

November 16, 2024

Marina Villas Association Members,

As is customary, we are providing the following summary of the 2024 Annual Meeting held on November 7th as a year-end report and 2025 outlook. A copy of the presentation shared during the meeting can be found on the Resources page of our Marina Villas website in the documents section at the upper left of the page. We encourage you to review the presentation as it provides additional detail. (<http://www.marinavillaassociation.org/resources.html>)

Key things to take away from this year’s meeting:

- Our latest 2024 forecast projects that our year-end cash on hand balance will finish \$6,650 under budget at \$88,626 driven primarily by timing of operating assessment revenues causing a negative variance of (\$6,150.)
- We are budgeting another active year in major project spending for 2025 including:
 - \$55,000 to paint 4 buildings and rebuild 2 more chimney chases
 - \$20,00 for replacement of the foot bridge on the East Blue Heron walkway, and tree and moat step maintenance
- Assessments for operations and capital projects will remain at the same level for 2025 but the 2026 assessment will include an annual increase of \$550 or \$45.83/month. The structure and billing of assessment will change in 2026 as shown below. The increase represents a compound annual increase of approximately 3% since the last change:

	2022-2025		2025	
Operating Assessment	\$3,600	Quarterly	\$3,400	Quarterly
Capital Projects	\$ 650	Annual (May 1)	\$1,400	
Total	\$4,250		\$4,800	

- 2024 major project spending is forecast to finish +/- 3% of budget with major accomplishments including painting of four buildings, rebuild of 4 chimney chases, installation of permanent low voltage lighting on the East Blue Heron walkway and drainage remediation at building 120.
- We plan to make an early payment of \$35,00 toward principal on our loan in 2025. Making this payment early will result in savings of \$4,520 over the remaining life of the loan.

- Our eight-year Capital Project reflects completion of the current painting cycle in 2025 after which the biggest line item will be replacement of gutters starting in 2026 or 2027. Estimated cost per building for 6" gutters (a size larger than current) with guards to prevent debris from collecting is \$10,000.
- Items up for membership vote at this year's meeting included an owner proposal for amendment to our common elements in the form of a patio extending approximately 14 ft out and laterally 18 ft from their rear lower entrance. This proposal passed with 15 of 27 votes cast.
- The second item for vote was for Board members to serve a two-year term until 2027. Patty Muehling and John Brubacher, both incumbents, were unanimously re-elected.
- In a subsequent Board meeting members decided to retain the same assignment for 2025 with Steve Rosenberg, President, Patty Muehling, Vice President, Susan Dougherty, Treasurer, Janet Mulford, Secretary and John Brubacher, Member-at-Large.

A copy of the forecast financial results for 2024 and the 2025 budget accompany this letter.

In closing, we'd like to thank the owners for their support and remind you that you can contact the Board directly at marinavillas.kk@gmail.com with questions about this summary or at any time throughout the year.

Sincerely,

Marina Villa Association Board

Operating Budget/P&L		
Income:	FORECAST	Forecast
	<u>FY 2024</u>	<u>FY 2025</u>
Operating Fees	\$ 162,000.00	\$ 172,800.00
Transfer Fees	\$ 7,500.00	\$ 3,000.00
Other income	\$ 150.00	\$ -
Total Income	\$ 169,650.00	\$ 175,800.00
Expenses:		
Management Fees	\$ 17,000.00	\$ 17,510.00
Legal Fees/Prof. Service	\$ 1,000.00	\$ 1,000.00
Postage/Copy/Admin/Storage	\$ 500.00	\$ 515.00
Insurance	\$ 38,500.00	\$ 41,655.00
Taxes	\$ -	\$ -
Social/Other Exp.	\$ 250.00	\$ 257.50
Total Gen. and Admin.	\$ 57,250.00	\$ 60,937.50
Electricity	\$ 250.00	\$ 257.50
Water	\$ 1,600.00	\$ 1,648.00
Total Utilities	\$ 1,850.00	\$ 1,905.50
Grounds Expenses	\$ 9,000.00	\$ 9,270.00
Gutter/Glass Cleaning	\$ 9,700.00	\$ 9,991.00
Repairs	\$ 27,500.00	\$ 25,000.00
Irrigation Maintenance	\$ 1,250.00	\$ 1,287.50
Total Maintenance	\$ 47,450.00	\$ 45,548.50
Grounds Contract	\$ 16,500.00	\$ 16,995.00
Trash Removal	\$ 8,190.00	\$ 8,435.70
Pest Control	\$ 2,625.00	\$ 2,703.75
Termite Bond	\$ 650.00	\$ 669.50
Total Contracts	\$ 27,965.00	\$ 28,803.95
Subtotal Expenses	\$ 134,515.00	\$ 137,195.45
Net Surplus/(Deficit)	\$ 35,135.00	\$ 38,604.55
Operating Account:		
Beginning Balance	\$ 61,965.52	\$ 47,100.52
Plus: Surplus/(Deficit)	\$ 35,135.00	\$ 38,604.55
Transfer (to) Reserve Acct	\$ (50,000.00)	\$ (65,000.00)
Transfer From Reserve Acct	\$ -	\$ -
Ending Balance	\$ 47,100.52	\$ 20,705.07

Capital Improvement Budget/P&L		
Capital Improvement Income:		
Assessment Fees	\$ 31,200.00	\$ 31,200.00
Total Capital Income	\$ 31,200.00	\$ 31,200.00
Capital Improvement Expenses:		
Building Improvements	\$ 79,500.00	\$ 55,000.00
Landscaping Improvements	\$ 9,500.00	\$ 5,000.00
Infrastructure Improvements	\$ 14,000.00	\$ 15,000.00
Total Capital Expenses	\$ 103,000.00	\$ 75,000.00
Net Surplus/Deficit	\$ (71,800.00)	\$ (43,800.00)
Reserve Accts:		
Beginning Balance	\$ 81,597.90	\$ 41,525.99
General Reserve Contribution	\$ 50,000.00	\$ 65,000.00
Capital Income	\$ 31,200.00	\$ 31,200.00
Capital Project Expense	\$ (103,000.00)	\$ (75,000.00)
Other/Interest/Loan activity	\$ (18,271.91)	\$ (53,271.91)
Ending Balance	\$ 41,525.99	\$ 9,454.08
Total Cash Funds	\$88,626.51	\$30,159.15