RESOLUTION NO. 061926A

Resolution for Capital Investment Fund Assessment

WHEREAS, the Sandy Pines' Bylaws ("the Bylaws"), Article III, Membership Dues; Special Assessments; Capital Assessments, to Assess Membership provides certain requirements for capital assessments by the Board of Directors.

WHEREAS, Article III, Section 4a) of the Bylaws, states It shall be the responsibility of the Board to maintain sufficient capital for operation of the business of the Sandy Pines, and to raise additional capital for future capital needs of Sandy Pines to facilitate its purposes. All such capital shall be used solely for the capital purposes of Sandy Pines within the stated purposes as contained in the Articles of Incorporation of Sandy Pines and the Bylaws of Sandy Pines. Accordingly, the Board shall have the authority to impose capital assessments upon all new members of Sandy Pines, upon any transferee of any membership of Sandy Pines and upon all current members for any special capital needs, for periodic annual capital contribution obligations and to establish a "Capital Fund," but only in accordance with the terms and provisions of the Bylaws. In addition to the above, Board may also allocate any other portion of the revenue from the sale of any property to such Capital Fund as it deems appropriate from time to time.

WHEREAS, the Board of Directors of Sandy Pines Wilderness Trails, Inc. proposes to place on the 2026 Annual Election Ballot, for the membership of Sandy Pines to decide by a vote, on August 15, 2026, the following:

The following ballot proposal, if approved, will replace the present $200.00 Capital Reserve Fund Assessment expiring on September 30, 2027:

Shall the membership approve the amount of $650.00 per membership for the first 15 years of the 25-year Capital Investment Fund plan. The assessed amount will contain an annual inflation escalator of 3.5% per year for the 15-year period. Collection of annual assessments will be quarterly for each membership throughout the fiscal year over the 15-year period.

The resulting accumulated Capital Investment Fund assets shall be dedicated to capital expenditures, as listed and reviewed annually, on the Capital Budget estimate, beginning fiscal year 2027/2028 over 15 years, for the purpose of making capital improvements to common area depleting infrastructure and amenities in such a way as to maintain the use and financial stability of the park. Projects are identified on document: 25-year Identified Project List 06.19.2026.pdf.

All funds collected shall be maintained in a separate account earmarked for capital expenditures and shall not be comingled with the general funds or any other funds. Amounts

not expended for the projects indicated shall only be expended for capital projects approved by the board.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Sandy Pines Wilderness Trails, Inc. does hereby approve for a member vote at the 2026 Annual Meeting the above proposal.

Be It Resolved, that the Board of Directors of Sandy Pines Wilderness Trails, Inc. does hereby approve the above Resolution.

Board Member _ motioned, seconded by Board Member, to approve the above Resolution.

Roll Call Vote__ Yes _____ No

Yes: Berens Day Giebel Hager Johnson Munger Peppel Van Beek Wyman

No: Berens Day Giebel Hager Johnson Munger Peppel Van Beek Wyman

Motion Carried/Failed __ Ayes __ Nays

I hereby certify that the foregoing Resolution was adopted by the Board of Directors of Sandy Pines Wilderness Trails, Inc., at a regular meeting held on the 19th day of June 2026.

____

Rick Day, Secretary

Board of Directors
Sandy Pines Wilderness Trails, Inc.

Resolution #061926A