\$24.77
• Irrigation – Repairs & Maint	\$ 9.43
• Landscape Replacements & Color	\$ 7.15
• Insurance	\$ 4.76
• Administration & Overhead	\$ 3.81
• Electric – Repairs & Maint	\$ 2.38
• Mgmt Fees – to Mady Corp.	\$28.58

Following this, there was discussion of line items which we can change and/or reduce: mowing costs (if the City of Fort Worth plan comes to fruition, or we hire a less expensive vendor), lake maintenance and color replacements immediately came to mind.

If Sunset Hills, which is a not-for-profit group, is chooses the city Plan which would remove mowing costs from our expenses, what would Sunset Hills do with the extra dues? The community would have to vote and choose whether to reduce dues the following year, or use the money for capitol expenditures such as playground equipment. Also, a reduction in the expense items would cover the additional monies needed to pay whichever management company is selected.

Regarding a new management company, the Sunset Hills HOA will have more control over what the management company does for us. We can ask the company to get vendors which will charge less, or at least give us more services for current costs. Another suggestion was to tell the Management Company that we do not want dues to exceed the current level of \$250 per annum and ask the management company to show us how costs can be controlled. We will tell the management company that Sunset Hills wants to be an active participant in choosing cost-effective vendors.

April then gave an explanation as to why the Notice to Vote form passed out to residents in early March did not have all 4 Options listed as was presented to the attendees of the February meeting. This had to do with two major factors: a) Mady Corp. gave an ultimatum on the turnover date almost immediately following that meeting; and b) the information being researched regarding any potential partnership between the City of Fort Worth and Sunset Hills HOA is incomplete at this time. With the inflexibility of the turnover date from Mady to the new company, there was not time to call a meeting of the residents. Therefore, April called for an e-mail vote, and flyers were taped to all residents' doors.

All residents were duly notified of the e-mail vote and asked to respond by March 15, 2006 to the Sunset Hills HOA email address. The final date to vote was selected in order to allow the chosen company to have 2 weeks time to work with Mady Corp. on the transfer of documents, funds, etc.

On March 15, 2006, April Marchand will print out and tally the votes cast. She will keep these votes on hand for inspection by any resident wishing to see them. She will then notify both the elected management company and Mady Corp., in addition to the other Sunset Hills HOA board members.

The meeting was adjourned at 7:45pm.