Pacific Bluffs Corp II

2027 Budget Package

Pages:

1. Table of contents
2. 2027 budget as unit-per-month and total fiscal year
3. 2027 budget by month
4. 2026 actual and re-projected results (as of 9/30/2026)
5. Variance analysis
6. Historical trend of operating results 2016-2026 + 2027 budget
7. Analysis for 2027 funding increase
8. History of changes in dues by year

PACIFIC BLUFFS CORP II
OPERATING BUDGET
FOR FISCAL YEAR 2027

	Monthly Budget Per Unit 2027	Annual Budget Total 82 Units 2027
Income:		
Dues	$ 711.00	$ 699,624.00
Other Income	-	-
Less: Corp 1 Dues	(130.00)	(127,920.00)
Less: Replacement Fund	(159.77)	(157,213.00)
Operating Budget	**$ 421.23**	**$ 414,491.00**
Expenses:		
Electricity	$ 4.07	$ 4,000.00
Water and Sewer	97.78	96,217.00
Trash	40.24	39,600.00
Pest Control Service	4.21	4,140.00
Pest Treatment	20.33	20,000.00
Accounting / Management Services	23.00	22,632.00
Cable	74.51	73,320.00
Landscaping Contract	54.43	53,556.00
Landscaping Other	5.08	5,000.00
General Maintenance	14.23	14,000.00
Security	5.16	5,082.00
Accounting	2.46	2,420.00
Fire/Property Insurance	62.42	61,424.00
Worker Comp Insurance	1.22	1,200.00
Legal Expense	7.62	7,500.00
Office Expense	3.46	3,400.00
Income Tax	1.02	1,000.00
Total Expense	**$ 421.23**	**$ 414,491.00**

Pacific Bluffs Corp II
2027 Original Budget

	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Oct-27	Nov-27	Dec-27	**Total**
	Budget	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	**Budget**	
Assessments	58,302.00	58,302.00	58,302.00	58,302.00	58,302.00	58,302.00	58,302.00	58,302.00	58,302.00	58,302.00	58,302.00	58,302.00	**699,624.00**
Other Inc	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Corp 1	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	(10,660.00)	**(127,920.00)**
Uncollectable	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Replacement Fund	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	(13,101.08)	**(157,213.00)**
Total Funding	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**34,540.92**	**414,491.00**
Electricity	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	333.33	**4,000.00**
Water & Sewer	8,678.51	5,400.54	7,139.53	8,079.27	10,210.37	7,614.50	10,018.04	7,956.90	9,156.19	7,440.85	9,071.91	5,450.40	**96,217.00**
Trash	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	**39,600.00**
Pest Control Service	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	345.00	**4,140.00**
Pest Control Treat	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	**20,000.00**
Management Service	1,886.00	1,886.00	1,886.00	1,886.00	1,886.00	1,886.00	1,886.00	1,886.00	1,886.00	1,886.00	1,886.00	1,886.00	**22,632.00**
Cable	6,110.00	6,110.00	6,110.00	6,110.00	6,110.00	6,110.00	6,110.00	6,110.00	6,110.00	6,110.00	6,110.00	6,110.00	**73,320.00**
Landscaping/Contract	4,463.00	4,463.00	4,463.00	4,463.00	4,463.00	4,463.00	4,463.00	4,463.00	4,463.00	4,463.00	4,463.00	4,463.00	**53,556.00**
Landscaping/Other	416.67	416.67	416.67	416.67	416.67	416.67	416.67	416.67	416.67	416.67	416.67	416.67	**5,000.00**
General Maintenance	1,166.67	1,166.67	1,166.67	1,166.67	1,166.67	1,166.67	1,166.67	1,166.67	1,166.67	1,166.67	1,166.67	1,166.67	**14,000.00**
Security	423.50	423.50	423.50	423.50	423.50	423.50	423.50	423.50	423.50	423.50	423.50	423.50	**5,082.00**
Accounting	-	-	-	-	-	-	1,700.00	-	-	-	-	720.00	**2,420.00**
Insurance Fire	4,778.38	4,778.38	4,778.38	4,778.38	4,778.38	4,778.38	4,778.38	5,495.14	5,495.14	5,495.14	5,495.14	5,994.79	**61,424.00**
Workers Comp	-	-	-	-	-	-	-	-	-	1,200.00	-	-	**1,200.00**
Legal	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	**7,500.00**
Office	283.33	283.33	283.33	283.33	283.33	283.33	283.33	283.33	283.33	283.33	283.33	283.33	**3,400.00**
Income Tax	-	-	-	-	-	-	1,000.00	-	-	-	-	-	**1,000.00**
Total Expenditures	**34,476.06**	**31,198.09**	**32,937.08**	**33,876.81**	**36,007.92**	**33,412.05**	**38,515.59**	**34,471.20**	**35,670.49**	**35,155.16**	**35,586.22**	**33,184.36**	**414,491.00**
Net	**64.86**	**3,342.83**	**1,603.84**	**664.10**	**(1,467.00)**	**1,128.87**	**(3,974.67)**	**69.71**	**(1,129.57)**	**(614.24)**	**(1,045.30)**	**1,356.56**	**0.00**
Cumulative	64.86	3,407.69	5,011.53	5,675.64	4,208.64	5,337.51	1,362.84	1,432.55	302.98	(311.26)	(1,356.56)	0.00	0.00

Pacific Bluffs Corp II
YTD Operating Cash flow (Actual and Projected)
For the Period Ending 09/30/2026

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	YE Total	Budget CY 2026	Budget Variance	Favorable Un-favorable
	Actual	***Actual***	***Actual***	***Actual***	***Actual***	***Actual***	***Actual***	***Actual***	***Actual***	**Projected**	**Projected**	**Projected**				
Assessments	48,380.00	48,380.00	48,380.00	48,380.00	48,380.00	48,380.00	48,380.00	48,380.00	48,380.00	48,380.00	48,380.00	48,380.00	**580,560.00**	**580,560.00**	0.00	F
Other Inc	68.00	413.00	118.00	295.00	236.00	177.00	(236.00)	59.00	59.00	0.00	0.00	0.00	**1,189.00**	**0.00**	1,189.00	F
Corp 1	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	(10,250.00)	**(123,000.00)**	**(123,000.00)**	0.00	F
Uncollectable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	**0.00**	0.00	F
Replacement Fund	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	(6,266.67)	**(75,200.03)**	**(75,200.00)**	(0.03)	U
Total Funding	**31,931.33**	**32,276.33**	**31,981.33**	**32,158.33**	**32,099.33**	**32,040.33**	**31,627.33**	**31,922.33**	**31,922.33**	**31,863.33**	**31,863.33**	**31,863.33**	**383,548.97**	**382,360.00**	1,188.97	F
Electricity	351.26	293.92	384.98	317.14	375.22	291.13	259.21	285.57	22.97	300.00	300.00	300.00	**3,481.40**	**2,200.00**	1,281.40	U
Water & Sewer	4,076.60	4,722.29	5,766.67	8,486.69	7,279.40	8,192.05	7,168.07	8,571.15	6,461.14	6,479.77	8,820.45	5,947.34	**81,971.62**	**87,038.00**	(5,066.38)	F
Trash	3,510.32	3,510.32	3,510.32	3,510.32	3,510.32	3,510.32	3,510.32	3,851.72	3,851.72	3,853.00	3,853.00	3,853.00	**43,834.68**	**43,835.00**	(0.32)	F
Pest Control Service	306.66	306.66	306.66	306.66	306.66	306.66	306.66	306.66	306.66	307.00	307.00	307.00	**3,680.94**	**3,684.00**	(3.06)	F
Pest Control Treat	0.00	2,105.00	294.08	(804.65)	475.00	940.00	0.00	3,000.00	1,543.82	2,083.33	2,083.33	2,083.33	**13,803.25**	**25,000.00**	(11,196.75)	F
Management Service	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	**9,000.00**	**9,000.00**	0.00	F
Cable	5,794.79	5,785.20	5,785.20	5,785.20	5,785.20	5,785.20	5,785.20	5,785.20	5,785.20	5,785.20	5,785.20	5,785.20	**69,431.99**	**70,560.00**	(1,128.01)	F
Landscaping/Contract	4,312.00	4,312.00	4,312.00	4,312.00	0.00	8,624.00	4,312.00	4,312.00	4,312.00	4,312.00	4,312.00	4,312.00	**51,744.00**	**51,744.00**	0.00	F
Landscaping/Other	0.00	0.00	0.00	0.00	963.00	0.00	210.00	0.00	0.00	416.67	416.67	416.67	**2,423.00**	**5,000.00**	(2,577.00)	F
General Maintenance	2,150.04	1,038.60	270.00	2,556.25	1,308.00	655.00	(25.00)	436.00	1,122.50	833.33	833.33	833.33	**12,011.39**	**10,000.00**	2,011.39	U
Security	350.00	385.00	385.00	0.00	770.00	385.00	385.00	385.00	385.00	385.00	385.00	385.00	**4,585.00**	**4,200.00**	385.00	U
Accounting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,590.00	0.00	1,600.00	0.00	0.00	**3,190.00**	**1,925.00**	1,265.00	U
Insurance Fire	4,539.16	4,539.16	4,539.16	4,539.16	4,539.16	4,539.16	4,539.16	4,778.38	4,778.38	5,220.03	5,220.03	5,719.74	**57,490.69**	**58,374.00**	(883.31)	F
Workers Comp	0.00	0.00	0.00	0.00	(188.25)	0.00	0.00	0.00	1,146.58	0.00	0.00	0.00	**958.33**	**1,300.00**	(341.67)	F
Legal	500.00	146.00	0.00	0.00	608.00	570.00	418.00	0.00	4,140.40	333.33	333.33	333.33	**7,382.40**	**4,000.00**	3,382.40	U
Office	0.00	4.20	260.00	120.00	0.00	29.00	120.00	1,282.21	(10.00)	125.00	125.00	125.00	**2,180.41**	**1,500.00**	680.41	U
Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,000.00	0.00	0.00	**3,000.00**	**3,000.00**	0.00	F
Total Expenditures	**26,640.83**	**27,898.35**	**26,564.07**	**29,878.77**	**26,481.71**	**34,577.52**	**27,738.62**	**35,333.89**	**34,596.37**	**35,783.67**	**33,524.35**	**31,150.95**	**370,169.10**	**382,360.00**	(12,190.90)	F
Net	**5,290.50**	**4,377.98**	**5,417.26**	**2,279.56**	**5,617.62**	**(2,537.19)**	**3,888.71**	**(3,411.56)**	**(2,674.04)**	**(3,920.34)**	**(1,661.01)**	**712.38**	**13,379.87**	**0.00**	13,379.87	F
Cumm. Year to Date	5,290.50	*9,668.48*	*15,085.74*	*17,365.30*	*22,982.92*	*20,445.73*	*24,334.44*	*20,922.88*	***18,248.84***							

PACIFIC BLUFFS CORP II
OPERATING BUDGET
FOR FISCAL YEAR 2027

	Annual Budget 2026	Actual & Projected 2026 *As of 9/30/26*	Over/(Under) Budget $	Over/(Under) Budget %	Comments/Notes	Annual Budget 2027	Over/(Under) 2026 Actuals $	Over/(Under) 2026 Actuals %	Comments/Notes
Income:									
Fees	$ 580,560.00	$ 580,560.00	$ -	0.00%		$ 699,624.00	$ 119,064.00	20.51%	Budget represents a total increase of $121 per month/per unit $116 for Corp 2 (includes 4.12% special assessment) and $5 for Corp 1
Other Income	$ -	$ 1,189.00	1,189.00	-100.00%	To be conservative, late fees are not budgeted.	-	(1,189.00)	-100.00%	To be conservative, late fees are not budgeted.
Corp 1	$ (123,000.00)	$ (123,000.00)	-	0.00%		(127,920.00)	(4,920.00)	4.00%	Corp 1 is increasing by $5 per month, per unit to $130.
Replacement Fund	(75,200.00)	$ (75,200.03)	(0.03)	0.00%		(157,213.00)	(82,012.97)	109.06%	With a $116 increase, $74.71 additional per month will be added to the Reserves.
Operating Budget	**$ 382,360.00**	**$ 383,548.97**	**$ 1,188.97**	**0.31%**		**$ 414,491.00**	**$ 30,942.03**	**8.07%**	
Expenses:									
Electricity	$ 2,200.00	$ 3,481.40	$ 1,281.40	58.25%	Budget assumed a 15% increase consistent with prior years. But there was a significant increase in costs during 2026. Currently investigating how much relates to rate change versus usage.	$ 4,000.00	$ 518.60	14.90%	Although the actual 2026 increase is over 70%, continuing to use a 15% increase for budget based on historical average since the overall cost is not material and the reason for increase in 2026 is still unknown.
Water and Sewer	$ 87,038.00	$ 81,971.62	(5,066.38)	-5.82%	Budget was based on 2025 usage, which has decreased from prior year. Additionally, sewer rates decreased in 2026.	96,217.00	14,245.38	17.38%	The City announced a rate increase effective January 2027 of 14.5% for the base metering fee and water consumption.. These new rates have been applied to the actual previous 12 month usage for budget purposes.
Trash	$ 43,835.00	$ 43,834.68	(0.32)	0.00%	Budgeted 10% overall increase and new billing came in just slightly less.	39,600.00	(4,234.68)	-9.66%	The Board was succesful in negotiating a new contract rate with Edco for 2027 at $3,300 per month, creating cost savings over prior year of 10%.
Pest Control Service	$ 3,684.00	$ 3,680.94	(3.06)	-0.08%	Budgeted 12.5% increase based on historical average, and actual increase was 12.3%.	4,140.00	459.06	12.47%	Since 2021, annual increases have been 12%-13%, so budgeting 12.5% for 2027 based on this historical trend.
Pest Treatment	$ 25,000.00	$ 13,803.25	(11,196.75)	-44.79%	Termite treatments increased significantly in 2024 and 2025, so 2026 was budgeted with an average of those years plus a $5K cushion. Costs in 2027 have come in a little lower than expected so the cushion may not be needed for next year.	20,000.00	6,196.75	44.89%	As the last 3 years have seen a significant increase in treatments, 2027 budget is in line with the 3 year trend rather than long term average previously used.
Accounting / Mgmnt Svcs	$ 9,000.00	$ 9,000.00	-	0.00%		22,632.00	13,632.00	151.47%	Budget assumes hiring a full-scope property management company. Estimate for services is $23/unit/month based on market comps.
Cable	$ 70,560.00	$ 69,431.99	(1,128.01)	-1.60%	While cable and internet are capped at a 5% annual increase per the contract, Spectrum has added a Broadcast TV surcharge that increased 25% in 2025. This increase was assumed in the 2026 budget, but only came in at 5%.	73,320.00	3,888.01	5.60%	Contract limits the increase for cable/internet to 5% per year, but Spectrum has added a "Broadcast TV Surcharge" for approx. $400 that is not limited and has been increasing ~25% each year. 2026 budgeted a 25% increase for this, but only came in at 5%. Thus, using an estimate of 10% for 2027. Budget also includes an offset for amortization of a $16,400 incentive rebate that will continue through 2027 at $273 per month. Unamortized balance of rebate is refundable to Spectrum in the event of contract cancellation and is held as a liability.
Landscaping Contract	$ 51,744.00	$ 51,744.00	-	0.00%		53,556.00	1,812.00	3.50%	Per discussion with the vendor, there will be a 3.5% increase for 2027
Landscaping Other	$ 5,000.00	$ 2,423.00	(2,577.00)	-51.54%	Above-standard landscaping projects has been lower YTD than anticipated.	5,000.00	2,577.00	106.36%	Using the same budget methodology as last year by taking the average of previous years.
General Maintenance	$ 10,000.00	$ 12,011.39	2,011.39	20.11%	More plumbing repairs required in 2026 than previous years.	14,000.00	1,988.61	16.56%	Budget has remained the same for several years, but with aging buildings and inflation it is time to increase by using the methodology of taking the average of previous years.
Security	$ 4,200.00	$ 4,585.00	385.00	9.17%	Management was advised there would be no increase in 2026, but vendor increased $35/mo. (10%) in January.	5,082.00	497.00	10.84%	Vendor has been unresponsive to requests for 2027 rates, so assuming a 10% increase consistent with 2026.
Accounting	$ 1,925.00	$ 3,190.00	1,265.00	65.71%	2026 budget only included a reserve study update of $425, but board decided to hire a new Reserve Specialist and did a full onsite study for $1,600.	2,420.00	(770.00)	-24.14%	Increased annual tax preparation to $1,700, as the CPA has been increasing $100 per year. Reserve study is just an update for $720 vs. onsite visit in 2026 ($1,600 for full study in 2026).
Fire/Property Insurance	$ 58,374.00	$ 57,490.69	(883.31)	-1.51%	Budgeted 15% increase, but only came in at 5%	61,424.00	3,933.31	6.84%	2026 budget included a 15% mid-year increase. Given the 50% increase in 2025, still using 15% assumption for 2027 even though 2026 came in lower because the next highest increase in recent years was 13%.
Worker Comp Insurance	$ 1,300.00	$ 958.33	(341.67)	-26.28%	Actual cost came in less than $1,200, plus a prior year refund.	1,200.00	241.67	25.22%	Decreasing to $1,200 as cost has not exceeded this amount in years.
Legal Expense	$ 4,000.00	$ 7,382.40	3,382.40	84.56%	$4,000 average budgeted for 2026, but higher costs have been incurred as major projects/issues have increased.	7,500.00	117.60	1.59%	$4,000 previous average is no longer expected to be the norm. Increasing to $7,500 as complex issues are expected to be incurred as more projects are undertaken. This is consistent with last 2 years of costs.
Office Expense	$ 1,500.00	$ 2,180.41	680.41	45.36%	Office expenses are higher in 2026 due to $1,300 incurred for election services related to the special assessment.	3,400.00	1,219.59	55.93%	Using historical average of $900 per year, plus $775 for elections inspector and $1,700 for financial review and budget prep.
Income Tax	$ 3,000.00	$ 3,000.00	-	100.00%	Income tax is payable on interest income, which has been higher in recent years. Payment has not yet been made in 2026.	1,000.00	(2,000.00)	-66.67%	Budgeting based on 2026 actual, but expecting to reduce significantly as reserve balance has decreased and there is no longer a high yield CD.
Total Expense	**$ 382,360.00**	**$ 370,169.10**	**$ (12,190.90)**	**-3.19%**		**$ 414,491.00**	**$ 44,321.90**	**11.97%**	
Surplus/(Deficit)	**$ -**	**$ 13,379.87**	**$ 13,379.87**			**$ -**	**$ (13,379.87)**	**-100.00%**	Budget assumes $0 surplus or deficit.

Pacific Bluffs Corp II
Statement of Operations - Historical Trends 2016-2027

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	ACUTAL	ACUTAL	ACUTAL	ACUTAL	ACUTAL	ACUTAL	ACUTAL	ACUTAL	ACUTAL	ACUTAL	ACUTAL	BUDGET
Assessments	359,160.00	369,000.00	378,840.00	388,680.00	388,680.00	393,600.00	432,960.00	432,960.00	457,560.00	492,000.00	580,560.00	699,624.00
Other Inc	1,284.75	1,535.62	1,569.00	1,509.00	557.00	700.00	431.50	264.00	645.25	1,525.00	1,189.00	-
Corp 1	(55,104.00)	(55,104.00)	(58,056.00)	(63,960.00)	(67,896.00)	(80,688.00)	(96,432.00)	(98,400.00)	(101,352.00)	(109,224.00)	(123,000.00)	(127,920.00)
Uncollectable	-	-	-	-	-	-	-	-	-	-	-	-
Replacement Fund	(59,820.00)	(72,684.00)	(70,725.00)	(60,194.00)	(62,409.96)	(44,442.00)	(48,740.00)	(48,794.00)	(54,120.00)	(57,261.00)	(75,200.03)	(157,213.00)
Total Funding	**245,520.75**	**242,747.62**	**251,628.00**	**266,035.00**	**258,931.04**	**269,170.00**	**288,219.50**	**286,030.00**	**302,733.25**	**327,040.00**	**383,548.97**	**414,491.00**
% Change Per year		-1.13%	3.66%	5.73%	-2.67%	3.95%	7.08%	-0.76%	5.84%	8.03%	17.28%	8.07%
Electricity	1,230.12	1,124.06	1,336.93	1,421.80	1,445.36	1,504.03	1,471.14	2,258.28	1,870.56	1,751.78	3,481.40	4,000.00
Water & Sewer	52,854.61	58,565.47	66,848.32	50,242.41	86,783.76	68,155.04	58,239.26	55,605.96	64,161.96	70,631.82	81,971.62	96,217.00
Trash	23,604.43	24,567.61	24,662.88	26,666.94	27,881.46	29,549.39	32,026.55	35,702.98	39,152.91	41,879.54	43,834.68	39,600.00
Pest Control Service	1,439.00	1,794.00	1,908.50	2,019.00	2,064.00	2,258.40	2,161.75	2,470.86	3,397.25	4,333.01	3,680.94	4,140.00
Pest Control Treat	12,183.00	10,075.00	18,345.00	16,630.00	19,108.00	10,878.95	11,148.50	16,145.95	21,072.25	19,845.76	13,803.25	20,000.00
Management Serve	6,900.00	6,900.00	6,900.00	6,900.00	6,900.00	6,900.00	7,200.00	7,200.00	7,800.00	8,400.00	9,000.00	22,632.00
Cable	43,882.70	46,339.81	51,562.95	52,906.44	54,498.50	57,208.44	60,475.40	61,819.15	58,986.26	66,102.95	69,431.99	73,320.00
								-		-		
Landscaping/Contract	30,240.00	30,240.00	30,240.00	30,240.00	30,240.00	30,240.00	43,246.50	46,174.50	49,684.00	51,598.00	51,744.00	53,556.00
Landscaping/Other	2,906.20	1,495.64	9,999.56	4,418.84	2,519.50	1,687.00	7,686.73	4,306.60	6,967.60	7,288.56	2,423.00	5,000.00
General Maintenance	29,492.15	26,221.51	11,627.22	18,375.88	11,161.25	7,291.87	6,980.64	13,082.99	15,773.74	7,497.89	12,011.39	14,000.00
Security		5,570.00	4,740.00	2,940.00	2,940.00	2,940.00	3,780.00	4,200.00	4,200.00	4,200.00	4,585.00	5,082.00
										-		
Accounting	1,100.00	1,425.00	1,025.00	1,500.00	1,100.00	2,100.00	1,600.00	1,300.00	2,500.00	2,667.50	3,190.00	2,420.00
Insurance Fire	32,641.98	26,858.30	25,176.75	28,056.40	28,720.21	29,603.71	31,781.96	34,533.56	35,724.50	44,209.55	57,490.69	61,424.00
Workers Comp	1,169.09	1,135.00	1,096.85	1,058.97	1,161.11	974.79	1,064.61	1,278.23	1,330.92	1,144.89	958.33	1,200.00
Legal	5,398.93	1,335.00	8,218.66	667.50	2,667.50	365.00	1,127.50	330.00	4,024.47	7,384.74	7,382.40	7,500.00
Office	1,475.80	643.37	399.00	595.43	782.44	1,246.28	1,273.30	1,686.20	1,332.30	1,487.81	2,180.41	3,400.00
Income Tax	10.00	10.00	10.00	(94.94)	450.00	-	-	-	3,450.00	3,152.60	3,000.00	1,000.00
Total Expenditures	**246,528.01**	**244,299.77**	**264,097.62**	**244,544.67**	**280,423.09**	**252,902.90**	**271,263.84**	**288,095.26**	**321,428.72**	**343,576.40**	**370,169.10**	**414,491.00**
% Change Per year		-0.90%	8.10%	-7.40%	14.67%	-9.81%	7.26%	6.20%	11.57%	6.89%	7.74%	11.97%
Net	**(1,007.26)**	**(1,552.15)**	**(12,469.62)**	**21,490.33**	**(21,492.05)**	**16,267.10**	**16,955.66**	**(2,065.26)**	**(18,695.47)**	**(16,536.40)**	**13,379.87**	**-**

Pacific Bluffs Corp II
2027 Budget - Analysis of Dues Increases

For discussion: Budget includes an overall $121 per month increase in dues, of which $116 is for Corp 2 portion. Examples below show how a range of other increases in dues would be allocated to the budget for fiscal year 2027 as comparison.

NOTE: Section 4.8(A) of the CC&Rs provides for annual increases in Regular Assessments up to 20% without a membership vote.
Section 4.8(A) of the CC&Rs provides for a Special Assessment up to 5% of current budget without a membership vote.

2026 Dues for Corp 2 Only	**$465.00**	20% increase in current dues	$93.00
		5% special assessment	$27.90
		Max Increase Without Vote	**$120.90**

Sources and Uses	Dues Increase Scenarios			
Scenario	**A**	**B**	**C**	**D**
WHAT CHANGES				
Corp 2 portion	$42.00	$65.00	$90.00	$120.00
Corp 1 portion	$5.00	$5.00	$5.00	$5.00
Total monthly increase	**$47.00**	**$70.00**	**$95.00**	**$125.00**
WHERE THE INCREASE GOES · MONTHLY				
Corp 1 dues	$5.00	$5.00	$5.00	$5.00
Corp 2 operating costs	$32.65	$32.65	$32.65	$32.65
Corp 2 reserve contribution	$9.35	$32.35	$57.35	$87.35
Total allocated monthly	**$47.00**	**$70.00**	**$95.00**	**$125.00**
RESERVE IMPACT · ANNUAL				
Increase to reserve funding	$9,197	$31,829	$56,429	$85,949
Current reserve funding	$75,200	$75,200	$75,200	$75,200
2027 total reserve funding	**$84,397**	**$107,029**	**$131,629**	**$161,149**

A - $47 is ~10% increase and is the breakeven point. Covers increases for Corp 1 and operating costs, while Reserve funding stays the same as 2026.

B - $70 is a ~15% increase. Covers all increases and Reserve funding is increased by $23.71 ($23K for the year).

C - $95 represents a ~20% increase on Corp 2 dues, ensures all expenses are covered, and an additional $48.71 goes to Reserve funding each month ($48K for the year).

D - $125 is the max increase allowed without a vote. All expenses are covered and an additional $87.35 goes to Reserve funding each month ($75K for the year).

NOTE: Every $1/mo. change in Reserve funding is aprox. $1,000 total for the year.

HISTORICAL DETAIL OF CHANGES IN DUES BY YEAR:
ALL AMOUNTS PRESENTED IN $ PER MONTH, PER UNIT

Analysis of changes:

1. Through 2026, Corp 1 has increased $71 and Corp 2 increased $225, for a total of $154 over 11 years.
2. While Corp 2 has made increases over time, some years experienced a decrease when dues were not raised and Corp 2 has absorbed $15 of Corp 1 increases over the last 11 years.
3. Due to not keeping up with overall increases, the amount allocated to the reserves has been decreasing over time. And years with budget deficits have also decreased reserves. With the painting project using a significant portion of the reserve balance and increased projects due to aging buildings, annual funding should not decrease any further at this time.
4. With the approved increase of $5 for Corp 1 and increase of $116 for Corp 2, total dues for 2027 will be $711 per unit. This level of funding will increase the reserve funding by $82K per year, for a total funding of $157K in 2027.

	Monthly Dues									
	Corp 2			Corp 1			Total			
2015	$ 311.00			$ 54.00			$ 365.00			
2016	$ 309.00	$ (2.00)	-0.64%	$ 56.00	$ 2.00	3.70%	$ 365.00	$ -	0.00%	
2017	$ 319.00	$ 10.00	3.24%	$ 56.00	$ -	0.00%	$ 375.00	$ 10.00	2.74%	
2018	$ 326.00	$ 7.00	2.19%	$ 59.00	$ 3.00	5.36%	$ 385.00	$ 10.00	2.67%	
2019	$ 329.00	$ 3.00	0.92%	$ 66.00	$ 7.00	11.86%	$ 395.00	$ 10.00	2.60%	
2020	$ 326.00	$ (3.00)	-0.91%	$ 69.00	$ 3.00	4.55%	$ 395.00	$ -	0.00%	
2021	$ 318.00	$ (8.00)	-2.45%	$ 82.00	$ 13.00	18.84%	$ 400.00	$ 5.00	1.27%	
2022	$ 342.00	$ 24.00	7.55%	$ 98.00	$ 16.00	19.51%	$ 440.00	$ 40.00	10.00%	
2023	$ 340.00	$ (2.00)	-0.58%	$ 100.00	$ 2.00	2.04%	$ 440.00	$ -	0.00%	
2024	$ 362.00	$ 22.00	6.47%	$ 103.00	$ 3.00	3.00%	$ 465.00	$ 25.00	5.68%	
2025	$ 389.00	$ 27.00	7.46%	$ 111.00	$ 8.00	7.77%	$ 500.00	$ 35.00	7.53%	
2026	$ 465.00	$ 76.00	19.54%	$ 125.00	$ 14.00	12.61%	$ 590.00	$ 90.00	18.00%	
2027	$ 581.00	$ 116.00	24.95%	$ 130.00	$ 5.00	4.00%	$ 711.00	$ 121.00	20.51%	Based on an overall $121 increase per month
		$ 270.00			$ 76.00			$ 346.00		Total change in dues since 2015

	Corp 2 Reserve Funding			
2015	$ 67.84			
2016	$ 60.79	$ (7.05)	-10.39%	
2017	$ 73.87	$ 13.07	21.50%	
2018	$ 71.88	$ (1.99)	-2.70%	
2019	$ 61.17	$ (10.70)	-14.89%	
2020	$ 63.42	$ 2.25	3.68%	
2021	$ 45.16	$ (18.26)	-28.79%	
2022	$ 49.53	$ 4.37	9.67%	
2023	$ 49.59	$ 0.05	0.11%	
2024	$ 55.00	$ 5.41	10.92%	
2025	$ 58.19	$ 3.19	5.80%	
2026	$ 76.42	$ 18.23	31.33%	
2027	$ 159.77	$ 83.35	109.06%	Based on an overall $121 increase per month
		$ 91.93		Net change in monthly reserve funding since 2015