

Just say no to a raise in the assessment ceiling!

It's the budget first It is the board's responsibility in approving the budget to exercise due diligence in such a way as to ensure it effectively allocates, controls and uses the community's resources. Only when that is accomplished can or should the board establish assessments levels. However, a deliberate and careful budget process on the merits of budget has been ignored to engage in a public relations campaign to raise the assessment ceiling.

The proposed ceiling increase won't work As has been the practice over the years the 2008 budget includes 2 income line items that are not recognized as revenue in the annual audits. "Assessment Collection Fees" and "Fixed Price & ala Carte for Administrative Facility" are accounts which are offsetting income and expenses transactions are not income. These are bookkeeping entries and not actual MVF revenue.

When these budget transactions are included as income in any budget draft or financial statements, the total income is inflated and misrepresented. When adjustment are made to the 2008 budget proposal eliminating these non revenue bookkeeping entries and not changing the expense budget a projected deficit of \$1,363,419 is created. Consequently, to balance the 2008 budget \$1,363,419 in reduced expenses must be identified.

The expense budget for 2008 of \$8,585,527 is \$1,753,265 greater than the 2006 audited expenses. The 2008 proposed budget assessments of \$4,825,785 is only \$750,030 over the 2007 \$4,075,755 assessments. To be preoccupied with the assessment ceiling and not the merits of the proposed budget makes no sense. Neither does the 2008 proposed budget. ([See schedule C](#))

History of Over Estimate Expenses and Underestimating Income The Board of Directors of the Foundation has a history of approving annual budgets that substantially over estimates non assessment income and under estimate operating expenses creating a severe cumulative budget deficit condition. ([See schedule N](#))

Unfortunately, the board and senior staff live in the state of permanent denial, stubbornly pursue inadequate and poorly administered remedies, have not been forthcoming with the financial and property condition realities and are unwillingness to take prompt corrective action on any of the adverse financial and facilities condition problems facing the Village.

History of Loss in CM and MA Funds There has been history of losses and deficits over the years in the Community Management (CMF) and the Maintenance Activity (MAF) funds. These deficits were funded using money designated for capital reserves while neglecting maintenance and landscaping services to the public areas. ([See schedule Q](#))

Arguments for Raising the Assessment Ceiling

Quality services will not be provided – When has the Village ever had quality service? For decades there has been general deterioration of the Villages' parks, streams, and lakes' natural resources. Can "Those people who are close to the organization and who appreciate its value" see the crumbling walkways; dying, crippled and diseased tree life; eroding and inadequate turf coverage being conquered by invasive and wild plants? Have they not noticed eroding soil washing into the adjacent lake and streams? Have they been aware of the temporary and inadequate stop gap shore line repair measures Lake Whetstone has endured for years? Have they not observe the neglected physical structures, the absence of normal care and maintenance routines and the ever growing backlog of capital needs?

It's not about the ability to continue providing quality services it is about why these conditions exists, what happened to the millions of dollars collected from past assessments to maintain and preserve Village assets and how to create awareness of these conditions on the part of the board and senior staff so we take corrective action and do a much better in the future.

Reserve funds will not be available for need capital "Reserve Contributions from Assessments" (The board of director's approved policy mandates it be equal to the annual depreciation cost) and "Reserve Interest" (Interest on reserve investments) are required budget line items that equal the annual funding source for the Reserve Fund. A small fraction of assessment and interest income budget for capital reserves has been credited to the Reserve Fund.

In addition, other than capital expenditures on Landscaping and Public Works equipment, there is little evidence that capital expenditure from reserves were ever spent to improve common property assets. Assessments and interest income designated for capital reserve have funded deficits in other fund types.

The embezzled funds don't count The June 6th edition of The Gazette reported "There were 21 other fraudulent transactions from the summers of 2004 and 2005 ranging between \$75 to \$3,500 for 7 employees, for whom Buttry created false payroll accounts and deposited the wages into her personal account."

In managing and operating a multi pool facility department it is incredible that MVF has never had a workable and effective payroll administrative control system. The ease, consistency and skill which Laura Buttry could steal substantial funds from the payroll system and go undeterred for so long a period is just one example of MVF's long standing and continuing out of control financial and personnel staffing operations.

If you don't favor the increase; good governance, Village activities, effective management control systems and the appearance of the public areas are unimportant to you and Montgomery Village is not the place for you to live. So move!

No Lois, Pat, Gerald, Richard and Keith, it's not those who oppose the raising of the assessment ceiling who should go. We need to stay to clean up the mess!

2005 to 2008 Income Comparison

Description	2005 B	2005 A	\$ 2005 Variance \$	% 2005 Variance %	2006 B	2006 A	\$ 2006 Variance \$	% 2006 Variance %
Assessment income	\$3,632,662	\$3,664,605	\$31,943	0.9%	\$3,679,774	\$3,684,426	\$4,652	0.1%
Advertising income	\$258,000	\$188,559	(\$69,441)	-26.9%	\$265,000	\$187,603	(\$77,397)	-29.2%
Administrative Charges	\$317,500	\$278,848	(\$38,652)	-12.2%	\$864,330	\$273,748	(\$590,582)	-68.3%
Class and recreation program income	\$690,412	\$553,789	(\$136,623)	-111.8%	\$675,000	\$543,868	(\$131,132)	-138.0%
Management and administrative service income	\$1,066,189	\$797,398	(\$268,791)	5.1%	\$938,447	\$740,898	(\$197,549)	59.1%
Maintenance and landscaping service income	\$1,555,252	\$1,344,126	(\$211,126)	-13.6%	\$2,130,735	\$1,297,832	(\$832,903)	-39.1%
Interest income	\$31,000	\$249,684	\$218,684	705.4%	\$32,700	\$203,887	\$171,187	523.5%
Total revenue	\$7,551,015	\$7,077,009	(\$474,006)	547.0%	\$8,585,986	\$6,932,262	(\$1,653,724)	308.1%
	2007 B	2007 Proj	\$ 2007 Variance \$	% 2007 Variance %	2008 PB	2008 PB MVO	\$ 2008 Variance \$	% 2008 Variance %
Assessment income	\$4,075,755	\$4,083,105	\$7,350	0.3%	\$4,825,785	\$4,825,785	\$0	0.0%
Advertising income	\$210,000	\$197,955	(\$12,045)	-9.1%	\$210,000	\$200,000	(\$10,000)	-4.8%
Administrative Charges	\$313,945	\$218,450	(\$95,495)	-54.8%	\$274,420	\$119,900	(\$154,520)	-56.3%
Class and recreation program income	\$620,320	\$462,799	(\$157,521)	-723.0%	\$532,050	\$497,050	(\$35,000)	-40.7%
Management and administrative service income	\$920,341	\$813,188	(\$107,153)	-46.3%	\$1,000,528	\$731,278	(\$269,250)	-71.8%
Maintenance and landscaping service income	\$1,386,648	\$749,363	(\$637,285)	-59.9%	\$1,716,195	\$816,195	(\$900,000)	-52.4%
Interest income	\$12,628	\$54,555	\$41,927	177.3%	\$14,900	\$14,900	\$0	0.0%
Total revenue	\$7,539,637	\$6,579,416	(\$960,222)	-715.6%	\$8,573,878	\$7,205,108	(\$1,368,770)	-226.1%

Analysis by Fund Type

Description	2001 A	2004 A	2005 A	2006 A	2007 Projected Actual	2008 Proposed Budget	2008 Observer Estimated
End of Fiscal Year Fund Balances							
Total fund balances	\$7,528,351	\$8,502,977	\$8,256,065	\$7,717,055	\$6,837,379	\$7,598,100	\$6,225,330
Operations	\$29,682	\$317,066	(\$162,375)	(\$322,139)	(\$1,319,447)	(\$1,273,226)	(\$2,645,996)
MVF Fund	\$100,152	\$297,195	\$267,741	\$123,189	\$534,623	\$572,110	\$407,590
DUF Fund	\$45,193	\$266,705	\$261,480	\$465,618	\$586,539	\$587,074	\$552,074
PS Fund	\$168	\$30	\$54	\$242	\$1,355	\$1,353	\$1,353
CM Fund	\$81,066	(\$3,484)	(\$160,301)	(\$301,266)	(\$460,647)	(\$456,415)	(\$729,665)
MA Fund	(\$196,897)	(\$243,380)	(\$531,349)	(\$609,922)	(\$1,981,317)	(\$1,977,348)	(\$2,877,348)
Fixed Assets	\$3,335,256	\$3,330,453	\$3,483,887	\$3,610,553	\$3,610,553	\$3,610,553	\$3,610,553
Reserve Funds	\$4,163,413	\$4,855,458	\$4,934,553	\$4,428,641	\$4,546,273	\$5,260,773	\$5,260,773
Income							
MVF Fund	\$1,948,487	\$2,419,755	\$2,451,315	\$2,455,860	\$2,675,854	\$3,024,671	\$2,860,151
Designated Users Facilities Fund	\$1,522,979	\$1,931,630	\$1,869,791	\$1,865,990	\$2,006,219	\$2,400,702	\$2,365,702
Poplar Spring Fund	\$1,026	\$1,510	\$1,840	\$1,830	\$1,882	\$2,082	\$2,082
User Fee Programs Fund	\$422,027	\$398,353	\$378,477	\$381,360	\$391,417	\$432,200	\$432,200
Community Management Fund	\$905,675	\$913,040	\$803,143	\$747,814	\$854,464	\$1,019,028	\$745,778
Maintenance Activity Fund	\$1,401,375	\$1,562,622	\$1,344,126	\$1,297,832	\$749,363	\$1,716,195	\$816,195
Reserve Fund	\$201,737	\$0	\$228,317	\$181,576	\$0	\$0	\$0
Total Income	\$6,403,306	\$7,226,910	\$7,077,009	\$6,932,262	\$6,678,123	\$8,594,878	\$7,222,108

Analysis by Fund Type

Description	2001 A	2004 A	2005 A	2006 A	2007 Projected Actual	2008 Proposed Budget	2008 Observer Estimated
Expenses							
MVF Fund	\$2,012,306	\$2,364,688	\$2,472,653	\$2,601,170	\$2,264,420	\$2,987,184	\$2,987,184
Designated Users Facilities Fund	\$1,544,356	\$1,867,813	\$1,875,218	\$1,714,215	\$1,885,298	\$2,400,167	\$2,400,167
Poplar Spring Fund	\$1,027	\$1,505	\$1,496	\$1,642	\$768	\$2,084	\$2,084
User Fee Programs Fund	\$406,176	\$400,176	\$405,496	\$385,417	\$518,967	\$469,070	\$469,070
Community Management Fund	\$944,575	\$954,190	\$959,457	\$888,779	\$1,013,845	\$1,014,796	\$1,014,796
Maintenance Activity Fund	\$1,543,475	\$1,592,554	\$1,608,872	\$1,376,636	\$2,120,758	\$1,712,226	\$1,712,226
Reserve Fund	\$366,170	\$463,616	\$365,731	\$0	\$117,632	\$714,500	\$714,500
Total Expenses	\$6,818,085	\$7,644,542	\$7,688,923	\$6,967,859	\$7,804,056	\$8,585,527	\$8,585,527
(Deficit) / Surplus							
MVF S/(D)	(\$63,819)	\$55,067	(\$21,338)	(\$145,310)	\$411,434	\$37,487	(\$127,033)
DUF S/(D)	(\$21,377)	\$63,817	(\$5,427)	\$151,775	\$120,921	\$535	(\$34,465)
PS S/(D)	(\$1)	\$5	\$344	\$188	\$1,113	(\$2)	(\$2)
UFP S/(D)	\$15,851	(\$1,823)	(\$27,019)	(\$4,057)	(\$127,550)	(\$36,870)	(\$36,870)
CM S/(D)	(\$38,900)	(\$41,150)	(\$156,314)	(\$140,965)	(\$159,381)	\$4,232	(\$269,018)
MA S/(D)	(\$142,100)	(\$29,932)	(\$264,746)	(\$78,804)	(\$1,371,395)	\$3,969	(\$896,031)
Summary (Deficit) / Surplus	(\$250,346)	\$45,984	(\$474,500)	(\$217,173)	(\$1,124,858)	\$9,351	(\$1,363,419)

94 to 08 Expense Comparison

Year	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%
	Payroll Costs				Utility				Business Expenses				Office Supplies			
05-08 Avg	\$4,635,134	\$3,971,111	\$664,023	14.3%	\$219,960	\$226,919	-\$6,959	-3.2%	\$26,712	\$31,706	-\$4,994	-18.7%	\$126,367	\$47,591	\$78,777	62.3%
2008	\$5,279,093				\$288,729				\$32,025				\$66,132			
2007	\$4,894,650	\$5,072,680	-\$178,030	-3.6%	\$282,404	\$322,368	-\$39,964	-14.2%	\$26,140	\$31,706	-\$5,565	-21.3%	\$81,441	\$47,591	\$33,851	41.6%
04-94 Avg	\$3,565,829	\$3,495,972	\$69,857	2.0%	\$146,332	\$181,056	-\$34,724	-23.7%	\$48,129	\$59,575	-\$11,446	-23.8%	\$142,209	\$132,615	\$9,594	6.7%
2002	\$4,064,063	\$3,936,625	\$127,438	3.1%	\$147,320	\$205,087	-\$57,767	-39.2%	\$0	\$93,489	\$0	0.0%	\$143,742	\$139,443	\$4,299	3.0%
2000	\$3,714,870	\$3,703,496	\$11,374	0.3%	\$116,705	\$139,519	-\$22,814	-19.5%	\$34,000	\$36,682	-\$2,682	-7.9%	\$147,225	\$146,662	\$563	0.4%
1997	\$3,199,645	\$3,050,872	\$148,773	4.6%	\$158,567	\$158,222	\$345	0.2%	\$38,450	\$31,743	\$6,707	17.4%	\$127,660	\$127,308	\$352	0.3%
1994	\$2,603,419	\$2,659,784	-\$56,365	-2.2%	\$138,122	\$160,187	-\$22,065	-16.0%	\$26,000	\$28,885	-\$2,885	-11.1%	\$126,690	\$113,831	\$12,859	10.1%
	Postage				Printing				Other Administrative Expenses				Audit			
05-08 Avg	\$46,659	\$41,198	\$5,461	11.7%	\$67,707	\$86,952	-\$19,245	-28.4%	\$110,089	\$114,858	-\$4,769	-4.3%	\$40,077	\$67,500	-\$27,423	-68.4%
2008	\$39,388				\$98,900				\$123,110				\$50,000			
2007	\$45,900	\$41,198	\$4,703	10.2%	\$82,475	\$86,952	-\$4,477	-5.4%	\$120,940	\$114,858	\$6,082	5.0%	\$32,232	\$67,500	-\$35,268	-109.4%
04-94 Avg	\$52,704	\$51,561	\$1,143	2.2%	\$63,035	\$60,962	\$2,074	3.3%	\$106,722	\$89,886	\$16,836	15.8%	\$27,683	\$29,361	-\$1,678	-6.1%
2002	\$51,799	\$48,730	\$3,069	5.9%	\$76,692	\$73,423	\$3,269	4.3%	\$131,075	\$34,435	\$96,640	73.7%	\$35,475	\$34,016	\$1,459	4.1%
2000	\$57,615	\$60,785	-\$3,170	-5.5%	\$61,500	\$62,488	-\$988	-1.6%	\$136,187	\$133,752	\$2,435	1.8%	\$33,150	\$48,101	-\$14,951	-45.1%
1997	\$47,510	\$46,273	\$1,237	2.6%	\$59,150	\$55,967	\$3,183	5.4%	\$89,932	\$92,550	-\$2,618	-2.9%	\$21,000	\$22,472	-\$1,472	-7.0%
1994	\$47,050	\$48,905	-\$1,855	-3.9%	\$52,700	\$50,487	\$2,213	4.2%	\$70,870	\$84,205	-\$13,335	-18.8%	\$20,000	\$19,700	\$300	1.5%
	Legal				Performance and Admissions				Supplies				Maintenance, Repair & Supplies			
05-08 Avg	\$77,430	\$68,534	\$8,897	11.5%	\$64,039	\$32,134	\$31,905	49.8%	\$101,658	\$179,565	-\$77,908	-76.6%	\$533,954	\$1,183,414	-\$649,460	-121.6%
2008	\$69,000				\$28,175				\$50,400				\$517,084			
2007	\$68,000	\$68,534	-\$534	-0.8%	\$82,227	\$96,401	-\$14,174	-17.2%	\$147,938	\$209,894	-\$61,956	-41.9%	\$580,196	\$1,183,414	-\$603,218	-104.0%
04-94 Avg	\$52,704	\$51,561	\$1,143	2.2%	\$63,035	\$60,962	\$2,074	3.3%	\$106,722	\$89,886	\$16,836	15.8%	\$27,683	\$29,361	-\$1,678	-6.1%
2002	\$50,000	\$80,030	-\$30,030	-60.1%	\$11,150	\$109,529	-\$98,379	-882.3%	\$155,650	\$168,645	-\$12,995	-8.3%	\$355,575	\$354,187	\$1,388	0.4%
2000	\$60,800	\$56,723	\$4,077	6.7%	\$11,950	\$42,145	-\$30,195	-252.7%	\$151,275	\$159,714	-\$8,439	-5.6%	\$387,724	\$460,289	-\$72,565	-18.7%
1997	\$62,641	\$69,000	-\$6,359	-10.2%	\$12,110	\$8,395	\$3,715	30.7%	\$142,100	\$138,002	\$4,098	2.9%	\$353,820	\$367,531	-\$13,711	-3.9%
1994	\$51,100	\$59,579	-\$8,479	-16.6%	\$8,790	\$11,643	-\$2,853	-32.5%	\$149,765	\$140,993	\$8,772	5.9%	\$352,610	\$389,558	-\$36,948	-10.5%
	Trash Removal				Grounds, Landscaping, Lakes & Streams				Security Services				Insurance-Licenes & Taxes			
05-08 Avg	\$107,681	\$18,435	\$89,246	82.9%	\$606,690	\$52,840	\$553,850	91.3%	\$92,408	\$117,338	-\$24,929	-27.0%	\$198,307	\$171,488	\$26,819	13.5%
2008	\$127,885				\$657,282				\$115,871				\$173,117			
2007	\$120,230	\$55,305	\$64,925	54.0%	\$480,594	\$52,840	\$427,755	89.0%	\$113,112	\$117,338	-\$4,226	-3.7%	\$190,545	\$171,488	\$19,058	10.0%
04-94 Avg	\$7,045	\$11,842	-\$4,797	-68.1%	\$436,234	\$367,298	\$68,935	15.8%	\$40,907	\$37,872	\$3,034	7.4%	\$142,298	\$136,187	\$6,111	4.3%
2002	\$4,000	\$46,188	-\$42,188	-1054.7%	\$515,678	\$546,057	-\$30,379	-5.9%	\$47,650	\$48,579	-\$929	-1.9%	\$158,899	\$142,712	\$16,187	10.2%
2000	\$7,700	\$3,940	\$3,760	48.8%	\$383,620	\$427,195	-\$43,575	-11.4%	\$31,000	\$36,718	-\$5,718	-18.4%	\$123,288	\$124,115	-\$827	-0.7%
1997	\$8,500	\$8,611	-\$111	-1.3%	\$388,650	\$367,923	\$20,727	5.3%	\$24,765	\$29,084	-\$4,319	-17.4%	\$132,023	\$106,332	\$25,691	19.5%
1994	\$8,500	\$8,157	\$343	4.0%	\$331,390	\$330,249	\$1,141	0.3%	\$23,300	\$28,994	-\$5,694	-24.4%	\$121,095	\$125,960	-\$4,865	-4.0%
	Depreciation Expense				Contributions to Reserve				Depreciation & Reserves				Total			
05-08 Avg	\$441,266	\$527,490	-\$86,224	-19.5%	\$258,394	\$58,816	\$199,578	77.2%	\$372,389	\$390,871	-\$18,482	-0.04963	\$7,441,824	\$7,486,946	-\$45,122	-0.6%
2008					\$714,500				\$714,500				\$8,585,527			
2007					\$289,000	\$117,632	\$171,368	59.3%	\$289,000	\$117,632	\$171,368	0.592969	\$7,564,637	\$7,804,055	-\$239,418	-3.2%
04-94 Avg	\$7,045	\$11,842	-\$4,797	-68.1%	\$436,234	\$367,298	\$68,935	15.8%	\$40,907	\$37,872	\$3,034	0.074178	\$142,298	\$136,187	\$6,111	4.3%
2002	\$503,212	\$495,028	\$8,184	1.6%	\$65,182	\$40,176	\$25,006	38.4%	\$568,394	\$535,204	\$33,190	0.058393	\$6,507,141	\$6,568,000	-\$60,859	-0.9%
2000	\$468,900	\$442,627	\$26,273	5.6%	\$15,612	\$15,612	\$0	0.0%	\$484,512	\$458,239	\$26,273	0.054226	\$5,942,286	\$6,148,118	-\$205,832	-3.5%
1997	\$395,246	\$377,967	\$17,279	4.4%	\$36,985	\$36,985	\$0	0.0%	\$432,231	\$414,952	\$17,279	0.039976	\$5,343,604	\$5,269,310	\$74,294	1.4%
1994	\$338,038	\$330,356	\$7,682	2.3%	\$33,744	\$33,744	\$0	0.0%	\$371,782	\$364,100	\$7,682	0.020663	\$4,647,518	\$4,815,281	-\$167,763	-3.6%

06 to 08 Budget-Actual Summary

Description	2006 Audit	2007 Budget	2007 Projected Actual	2008 Budget	07 Bud to Projected \$	07 Bud to Projected %	07 Bud to 08 Bud \$	07 Bud to 08 Bud %	06 Audit to 08 Budget \$	06 A to 08 PB %
Income										
Assessment income	\$3,684,426	\$4,075,755	\$4,084,409	\$4,825,785	\$8,654	0.2%	\$750,030	18.4%	\$1,141,359	31.0%
Advertising income	\$187,603	\$210,000	\$192,652	\$210,000	-\$17,348	-8.3%	\$0	0.0%	\$22,397	11.9%
Administrative Charges	\$273,748	\$313,945	\$220,912	\$274,420	-\$93,033	-29.6%	-\$39,525	-12.6%	\$672	0.2%
Class and recreation program income	\$543,868	\$620,320	\$473,919	\$532,050	-\$146,401	-23.6%	-\$88,270	-14.2%	-\$11,818	-2.2%
Management and administrative service income	\$740,898	\$945,341	\$810,239	\$1,014,528	-\$135,102	-14.3%	\$69,187	7.3%	\$273,630	36.9%
Maintenance and landscaping service income	\$1,297,832	\$1,386,648	\$856,578	\$1,716,195	-\$530,070	-38.2%	\$329,547	23.8%	\$418,363	32.2%
Interest income	\$203,887	\$12,628	\$40,564	\$14,900	\$27,936	221.2%	\$2,272	18.0%	-\$188,987	-92.7%
Total revenue	\$6,932,262	\$7,564,637	\$6,679,273	\$8,587,878	-\$885,364	-11.7%	\$1,023,241	13.5%	\$1,655,616	23.9%
Expenses										
Personnel and benefits	\$5,020,502	\$4,738,604	\$4,852,389	\$5,201,585	\$113,785	2.4%	\$462,981	9.8%	\$181,083	3.6%
Repair and Maintenance	\$606,442	\$789,227	\$1,069,916	\$1,035,752	\$280,689	35.6%	\$246,525	31.2%	\$429,310	70.8%
Utility and Telephone	\$183,089	\$282,404	\$329,812	\$288,729	\$47,408	16.8%	\$6,325	2.2%	\$105,640	57.7%
Field supplies	\$153,826	\$147,938	\$223,136	\$50,400	\$75,198	50.8%	-\$97,538	-65.9%	-\$103,426	-67.2%
Insurance and licenses	\$140,238	\$186,699	\$171,197	\$173,117	-\$15,502	-8.3%	-\$13,582	-7.3%	\$32,879	23.4%
Printing	\$76,602	\$82,475	\$88,036	\$98,900	\$5,561	6.7%	\$16,425	19.9%	\$22,298	29.1%
Performances and admissions	\$128,932	\$88,690	\$101,783	\$99,000	\$13,093	14.8%	\$10,310	11.6%	-\$29,932	-23.2%
Other expenses	\$658,228	\$955,754	\$916,683	\$923,544	-\$39,071	-4.1%	-\$32,210	-3.4%	\$265,316	40.3%
Contr to Capital from Depreciation	\$0	\$289,000	\$120,791	\$714,500	-\$168,209	-58.2%	\$425,500	147.2%	\$714,500	
Total Expenses	\$6,967,859	\$7,560,791	\$7,873,744	\$8,585,527	\$312,952	4.1%	\$1,024,736	13.6%	\$1,617,668	23.2%

Schedule A

06 to 08 Budget-Actual Summary

Description	2006 Audit	2007 Budget	2007 Projected Actual	2008 Budget	07 Bud to Projected \$	07 Bud to Projected %	07 Bud to 08 Bud \$	07 Bud to 08 Bud %	06 Audit to 08 Budget \$	06 A to 08 PB %
Summary by Fund Type										
Income										
MVF Fund	\$2,455,860	\$2,747,989	\$2,643,553	\$3,024,671	-\$104,436	-3.8%	\$276,682	10.1%	\$568,811	23.2%
Designated Users Facilities Fund	\$1,865,990	\$2,046,578	\$1,999,885	\$2,400,702	-\$46,693	-2.3%	\$354,124	17.3%	\$534,712	28.7%
Poplar Spring Fund	\$1,830	\$1,881	\$1,881	\$2,082	\$0	0.0%	\$201	10.7%	\$252	13.8%
User Fee Programs Fund	\$381,360	\$432,200	\$406,450	\$432,200	-\$25,750	-6.0%	\$0	0.0%	\$50,840	13.3%
Community Management Fund	\$747,814	\$949,341	\$822,400	\$1,019,028	-\$126,941	-13.4%	\$69,687	7.3%	\$271,214	36.3%
Maintenance Activity Fund	\$1,297,832	\$1,386,648	\$856,578	\$1,716,195	-\$530,070	-38.2%	\$329,547	23.8%	\$418,363	32.2%
Reserve Fund	\$181,576									
Total Income	\$6,932,262	\$7,564,637	\$6,730,747	\$8,594,878	-\$833,890	-11.0%	\$1,030,241	13.6%	\$1,662,616	24.0%
Expenses										
MVF Fund	\$2,601,170	\$2,694,949	\$2,299,655	\$3,128,882	-\$395,294	-14.7%	\$433,933	16.1%	\$527,712	20.3%
Designated Users Facilities Fund	\$1,714,215	\$1,931,121	\$1,853,255	\$1,892,503	-\$77,866	-4.0%	-\$38,618	-2.0%	\$178,288	10.4%
Poplar Spring Fund	\$1,642	\$1,862	\$867	\$2,084	-\$995	-53.4%	\$222	11.9%	\$442	26.9%
User Fee Programs Fund	\$385,417	\$496,485	\$484,877	\$380,879	-\$11,608	-2.3%	-\$115,606	-23.3%	-\$4,538	-1.2%
Community Management Fund	\$888,779	\$1,006,918	\$1,006,441	\$1,189,751	-\$477	0.0%	\$182,833	18.2%	\$300,972	33.9%
Maintenance Activity Fund	\$1,376,636	\$1,433,302	\$2,088,131	\$1,991,429	\$654,829	45.7%	\$558,127	38.9%	\$614,793	44.7%
Reserve Fund	\$0	\$289,000	\$117,632	\$714,500	-\$171,368	-59.3%	\$425,500	147.2%	\$714,500	
Total Expenses	\$6,967,859	\$7,564,637	\$7,733,227	\$8,585,527	\$168,590	2.2%	\$1,020,890	13.5%	\$1,617,668	23.2%
MVF S/(D)	-\$145,310	\$53,040	\$343,898	-\$104,211	\$290,858		-\$157,251	-296.5%	\$41,099	
DUF S/(D)	\$151,775	\$115,457	\$146,631	\$508,199	\$31,174		\$392,742	340.2%	\$356,424	
PS S/(D)	\$188	\$19	\$1,014	-\$2	\$995		-\$21	-110.5%	-\$190	
UFP S/(D)	-\$4,057	-\$64,285	-\$78,427	\$51,321	-\$14,142		\$115,606	-179.8%	\$55,378	
CM S/(D)	-\$140,965	-\$57,577	-\$184,041	-\$170,723	-\$126,464		-\$113,146	196.5%	-\$29,758	
MA S/(D)	-\$78,804	-\$46,654	-\$1,231,553	-\$275,234	-\$1,184,899		-\$228,580	489.9%	-\$196,430	
Summary (Deficit) / Surplus	-\$217,173	\$0	-\$1,002,479	\$9,351	-\$1,002,479		\$9,351		\$226,524	

Schedule A

2005 to 2008 Income Comparison

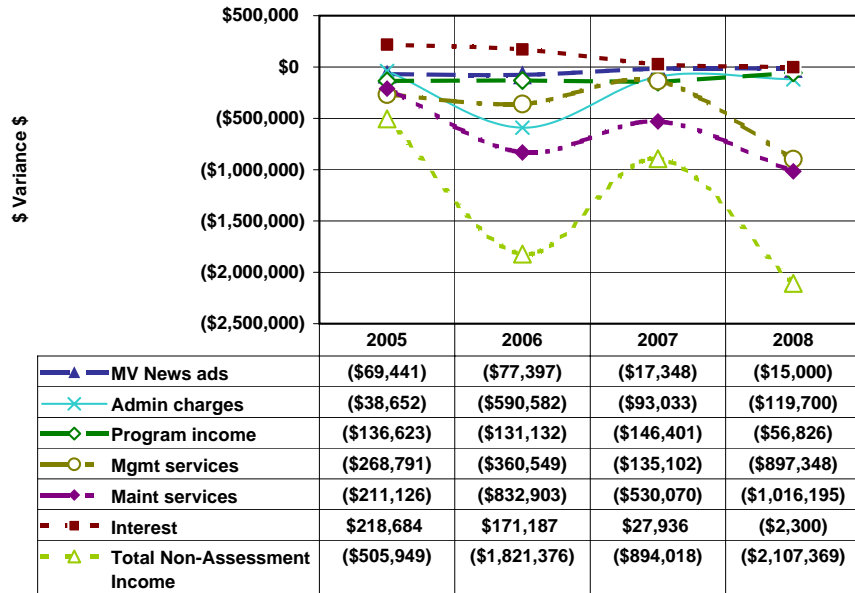
Description	2005 B	2005 Audit	\$ 2005 Variance \$	% 2005 Variance %	2006 B	2006 Audit	\$ 2006 Variance \$	% 2006 Variance %
Assessment income	\$3,632,662	\$3,664,605	\$31,943	0.9%	\$3,679,774	\$3,684,426	\$4,652	0.1%
Advertising income	\$258,000	\$188,559	(\$69,441)	-26.9%	\$265,000	\$187,603	(\$77,397)	-29.2%
Administrative Charges	\$317,500	\$278,848	(\$38,652)	-12.2%	\$864,330	\$273,748	(\$590,582)	-68.3%
Class and recreation program income	\$690,412	\$553,789	(\$136,623)	-111.8%	\$675,000	\$543,868	(\$131,132)	-138.0%
Management and administrative service income	\$1,066,189	\$797,398	(\$268,791)	5.1%	\$1,101,447	\$740,898	(\$360,549)	-78.0%
Maintenance and landscaping service income	\$1,555,252	\$1,344,126	(\$211,126)	-13.6%	\$2,130,735	\$1,297,832	(\$832,903)	-39.1%
Interest income	\$31,000	\$249,684	\$218,684	705.4%	\$32,700	\$203,887	\$171,187	523.5%
Total revenue	\$7,551,015	\$7,077,009	(\$474,006)	547.0%	\$8,748,986	\$6,932,262	(\$1,816,724)	171.0%

	2007 Budget	2007 Projected Actual	\$ 2007 Variance \$	% 2007 Variance %	2008 Budget	2008 Observer Estimated	\$ 2008 Variance \$	% 2008 Variance %
Assessment income	\$4,075,755	\$4,084,409	\$8,654	0.3%	\$4,825,785	\$4,825,785	\$0	0.0%
Advertising income	\$210,000	\$192,652	(\$17,348)	-12.0%	\$210,000	\$195,000	(\$15,000)	-7.1%
Administrative Charges	\$313,945	\$220,912	(\$93,033)	-50.2%	\$274,420	\$154,720	(\$119,700)	-43.6%
Class and recreation program income	\$620,320	\$473,919	(\$146,401)	-241.6%	\$532,050	\$475,224	(\$56,826)	-42.0%
Management and administrative service income	\$945,341	\$810,239	(\$135,102)	-65.7%	\$1,014,528	\$117,180	(\$897,348)	-169.9%
Maintenance and landscaping service income	\$1,386,648	\$856,578	(\$530,070)	-70.5%	\$1,716,195	\$700,000	(\$1,016,195)	-59.2%
Interest income	\$12,628	\$40,564	\$27,936	74.7%	\$14,900	\$12,600	(\$2,300)	-15.4%
Total revenue	\$7,564,637	\$6,679,273	(\$885,364)	-365.0%	\$8,587,878	\$6,480,509	(\$2,107,369)	-337.3%

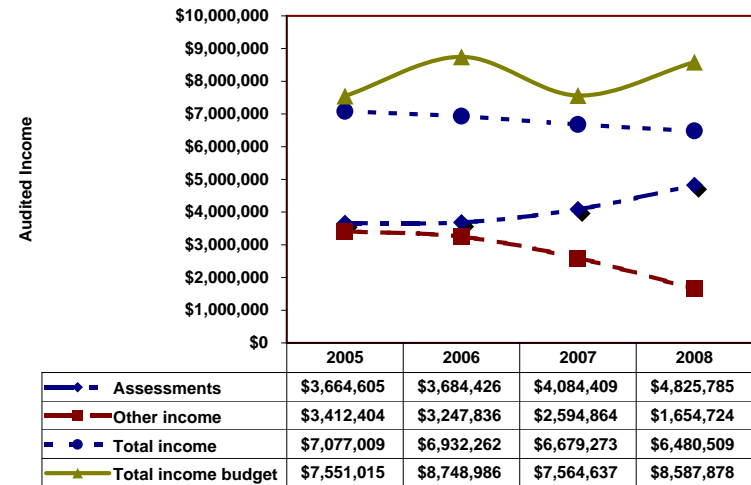
2005 to 2008 Income Comparison

Description	2005 B	2005 Audit	\$ 2005 Variance \$	% 2005 Variance %	2006 B	2006 Audit	\$ 2006 Variance \$	% 2006 Variance %
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Budget to Actual Variance Non Assessment Income 2005-2008



Assessment vs non Assessment Income



Analysis by Fund Type

Description	2001 Audit	2004 Audit	2005 Audit	2006 Audit	2007 Projected Actual	2008 Budget	2008 Observer Estimated
End of Fiscal Year Fund Balances							
Total fund balances	\$7,528,351	\$8,502,977	\$8,256,065	\$7,717,055	\$6,910,635	\$7,583,165	\$6,501,681
Operations	\$29,682	\$317,066	(\$162,375)	(\$322,139)	(\$1,246,191)	(\$1,288,161)	(\$2,369,645)
MVF Fund	\$100,152	\$297,195	\$267,741	\$123,189	\$467,087	\$362,877	\$488,753
DUF Fund	\$45,193	\$266,705	\$261,480	\$465,618	\$612,249	\$1,120,448	\$1,007,722
PS Fund	\$168	\$30	\$54	\$242	\$1,256	\$1,254	\$1,513
CM Fund	\$81,066	(\$3,484)	(\$160,301)	(\$301,266)	(\$485,307)	(\$656,030)	(\$801,107)
MA Fund	(\$196,897)	(\$243,380)	(\$531,349)	(\$609,922)	(\$1,841,475)	(\$2,116,709)	(\$3,066,527)
Fixed Assets	\$3,335,256	\$3,330,453	\$3,483,887	\$3,610,553	\$3,610,553	\$3,610,553	\$3,610,553
Reserve Funds	\$4,163,413	\$4,855,458	\$4,934,553	\$4,428,641	\$4,546,273	\$5,260,773	\$5,260,773
Income							
MVF Fund	\$1,948,487	\$2,419,755	\$2,451,315	\$2,455,860	\$2,643,553	\$3,024,671	\$2,867,524
Designated Users Facilities Fund	\$1,522,979	\$1,931,630	\$1,869,791	\$1,865,990	\$1,999,885	\$2,400,702	\$2,383,717
Poplar Spring Fund	\$1,026	\$1,510	\$1,840	\$1,830	\$1,881	\$2,082	\$2,265
User Fee Programs Fund	\$422,027	\$398,353	\$378,477	\$381,360	\$406,450	\$432,200	\$406,374
Community Management Fund	\$905,675	\$913,040	\$803,143	\$747,814	\$822,400	\$1,019,028	\$770,630
Maintenance Activity Fund	\$1,401,375	\$1,562,622	\$1,344,126	\$1,297,832	\$856,578	\$1,716,195	\$700,000
Reserve Fund	\$201,737	\$0	\$228,317	\$181,576	\$0	\$0	\$0
Total Income	\$6,403,306	\$7,226,910	\$7,077,009	\$6,932,262	\$6,730,747	\$8,594,878	\$7,130,509

Analysis by Fund Type

Description	2001 Audit	2004 Audit	2005 Audit	2006 Audit	2007 Projected Actual	2008 Budget	2008 Observer Estimated
Expenses							
MVF Fund	\$2,012,306	\$2,364,688	\$2,472,653	\$2,601,170	\$2,299,655	\$3,128,882	\$2,845,858
Designated Users Facilities Fund	\$1,544,356	\$1,867,813	\$1,875,218	\$1,714,215	\$1,853,255	\$1,892,503	\$1,988,243
Poplar Spring Fund	\$1,027	\$1,505	\$1,496	\$1,642	\$867	\$2,084	\$2,007
User Fee Programs Fund	\$406,176	\$400,176	\$405,496	\$385,417	\$484,877	\$380,879	\$433,983
Community Management Fund	\$944,575	\$954,190	\$959,457	\$888,779	\$1,006,441	\$1,189,751	\$1,086,430
Maintenance Activity Fund	\$1,543,475	\$1,592,554	\$1,608,872	\$1,376,636	\$2,088,131	\$1,991,429	\$1,925,051
Reserve Fund	\$366,170	\$463,616	\$365,731	\$0	\$117,632	\$714,500	\$714,500
Total Expenses	\$6,818,085	\$7,644,542	\$7,688,923	\$6,967,859	\$7,733,227	\$8,585,527	\$8,281,572
(Deficit) / Surplus							
MVF S/(D)	(\$63,819)	\$55,067	(\$21,338)	(\$145,310)	\$343,898	(\$104,211)	\$21,666
DUF S/(D)	(\$21,377)	\$63,817	(\$5,427)	\$151,775	\$146,631	\$508,199	\$395,474
PS S/(D)	(\$1)	\$5	\$344	\$188	\$1,014	(\$2)	\$257
UFP S/(D)	\$15,851	(\$1,823)	(\$27,019)	(\$4,057)	(\$78,427)	\$51,321	(\$27,609)
CM S/(D)	(\$38,900)	(\$41,150)	(\$156,314)	(\$140,965)	(\$184,041)	(\$170,723)	(\$315,800)
MA S/(D)	(\$142,100)	(\$29,932)	(\$264,746)	(\$78,804)	(\$1,231,553)	(\$275,234)	(\$1,225,051)
Summary (Deficit) / Surplus	(\$250,346)	\$45,984	(\$474,500)	(\$217,173)	(\$1,002,479)	\$9,351	(\$1,151,063)