



September 9, 2024

Ladies and Gentlemen,

At their September meeting, the Board of Directors unanimously approved the Budget for 2025. You will note on the pages that accompany this correspondence that the total increase in Dues and Fees for next year is \$536, representing a 4.42% increase over 2024. This applies to those of you in multi-family villages. For those residing in Tahoe and Placid, those increases are 9.42% (\$1,304) and 8.83% (\$1,191), respectively.

There were a number of impacts to the 2025 Operating Budget that had to be overcome. Some were voluntary as a means to improve the Member Experience and the quality of our operation, while others left us with no choice but to absorb. The Budget was developed with the following assumptions:

- We held the cost of sales percentages throughout food and beverage and retail (golf). Payroll increases were generally budgeted at 3-5% with a few exceptions. Labor continues to be our biggest challenge and expense.
- The Transfer (resale) Fees were increased to \$13,000 and limited to first-time buyers (new residents) in NLCC.
- We kept Reserve and Capital Contributions flat. You'll be paying close to the same amount in 2025 as you are currently.
- Increase in our liability insurance of 7.7%
- Increase in health insurance coverage for our employees of 5%
- Workers Compensation Insurance fell a modest 1.74%

Two big impacts on the budgeting process were the renewal of two contracts. Estate Landscaping Services received a vote of confidence from the Club when we renewed their contract for another 3-year term. This came initially with an expected 13% increase in services cost. Estate provided an alternative bid to address the shortcomings in our landscaping services, previously driven by the Club's budget constraints, which drove that increase to 27.6%. That alternative bid is included in this Budget. The second of those contract renewals was for Community cable services provided by Comcast. The savings in that renewal essentially recovered the 14.6% increase in the alternative bid for landscaping services.

We made several conscious decisions earlier in 2024 to improve our services. With the support of the Finance Committee, the Board approved switching accounting and audit services to RSM, a nationally recognized firm, and engaged COMPASS, a Club Benchmarking product, to provide our reserve and capital funding analyses. These drove our costs up \$26k and \$15k, respectively. With a look to the future of our Community, we elected to engage The McMahon Group to support our master planning efforts. These master planning efforts result in a one-time impact on the Budget of \$75k.

Other significant impacts included several enhancements to the Member Experience for 2025; improvements to the tennis and fitness program that have long been called for by the Membership, and an enhanced activity calendar with a theme recognizing NLCC's 25th Anniversary as a Community. Additionally, the HOA Budget includes \$24k in survey costs that are necessary to finalize the transfer of ownership of the village pools to their respective villages.

In summary, the Budget for 2025 is a very tight, aggressive, but achievable budget. HOA Fees were reduced by 3.7% as a result of savings in the new Comcast contract. The Club Operations (Dues) increase was held to single digits for the second year in a row at 9.4%. Reserve Fees were held to a slight decrease, and Capital Fees rose 5% as a result of the new capital being proposed.

I would like to thank the entire management staff for their efforts in pulling this very comprehensive business plan together, as well as the Finance Committee for their guidance and support throughout the development process. I would also like to thank the Board of Directors for their support in approving this budget.

I would be happy to discuss any detail or aspect of this budget individually or in group. Feel free to reach out at your convenience. You may also raise any comments or inquiries during the Member Forum at the October Board meeting. Either way, we stand ready to address your concerns and answer your questions.

Sincerely,

Joseph F. Basso
General Manager | Chief Operating Officer

**NAPLES LAKES COUNTRY CLUB
OPERATING BUDGET 2025
DUES AND FEES SCHEDULE & COMPARATIVE HISTORY**

	BUDGET SUMMARY				
	2025	2024	% Δ	CHANGE	
HOA Operations	\$ 2,087,455	\$ 2,167,695	-3.77%	\$ (80,240)	
Club Operations					
Membership & Communications	\$ 68,711				
Golf Operations	\$ (846,135)	\$ (857,403)	-1.31%	\$ 11,268	
Course Maintenance	\$ 2,282,212	\$ 2,185,701	4.42%	\$ 96,511	
Food & Beverage	\$ 1,355,173	\$ 1,142,647	18.60%	\$ 212,526	
Fitness	\$ 146,496	\$ 123,187	18.92%	\$ 23,309	
Tennis	\$ 165,832	\$ 146,490	1.71%	\$ 2,500	
Facilities Operations	\$ 1,040,993	\$ 1,028,208	1.24%	\$ 12,785	
Administrative	\$ 1,683,466	\$ 1,620,849	3.86%	\$ 62,617	
Total Operations	\$ 5,896,748	\$ 5,389,679	7.82%	\$ 421,516	
Subtotal HOA & Club Operations	\$ 7,984,203	\$ 7,557,374	5.65%	\$ 426,829	
Asset Fund Contributions					
Reserve	\$ 1,102,955	\$ 1,142,109	-3.43%	\$ (39,154)	
Capital	\$ 177,101	\$ 173,625	2.00%	\$ 3,476	
Total Asset Fund Contribution	\$ 1,280,056	\$ 1,315,734	-2.71%	\$ (35,678)	
TOTAL CLUB BUDGET	\$ 9,264,259	\$ 8,873,108	4.41%	\$ 391,151	

Dues & HOA Fees Per Household	2025	2024	% Δ	CHANGE
HOA Fees	\$ 2,856	\$ 2,965	-3.70%	\$ (110)
Operating Dues	\$ 8,067	\$ 7,372	9.42%	\$ 695
Fund Contributions	\$ 1,751	\$ 1,800	-2.71%	\$ (49)
Total	\$ 12,673	\$ 12,137	4.42%	\$ 536

DUES AND FEES COMPARATIVE HISTORY									
	2023	←% Δ	2022	←% Δ	2021	←% Δ	2020		
HOA OPERATIONS	\$ 2,126,473	6.5%	\$ 1,996,432	5.37%	\$ 1,894,599	1.44%	\$ 1,867,754		
CLUB OPERATIONS	\$ 4,942,567	16.5%	\$ 4,243,574	10.85%	\$ 3,828,106	4.34%	\$ 3,668,978		
RESERVE CONTRIBUTION	\$ 1,142,109	19.3%	\$ 957,181	-4.79%	\$ 1,005,289	7.14%	\$ 938,258		
CAPITAL CONTRIBUTION	\$ 111,300	178.3%	\$ 40,000	0.00%	\$ 40,000	0.00%	\$ 40,000		
TOTAL	\$ 8,322,449	15.0%	\$ 7,237,187	6.93%	\$ 6,767,994	3.88%	\$ 6,514,990		

	2020	←% Δ	2019	←% Δ	2018	←% Δ	2017		
HOA OPERATIONS	\$ 1,867,754	5.21%	\$ 1,775,195	6.87%	\$ 1,661,087	6.09%	\$ 1,565,730		
CLUB OPERATIONS	\$ 3,668,978	5.47%	\$ 3,478,619	0.36%	\$ 3,466,026	6.43%	\$ 3,256,627		
RESERVE CONTRIBUTION	\$ 938,258	3.17%	\$ 909,388	28.86%	\$ 705,701	5.00%	\$ 672,096		
CAPITAL CONTRIBUTION	\$ 40,000	-66.67%	\$ 120,000				\$ 62,000		
TOTAL	\$ 6,514,990	3.69%	\$ 6,283,202	7.72%	\$ 5,832,814	4.97%	\$ 5,556,453		



**2025 BILLING SCHEDULE FOR
MEMBERSHIP & HOA MAINTENANCE FEES**

The Membership Fee along with the Capital Clubhouse Renovation Fee and the Golf Course Renovation Fee are billed and follow the same quarterly schedule.	Membership Fees	Amount per Quarter (\$9818 total for the yr)	Billed On Statement	Due Date By the Last Business Day of the Month
	1st Quarter	\$2,454.50	November 2024	December 2024
	2nd Quarter	\$2,454.50	February 2025	March 2025
	3rd Quarter	\$2,454.50	May 2025	June 2025
	4th Quarter	\$2,454.50	August 2025	September 2025
	"Arnie's" Cabana Renovation	Amount per Quarter	Billed On Statement	
	Billed quarterly to those Owners who did not wish to participate in the one-time payment election	\$179.00	Every quarterly beginning 1/2023	Thru 10/2029
	Capital Renovation Fee	Amount per Quarter	Billed On Statement	
Billed quarterly to those Owners who did not wish to participate in the one-time payment election	\$ 174.00	Every quarterly beginning 2/28/2013	Thru 11/1/2024	
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Master HOA Fees Tahoe	Amount per Quarter (\$5,330 total for the yr)	Billed On Statement	Due Date By the Last Business Day of the Month	
1st Quarter	\$1,332.50	December 2024	January 2025	
2nd Quarter	\$1,332.50	March 2025	April 2025	
3rd Quarter	\$1,332.50	June 2025	July 2025	
4th Quarter	\$1,332.50	September 2025	October 2025	
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Master HOA Fees Placid	Amount per Quarter (\$4,870 total for the yr)	Billed On Statement	Due Date By the Last Business Day of the Month	
1st Quarter	\$1,217.50	December 2024	January 2025	
2nd Quarter	\$1,217.50	March 2025	April 2025	
3rd Quarter	\$1,217.50	June 2025	July 2025	
4th Quarter	\$1,217.50	September 2025	October 2025	
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Master HOA (MultiFamily Unit) Fees Juliana, Arrowhead, Providence, Barrington	Amount per Quarter (\$2,856 total for the yr)	Billed On Statement	Due Date By the Last Business Day of the Month	
1st Quarter	\$714.00	December 2024	January 2025	
2nd Quarter	\$714.00	March 2025	April 2025	
3rd Quarter	\$714.00	June 2025	July 2025	
4th Quarter	\$714.00	September 2025	October 2025	
*Sub-Association Maintenance Fees are billed separately by the individual Management Companies.				
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Other Annual Fees (*plus tax)	Amount (*plus tax)	Billing Date	Due Date By the Last Business Day of the Month	
*Trail Fees (per cart)	\$2,125.00	December 2024	January 2025	
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*Bag Storage Fee -per bag	\$90.00	December 2024	January 2025	
*Locker Fee (per locker)	\$120.00	December 2024	January 2025	
Handicap Fee (per person)	\$35.00	December 2024	January 2025	

Quarterly Membership Dues and HOA Fees are Billed to your Club House Account as a courtesy.