

11/27/2024

To: Deeg Pond HOA

From: Board of Directors

RE: 2025 Budget and Monthly Dues adjustment

Your Deeg Pond Board of Directors met recently to review the Associations projected 2024 final calendar year expenses vs. our 2024 budget. From this review we then determine our annual budget for 2025.

The Reserve Replacement funds were incorporated into our analysis for our 2025 budget. In addition to accounting for these operating & replacement funds, we also had to evaluate several significant cost increases which existed in 2024 and will continue into 2025. Some of these projected cost increases for 2025 include but are not limited to insurance (+56%=\$51.00) \$145 per unit per month which is the majority of the fee increase, Reserve contribution up (+2.6%) \$161.00 per unit per month. These costs are in addition to the impact of growing inflation on many, if not all the goods and services we contract through the year to help Deeg Pond maintain this aging community.

With inflation continuing to be well above historical rates of the last several years, we also had to account for these increases both now and into the future, as this impacts the monies that we need to set aside each month to fund future replacement projects and operating costs. The Board also went line by line through all budgeted expenses to determine where we could make cuts to help minimize the cost increases noted above.

As a result of all this analysis, the Board has determined a Monthly Dues increase of \$54 per unit will be necessary starting January 1, 2025. This will result in changes to fees in 2025. The new fee to start January 1, 2025, will be \$464.00 to cover the rising costs of everything listed above and more.

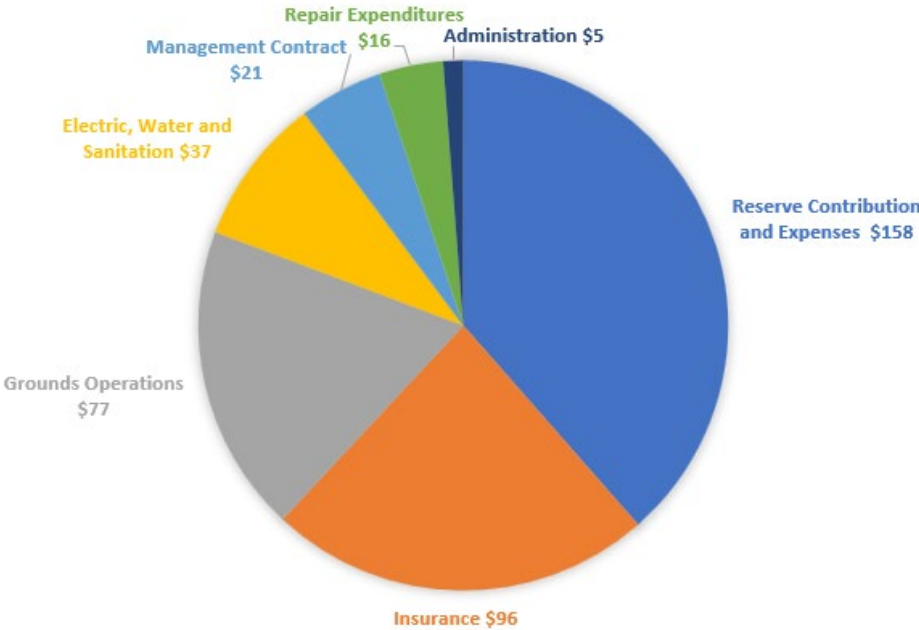
- If you pay through Premier Association Management's ACH program, the monthly pull from your checking account will automatically adjust.
- If you pay through your Bank's bill pay, remember to log in and adjust your monthly dues payment.
- If you are not on ACH and would like to sign up, email Accounting@PremierAM.com for the paperwork.

The Pie Charts below help to show you the budget breakdown and comparison from 2024 to 2025.

Deeg Pond 2024 / 2025 Comparison

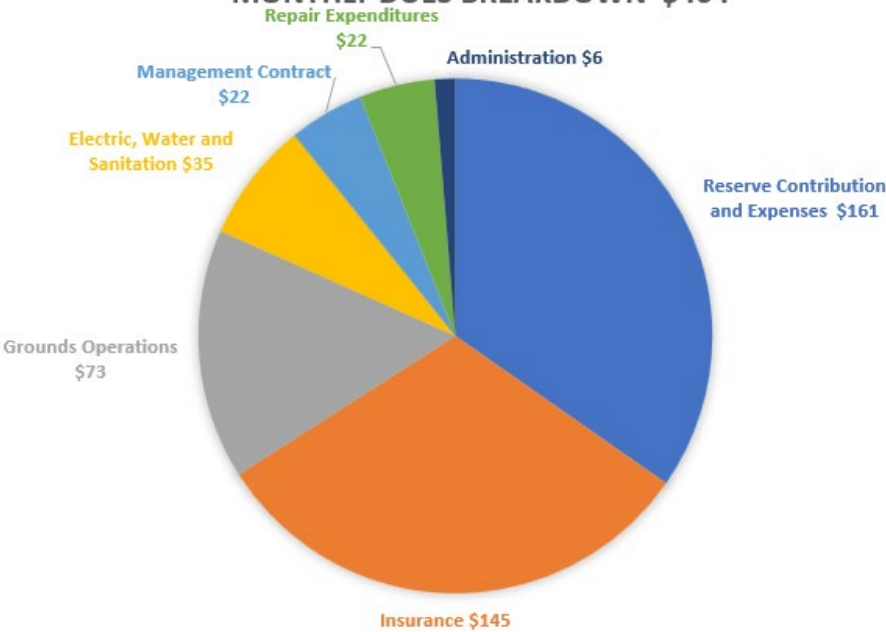
2024 Breakdown

MONTHLY DUES BREAKDOWN \$410



2025 Breakdown

MONTHLY DUES BREAKDOWN \$464



Best Regards,
Deeg Pond of Directors
& Premier Association Management