



Board Update and UOA Budget for 2026 November 2025

Communications

In response to owner comments, the owners' portion of the Mountain Club website has been completely redesigned. When you enter through the current, password-protected site, the "Minutes-Reports-Work Orders" link has been replaced with an "Owner Information" link. This will take you to the new page with separate headings for "Meetings/Minutes" and "Budgets & Reports." Files on those pages have been re-organized and updated, and will continue to be refreshed as needed. There is a link at the bottom of the "work Orders" page that will initiate an email to the board.

Transactions such as reservations, calendar updates and financial information will continue to reside on the original page.

Capital Spending

You may have seen these physical improvements that have been supported by your dues and assessments this year!

- The pillars in the level 10 garage have been reinforced – a major project that closed that parking area for several months.
- A large, refrigerated trailer has been parked outside that garage to provide cold storage for the dining operation while a new, larger, much improved freezer and cooler were installed.
- Many other smaller improvements were made to the Food & Beverage operation as well, which all are putting your F&B assessment to good use. These include:
 - Décor \$ 66,874
 - Bar \$ 22,128
 - Equipment \$112,430 (Grill, Fryer, Ovens, Refrigerator)
 - Planning \$ 14,771Total = \$216,113
- Another round of room renovations was completed, setting the stage for the final round in 2026.
- Many smaller improvements were made in the common areas, spa and pools.

Summary of Proposed Budget for 2026

For 2026, the capital budget focuses on completion of the room renovations (\$952,000), completing the repairs to the parking annex next to the spa (\$400,000), and beginning the next big project – replacing the 40-year old siding on the building (\$600,000 in 2026 out of a projected total cost of about \$2.6M)). F&B improvements are budgeted at \$242,629 (cumulative total will be over \$520,000). Planning continues for the patio upgrade which is in this year's budget at \$400,000.

As in previous years, \$300,000 is budgeted for general maintenance and repairs. We will again make use of the projected cash surplus generated from operations (hotel, restaurant and spa revenues minus expenses).

While catching up on major capital projects, we have run an annual deficit in the last few years covered by previously accumulated surpluses. In 2026 we plan to accept a loan of \$1.25M to cover short-term expenses. As the room renovations come to an end, we will be able to fund future capital improvements from annual revenues.



Dues and Assessments - Proposal for 2026

Previously approved assessments will continue into 2026. The F&B Assessment will end at the end of 2026, and the Capital Improvements Assessment at the end of 2027. A continuing 5% per year increase in basic dues will be applied to capital spending as well. Overall, proposed total dues and assessments in 2026 will increase by 3.7%. That total will be about level in 2027 and decline in 2028.

For the coming year, the Board proposes the following:

Dues and Assessments per Quartershare

	Per quarter	Per Year
Operating Dues	\$767.56	\$3,070.25
Capital Dues	\$868.33	\$3,473.33
Capital Assessment	\$500.00	\$2,000.00
F&B Assessment	\$ 80.00	\$ 320.00

Distributions remain at 50% of room revenue

Summary of Proposed Budget	Audit	Audit	Audit	Audit	Budget	Budget
	2021	2022	2023	2024	2025	2026
Dues and Distributions					Budget	Budget
Total Dues and Assessments	2,334,715	2,354,169	2,568,268	3,586,776	4,008,743	4,154,806
Distributions	1,696,716	1,962,611	1,970,349	2,009,406	2,000,000	2,000,000
Net	637,999	391,558	597,919	1,577,370	2,008,743	2,154,806
Operations						
Total Gross Revenue	8,031,225	8,794,109	8,328,851	8,325,207	8,631,438	8,918,873
Total Expenses	6,744,232	8,176,085	7,983,743	8,427,705	8,476,169	8,602,835
Net	1,286,993	618,024	345,108	-102,498	155,269	316,038
Total Net Cash Flow Before Capital	1,924,992	1,009,582	943,027	1,474,872	2,164,012	2,470,844
Capital and Investing						
Total Cash Spend	966,309	963,440	1,263,741	1,215,799	2,500,000	2,899,150
Financing Expense	506,002	356,718	356,473	310,297	356,473	475,000
Total	1,472,311	1,320,158	1,620,214	1,526,096	2,856,473	3,374,150
Consolidated Net Cash Flow	452,681	-310,576	-677,187	-51,224	-692,461	-903,306
Total Cash and Equivalents on Hand	3,539,722	3,171,307	2,482,228	2,671,872	1,979,411	1,076,105

The budget contemplates capital expenditures which will be funded by assessments and through loan. It is anticipated that the money for capital items will be expended in 2026 and not reserved for 2027. Reserves are anticipated for future years, and will be contemplated upon completion of the room renovations.