

The North Woods Association, Inc.

Proposed Budget for 2007

	2006 PROJ. ACTUAL	2006 BUDGET	2007 BUDGET	
Income				
Annual Dues	\$ 53,820	\$ 53,820	\$ 53,820	207 x \$260
Annual SCFD #6 Assessment	\$ 1,656	\$ 1,656	\$ 1,656	207 x \$8
Annual Ambulance Assessment	\$ 1,656	\$ 1,656	\$ 1,656	207 x \$8
Proj. O/S A/R @ yr.end	\$ -		\$ -	
Fines/Late Chgs	\$ 475			
*** Interest/Dividends	\$ 224		\$ 6,368	est. interest on water & marina accounts (** see note)
Marina/Docks etc	\$ 17,055	\$ 9,450	\$ 10,700	54 slips x \$50 + renewal of leases + 3 leases @ \$1250
Services (Backhoe & truck use))	\$ 608	\$ 300	\$ 600	members can use these @\$65 per hour (includes operator)
Water System Assessment	\$ 15,525	\$ 15,525	\$ 15,525	207 x \$75
Water Front Rec. - Settlement	\$ 6,220	\$ 6,300	\$ 6,300	annual payment per 1987 settlement (WFR uses formula)
Total Income	\$ 97,239	\$ 88,707	\$ 96,625	
Expense				
Auto Expense - Truck	\$ 75	\$ -	\$ 600	
Back Hoe Maintenance	\$ 450	\$ 1,200	\$ 1,200	edge on bucket needs to be replaced
Bank Service Charges	\$ -	\$ 25	\$ -	
Cabin Expense				
Lease payment	\$ 1,763	\$ 1,763	\$ 1,763	annual from WFR
Maintenance & Repairs	\$ 930	\$ 500	\$ 1,500	need to maintain asset owned by association
Common Area Expenses				
Comm.Area - General Expenses	\$ 3,525	\$ 2,000	\$ 5,000	gazebo expand & new roof / fence @#19 line / repair benches
Comm.Area - Restroom costs	\$ 50	\$ 500	\$ 500	no severe vandalism in 2006 but has happened in past
Comm.Area - July 4 Fireworks.	\$ 857	\$ 400	\$ 400	donations last two years approx \$1900 plus \$400 = \$2300
Fire & Ambulance Assessment	\$ 3,312	\$ 3,312	\$ 3,312	offsets income items above
Insurance				
Board of Directors Insurance	\$ 1,525	\$ 1,525	\$ 1,601	insurances are 2006 actual x 1.05
Boat Dock Insurance	\$ 4,177	\$ 4,000	\$ 4,386	rates have been stable because of no claims
Prop & Gen Liability Insurance	\$ 4,389	\$ 3,050	\$ 4,003	umbrella policy not in 2006 / truck added in 2006
Interest Expense				
Finance Charge	\$ -			
Loan Interest	\$ 1,249	\$ 1,249	\$ 1,005	est.based on 4% of \$25,000 plus principal balance
Interest Expense - Other	\$ -	\$ 50	\$ -	
Licenses and Permits	\$ 10	\$ 320	\$ 10	annual corp. registration / annual water permit in water exp.
Loan (SBA) principal	\$ 4,869	\$ 4,878	\$ 5,113	
Marina/Dock Expenses	\$ 3,421	\$ 1,500	\$ 5,950	79 slips x \$50 plus \$2,000 (booms need realignment for 2007)
Miscellaneous	\$ -	\$ -	\$ 500	contingency
Office Supplies	\$ 750	\$ 600	\$ 750	includes annual Qbooks payroll upgrade @ approx \$280
Payroll Expense				
Employee Wages	\$ 19,560	\$ 19,560	\$ 19,560	Total compensation package for caretaker = \$ 31,570
Automobile Exp. Allowance	\$ 600	\$ 600	\$ 600	for 2080 hrs per year. This = \$15 per hour.
Propane Allowance	\$ 1,620	\$ 1,620	\$ 1,620	No compensation value has been assigned to the use
Payroll Taxes (SS/Med/FU/LI/WC)	\$ 4,200	\$ 4,200	\$ 4,200	of #96 as no cost living quarters for the caretaker.
Employee Health Insurance	\$ 4,011	\$ 4,011	\$ 5,590	
Vacation/temp caretaker	\$ 1,760		\$ 1,540	4 weeks x \$350 + 10% for payroll taxes

	<u>2006 PROJ. ACTUAL</u>	<u>2006 BUDGET</u>	<u>2007 BUDGET</u>	
Postage and Delivery	\$ 474	\$ 474	\$ 388	207x.39 plus 207x.87 plus 207x.39 plus 120x.39
Printing and Reproduction	\$ 750	\$ 750	\$ 750	invoices/reports/newsletters/annual meeting packets
Professional Fees				
Legal Fees	\$ -	\$ 500	\$ 1,000	
Professional Fees - Other	\$ -	\$ 1,000	\$ 2,000	annual tax return if A.Moyer not available
Roads	\$ 1,683	\$ 3,000	\$ 5,850	gravel = \$1500 plus one application Dirt Glue @ \$4350
*** Security - holiday weekends			\$ 1,920	4 days x 8 hrs x three holiday weekends x \$20 hr
Supplies - General Maint.	\$ 200	\$ 300	\$ 300	misc. stuff that doesn't fit anywhere else
Taxes				
Property	\$ 408	\$ 450	\$ 450	for cabin #96 owned by TNWA
WA Sales Tax	\$ 700	\$ 1,250	\$ 750	
Telephone	\$ 50	\$ 200	\$ 100	includes occasional satellite phone use at store
Water System Expenses				
Propane	\$ 4,100	\$ 6,000	\$ 4,800	averages to \$450 / month x 12 months
Repairs & Maintenance	\$ 3,000	\$ 3,000	\$ 3,000	may be larger if commercial grade generator is installed
Tests & Chemicals	\$ 500	\$ 750	\$ 750	
Total Expense	\$ (74,970)	# \$ (74,537)	\$ (92,762)	must watch profit since 2006 tax return will use the last
Net Surplus / (Deficit)	\$ 22,270	# \$ 14,170	\$ 3,863	of Loss Carry Forward from several years ago.

As of 10/30/06 projected actual costs indicate that of the \$22,270 surplus showing here, \$7925 went into Water System capital fund and \$13,634 went into Marina capital fund.

\$ 22,270	\$ 3,863
\$ (7,925)	\$ (6,975)
\$ (13,634)	\$ (4,750)
\$ 711	\$ (7,862)

This projected deficit in gen. op. acct. at 12/31/07 will be covered by remainder of cash surplus carried forward at 12/31/05 plus 12/31/06 projected surplus.

This is projected surplus or deficit for the general operating funds portion of the 2006 budget.

This is projected surplus or deficit for the general operating funds portion of the 2007 budget.

Dec.2007	\$ (7,862)
Dec.2006	\$ 711
Dec.2005	\$ 14,923

Total projected oper. cash surplus at 12/31/07. **\$ 7,772**

*** Interest/dividends note

Income from the investment fund is hard to predict. Dividends, interest, and realized gains/losses must be reported on our tax return. As of the 2006 tax return we will use up the last of a net loss carry forward which has been used to offset taxable income in recent years. Beginning with the 2007 budget we are trying to manage expenses so that we pay little or no corporate income taxes related to investment fund income. The 2007 budget projects using \$6,118 of income from the investment fund to pay the annual SBA loan payment.