

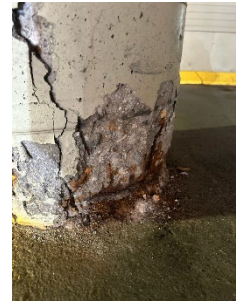
Budget and Capital Plan Update for Unit Owners

November 2024

Your board has been busy this past year assessing longer-term capital needs for our property and how best to pay for them. There have been some surprises that call for near-term increases in dues and assessments.



If you park on level 10, you may have noticed the deterioration in the columns supporting the phase 1 units above. It has become clear this year that the columns need serious work. An initial estimate to repair the columns is around \$350,000.



You may have also noticed deterioration of the siding on the south-facing sides of the building. Inspections reveal that the siding needs to be replaced to prevent damage to the structural integrity of the outer walls. We are looking at different options for materials and contractors, but initial estimates for the work run to about \$3,000,000. This work will have to be spread over more than one year.

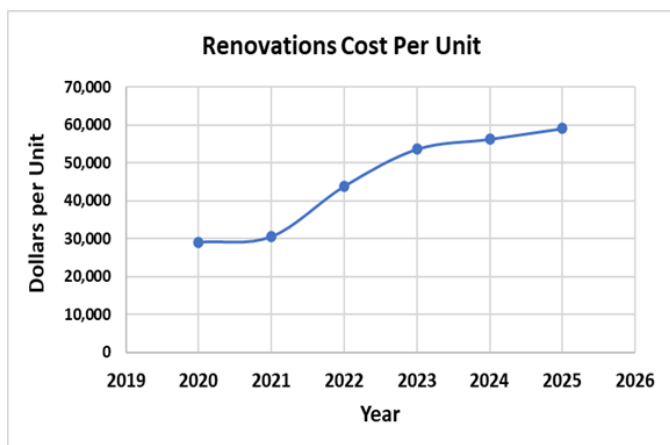
The annex building behind the spa and phase 1 also shows serious water leakage and damage. Sealing and repairing that structure could run to another \$300,000.

Planning is moving ahead for the funded upgrades to the dining rooms and kitchen. About \$98,000 has already been spent, mostly for kitchen upgrades, but also for new tables and fixtures in the Black Diamond pub. The next upgrade could be relocating and replacing the refrigerator/freezer in a way that could create more space in that crowded work area.

And then there is completion of the room renovations. As reported last year, the cost per studio has doubled since the beginning of COVID (see numbers below), causing a major hit to the funds available for other capital projects. Completing the remaining 33 studios will run to about \$1,600,000.

The next page includes costs and timing for each of these projects, as well as a budget for the Unit Owners Association for 2025.

To cover the costs of the capital projects listed here, the board proposes to increase annual dues by 5% per year (up from the 2% already in place), and add an additional capital assessment of \$2,000 per Quartershare per year for three years. As these assessments expire, we should be in a good position to prioritize and cover the cost of other on-going needs.



Year	Club	Studio	Increase
2017	13,516		
2018	13,137		
2019	13,628		
2020		29,077	
2021		30,567	5%
2022		43,893	44%
2023		53,682	22%
2024		56,328	5%
2025		59,145	5%

Capital Plan

Increase dues 5% per year instead of 2%

F&B Assessment ends at the end of 2026

Capital Assessment Ends at the end of 2027

\$ 300 per Quartershare per year

\$2,000 per Quartershare per year

2025:

Continue Renovations - 17 units - \$800,000

Begin Garage Repairs - \$35,000

Kitchen and Dining upgrades- \$500,000

2026:

Complete Renovations -16 units - \$800,000

Kitchen and Dining Upgrades - \$500,000

Begin Patio Project - \$300,000

Begin Siding Project - \$1,000,000

Complete Garage Repairs - \$350,000

2027:

Complete Patio - \$450,000

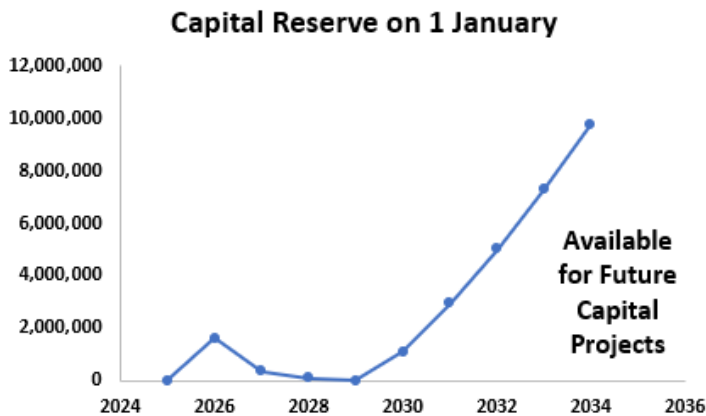
Continue Siding - \$1,000,000

Kitchen and Dining Upgrades - \$500,000

2028:

Annex - \$350,000

Complete Siding - \$1,000,000



Additional Capital Needs after 2028:

Spa/Pool Renovations

Hallway/Common Area Renovation

Roof Replacement

UOA 2025 Budget with MonClub Balance

MonClub Net Cash Balance	385,000
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UOA Budget

Revenues

Dues and Transfers	3,195,412
F&B Assessment	150,000
Proposed Capital Assessment	937,500
Total	4,282,912

Expenses

Distribution	2,000,000
Operations	245,000
Net	2,037,912

Combined Net Cash Balance	2,422,912
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Capital Expenses

Incidental - Mon Club Spend	389,000
Room Remodel - UOA Spend	800,000
Kitchen and Dining	500,000
Garage	35,000
Total Cash Spend	1,724,000
Debt Service	534,580
Total	2,258,580

Cash Flow with Capital Spend	164,332
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