

P/L Financial Agreement Explained

Have you read the exciting announcement from the Association of Angel Fire Property Owners (AAFPO) recently published on AAFPO.org and our Facebook page? Angel Fire Resort is planning the construction of a new Pickleball Center at Olympic Park and a new Highspeed Chairlift on the Ski Mountain, with significant financial support from your AAFPO Board!

The Financial Agreement outlines the terms agreed upon by the Resort and AAFPO regarding the funding of these fantastic improvements. Here is a summary of how the Financial Agreement will work:

The total Project cost is estimated to be 17.7 million dollars. The AAFPO Board has agreed to support this by contributing up to 5.2 million dollars, with funds being derived from three sources.

AAFPO has already contributed \$131,000 of surplus Administrative funds toward the Project upon execution of the Agreement, dated February 16, 2024. These funds are unspent Administrative funds accumulated over previous budget years. The Board has determined that the best use of these excess funds would be to use them to defray costs associated with this Agreement in the first fiscal year (2024).

Another source of funding is the AAFPO Discretionary Fund. Each year, the Resort allocates 4% of all collected assessments to AAFPO, which then earmarks these funds for the benefit of the amenities. This agreement allows 50% of these funds to go towards the enhancement of an existing amenity with the construction of the new highspeed chairlift, and to bring something entirely new—the Pickleball Center. This marks the first introduction of a brand-new amenity in over 25 years. The overall approach echoes the financial strategy from July 2006 that helped support construction of the Country Club, highlighting the sustained collaboration between AAFPO and the Resort to enhance and expand the range of amenities available to our membership.

These two funding sources will cover AAFPO's commitment for the 2024 fiscal year. The third source will be a capital improvements annual assessment of \$30 per Property Owner per year for up to 15 years. This Special Assessment will be reflected in your annual assessment bill beginning April 2025.

As stated, AAFPO's financial commitment is NOT TO EXCEED \$5.2 million. Therefore, as soon as this figure is reached, the \$30 capital improvements annual assessment and the 50% Discretionary Fund commitment will end. This could occur before the 15-year mark if membership growth accelerates the rate of collection.

The AAFPO Board was excited to unanimously approve this Agreement, as we feel this represents an outstanding value to the Property Owners and the community. These improvements will significantly add to the Owners' enjoyment and increase property values.

We hope this helps you understand how your dues are being used to add to your Resort experience. The AAFPO Board is committed to helping its members understand the ongoing improvements to the amenities to enhance your experiences up here in the beautiful Southern Rocky Mountains. As always, should you have any questions, please send them to Helloaafpo@gmail.com or call 575-377-1135. We will be happy to answer them.