

## The Budget MVF Budget Crash of 2008!

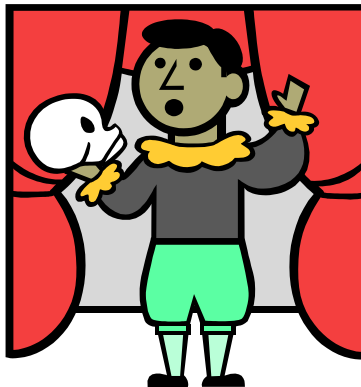


### The Foundation's Goals and Community Standards

Budgets are the money expression of the goals and objectives of a Common Interest Realty Association (CIRA). The board of directors' responsibility to approve the annual budget and establish assessment levels places special emphasis on the board's stewardship duty to allocate control and wisely utilize community resources.

The budget's effectiveness depends on the board's willingness to take prompt corrective action on unfavorable variations from the budget as indicated by the monthly financial reporting system, the on going monitoring of property conditions and feed back from the community.

### Roles and Duties in the Budget Process



#### Staff and Management

Based on based predetermine goals, standards and policy the staff and management must prepare, present, defend and be held accountable for the budget it prepares and presents for consideration and approval.

Every major category and classification of income and expenditures has a standard time tested proven method of measuring and determining budget line item amounts. As a minimum, backup budget preparation schedules should be used to calculate personnel, utility, contract, supply and capital reserve cost.

Presentations of the budget for board and community's approval and consideration has to be professional prepared and include a comparative analysis of historical, current and future revenue and expenditures. The budget must include rational and reasonable explanations and justifications of program recommendations, income and expenses calculations and analysis of trends, variances and conditions affecting costs.

### **Board of Directors**

The Board of Directors is responsible and accountable for the assets, operations and finances of the Village's. The budget is the financial plan and the primary tool that allows the board to effectively meet these obligations.

Each board member should:

1. Understand his or her financial duties and obligation; the requirements, standards and community goals address in the budget and how the budget is prepared.
2. Be willing to challenge and questions all aspects of the budget.
3. Hold the staff and management accountable for results and
4. Openly, effectively and truthfully communicate and engage in a two way dialog and communication with the community on the merit of the budget.

### **The Membership**

Only then can the property owner members in the Village have a level of confidence in the budget preparation and communication process to judge whether those with power, duty, obligation and influence are:

1. Preserving, maintaining and enhancing its property and assets.
2. Providing maximum value from the assessment dollars.
3. Enhancing and contributing to the Village's quality of life.
4. Effectively delivering customer services to the members and
5. Impacting positively on the equity value of common and individual property.

### **The Approval of the Empty MVF 2008 Budget Package**

The MVF Board of Directors and staff should feel an under whelming sense of failure, shame and regret for preparing, presenting, communicating, adopting and approving the MVF 2008 budget and assessments at the October 25<sup>th</sup> board meeting.

The only community goals and standards articulated were "no new initiatives" and to "raise the assessment ceiling". The budget did not address plans to improve customer service delivery or a strategy to restore the function, structure and aesthetics to the Village's neglected common facilities, landscaping, shore lines, paths and lighting to a community standard of maintenance, care and management.

Missing was a sense of urgency, commitment and capital plan that would restore life to the Village's crumbling infra structure.

The MVF staff's 2008 budget preparation, presentation and performance lacked supporting schedules, understandable calculations, meaningful explanations, valid comparisons, intelligent analysis or valid rationale.

The proposed budget was published without any apparent aspect being questioned or challenged internally by staff, the Audit Committee, or individual board members.

For the last 6 months Interim Director of Finance and Administration and now "Consultant" Lois Campbell in her role as MVF's chief financial spokesperson mobilized the public relations misinformation surge, not about the merits of the proposed budget, but to promote a campaign to "raise the assessment ceiling".

Raising the assessment ceiling has always been the only mission of the MVF village leaders and foundation staff. Open, effective and truthful communication in which all parties engaged in a two way dialog with the community on the merit of the budget was never a consideration.

Lois, in her assumed capacity of MVF Communications Czar, authorized unlimited space in the *Village News'* September, October and November editions to promote a raise in the assessment ceiling to the over 10,000 Village households.

A willing force of contributors from *The Village News* editorial staff, former Interim EVP Pat Huson, as well as tenured board members Keith Silliman, Richard Wright and Gerald Donovan contributed articles skillful avoiding the details of the proposed budget.

Questions and concerns raised by those in attendance of the September 25<sup>th</sup> budget information meeting and the October 18<sup>th</sup> meeting of MVF representatives were dismissed as not germane to the vote to raise the assessment ceiling. The questions covered:

- A comprehensive examination of the budget by line item,
- A plan to contain cost,
- MVF existing budgeting and spending philosophy,
- Accounting and reporting credibility,
- Cost effectiveness of Village wide spending programs

"Letters to the Editor" of *The Gazette* from Jane Hatch, President of the Board of Northgate Homes Corporation, and *The Village News* from Eileen Fishman a resident of Northgate, Michael Sheib a resident of Normandie on the Lake II and Mark J. Firley, President of Board of South Village Homes Corporation cried out for :

- Greater accountability and efficiency from MVF operations
- Stopping the abuse to those who dare to question the accelerating demand for money by the Foundation and,
- The abusive comments to those who express a contrary opinion.
- A need for civility and a cease to neighbor to neighbor hostility.

- Current year actual to budget results and detailed line item budget justification before budget decision can be made.
- A reexamination of 2007 results and the 2008 budget assumptions early in 2008.
- Accountability and explanation to residents of condominium communities of the cost of Village wide spending programs.

All the letters were received with silent indifference except to Michael Shieb's letter in which then Interim EVP Pat Huson's responded "When people do not acknowledge and support the efforts of the Foundation, they not only do a disservice to MVF, but to themselves and the community as well."

Mr. Shieb you must realize that there is a long standing MVF board approved policy that when any person publicly express a comment, opinion and/or concern or asked a question about MVF financial matters or services preformed they will be ignored, demonized, patronized, judged unworthy, treated rudely and declared a disloyal enemy of the Foundation.

Relying on the staff prepared and presented 2008 fiscal year budget with the endorsement of the Audit Committee, the board with only Katherine Gray and Scott Johnson voting against, approved a defective financial non plan destined to follow the rocky road to "The MVF Budget Crash of 2008".

Financial transparency and public comment and approval had been successfully hi jacked and held hostage as ransom in return for a raise in the assessment ceiling.

### **Budget Crash 2008 *The Observers' Projections and Predictions***



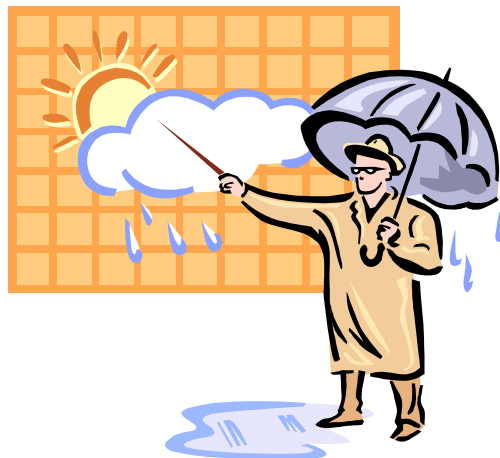
Despite the refreshing and open leadership of Bob Hydorn, the good intension and efforts of Hydorn and fellow board members Scott Johnson, Katherine Gray and Bob King to effect financial reform and the hiring an Executive Vice President and Director of Finance and Administration the approval of the 2008 fiscal year budget indicates little progress has been made. .

The events over the past 90 days were a series of missed opportunities. The hold over board members from the Wright-Silliman-Zakian-Huson-Campbell regime are still in control promoting the corrupted MVF financial, operating and governing policies and practices of the past quarter of a century.

The most amazing revelation is that Lois Campbell, 3 months after William Blum became the Director of Finance and Administration and 2 months after Dave Humpton was hired as Executive Vice President, in her new capacity as “Consultant” is still in control of Foundation’s communications and financial operations and exercise unchallenged influence over board and committee deliberations. John Zakian, as much of a control freak as he was, exercised less power and control and in *The Observer’s* view, was not nearly as dangerous.

If the Foundation embraces the MVF 2008 fiscal budget and continues its past financial policies and practices *The Observer* predicts the following will happen:

1. There will be a shortfall in non-assessment income of \$1,439,549. The assessments only account for 56% the \$8,585,527 expenses and reserve contribution budget. The Foundation has a history of substantially under estimating non-assessment income and 2008 will be no different. ([See schedule C](#))
2. The Foundation will end up the 2007 fiscal year with a financial deficit in excess of a million dollars, and if the Board of Directors does not take appropriate action early the 2008 fiscal year deficit is project to be \$1,532,636. ([See schedule A](#))
3. The combined deficits from the Community Management and Maintenance Activity Funds will be \$\$1,415,594 in fiscal year 2007 and \$1,533,636 in fiscal year 2008. ([See schedule J](#))
4. These deficits will be funded, as in the past, from funds intended as contributions to the Reserve Fund and curtailing spending common property maintenance and capital expenditures.
5. At the urging of the Audit Committee and influential board members Lois Campbell will be continue to retained as a paid financial consultant to further educate Bill Blum, Dave Humpton and newly appoint Treasurer Darcy Bingham on MVF financial policies, traditions, accounting and reporting practices, produce the November and December 2007 financial reports and work with Regardie, Brooks & Lewis on another “Clean Audit” for the 2007 fiscal year.



### 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 %
<b>Income</b>										
Assessment income	\$3,684,426	\$4,075,755	\$4,086,136	\$4,825,785	\$10,381	0.3%	\$750,030	18.4%	\$1,141,359	31.0%
Advertising income	\$187,603	\$210,000	\$189,623	\$210,000	-\$20,377	-9.7%	\$0	0.0%	\$22,397	11.9%
Administrative Charges	\$273,748	\$313,945	\$227,133	\$274,420	-\$86,812	-27.7%	-\$39,525	-12.6%	\$672	0.2%
Class and recreation program income	\$543,868	\$620,320	\$472,977	\$532,050	-\$147,343	-23.8%	-\$88,270	-14.2%	-\$11,818	-2.2%
Management and administrative service income	\$740,898	\$945,341	\$735,189	\$1,014,528	-\$210,152	-22.2%	\$69,187	7.3%	\$273,630	36.9%
Maintenance and landscaping service income	\$1,297,832	\$1,386,648	\$786,495	\$1,716,195	-\$600,153	-43.3%	\$329,547	23.8%	\$418,363	32.2%
Interest income	\$203,887	\$12,628	\$45,134	\$14,900	\$32,506	257.4%	\$2,272	18.0%	-\$188,987	-92.7%
<b>Total revenue</b>	<b>\$6,932,262</b>	<b>\$7,564,637</b>	<b>\$6,542,686</b>	<b>\$8,587,878</b>	<b>-\$1,021,951</b>	<b>-13.5%</b>	<b>\$1,023,241</b>	<b>13.5%</b>	<b>\$1,655,616</b>	<b>23.9%</b>
<b>Expenses</b>										
Personnel and benefits	\$5,020,502	\$4,738,604	\$4,988,109	\$5,201,585	\$249,505	5.3%	\$462,981	9.8%	\$181,083	3.6%
Repair and Maintenance	\$606,442	\$789,227	\$998,973	\$1,035,752	\$209,746	26.6%	\$246,525	31.2%	\$429,310	70.8%
Utility and Telephone	\$183,089	\$282,404	\$318,290	\$288,729	\$35,886	12.7%	\$6,325	2.2%	\$105,640	57.7%
Field supplies	\$153,826	\$147,938	\$217,271	\$50,400	\$69,333	46.9%	-\$97,538	-65.9%	-\$103,426	-67.2%
Insurance and licenses	\$140,238	\$186,598	\$171,085	\$173,117	-\$15,513	-8.3%	-\$13,481	-7.2%	\$32,879	23.4%
Printing	\$76,602	\$82,475	\$82,526	\$98,900	\$51	0.1%	\$16,425	19.9%	\$22,298	29.1%
Performances and admissions	\$128,932	\$88,690	\$92,928	\$99,000	\$4,238	4.8%	\$10,310	11.6%	-\$29,932	-23.2%
Other expenses	\$658,228	\$955,754	\$900,686	\$923,544	-\$55,068	-5.8%	-\$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	
<b>Total Expenses</b>	<b>\$6,967,859</b>	<b>\$7,560,690</b>	<b>\$7,890,660</b>	<b>\$8,585,527</b>	<b>\$329,970</b>	<b>4.4%</b>	<b>\$1,024,837</b>	<b>13.6%</b>	<b>\$1,617,668</b>	<b>23.2%</b>

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<b>Summary by Fund Type</b>										
<b>Income</b>										
MVF Fund	\$2,455,860	\$2,747,989	\$2,650,116	\$3,024,671	-\$97,873	-3.6%	\$276,682	10.1%	\$568,811	23.2%
Designated Users Facilities Fund	\$1,865,990	\$2,046,578	\$2,000,548	\$2,400,702	-\$46,030	-2.2%	\$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	\$748,671	\$1,019,028	-\$200,670	-21.1%	\$69,687	7.3%	\$271,214	36.3%
Maintenance Activity Fund	\$1,297,832	\$1,386,648	\$786,495	\$1,716,195	-\$600,153	-43.3%	\$329,547	23.8%	\$418,363	32.2%
Reserve Fund	\$181,576									
<b>Total Income</b>	<b>\$6,932,262</b>	<b>\$7,564,637</b>	<b>\$6,594,160</b>	<b>\$8,594,878</b>	<b>-\$970,477</b>	<b>-12.8%</b>	<b>\$1,030,241</b>	<b>13.6%</b>	<b>\$1,662,616</b>	<b>24.0%</b>
<b>Expenses</b>										
MVF Fund	\$2,601,170	\$2,694,949	\$2,237,372	\$3,128,882	-\$457,577	-17.0%	\$433,933	16.1%	\$527,712	20.3%
Designated Users Facilities Fund	\$1,714,215	\$1,931,121	\$1,877,033	\$1,892,503	-\$54,088	-2.8%	-\$38,618	-2.0%	\$178,288	10.4%
Poplar Spring Fund	\$1,642	\$1,862	\$777	\$2,084	-\$1,085	-58.3%	\$222	11.9%	\$442	26.9%
User Fee Programs Fund	\$385,417	\$496,485	\$506,447	\$380,879	\$9,962	2.0%	-\$115,606	-23.3%	-\$4,538	-1.2%
Community Management Fund	\$888,779	\$1,006,918	\$1,005,974	\$1,189,751	-\$944	-0.1%	\$182,833	18.2%	\$300,972	33.9%
Maintenance Activity Fund	\$1,376,636	\$1,433,302	\$2,137,248	\$1,991,429	\$703,946	49.1%	\$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	
<b>Total Expenses</b>	<b>\$6,967,859</b>	<b>\$7,564,637</b>	<b>\$7,764,850</b>	<b>\$8,585,527</b>	<b>\$200,213</b>	<b>2.6%</b>	<b>\$1,020,890</b>	<b>13.5%</b>	<b>\$1,617,668</b>	<b>23.2%</b>
MVF S/(D)	-\$145,310	\$53,040	\$412,744	-\$104,211	\$359,704		-\$157,251	-296.5%	\$41,099	
DUF S/(D)	\$151,775	\$115,457	\$123,515	\$508,199	\$8,058		\$392,742	340.2%	\$356,424	
PS S/(D)	\$188	\$19	\$1,105	-\$2	\$1,086		-\$21	-110.5%	-\$190	
UFP S/(D)	-\$4,057	-\$64,285	-\$99,997	\$51,321	-\$35,712		\$115,606	-179.8%	\$55,378	
CM S/(D)	-\$140,965	-\$57,577	-\$257,303	-\$170,723	-\$199,726		-\$113,146	196.5%	-\$29,758	
MA S/(D)	-\$78,804	-\$46,654	-\$1,350,753	-\$275,234	-\$1,304,099		-\$228,580	489.9%	-\$196,430	
<b>Summary (Deficit) / Surplus</b>	<b>-\$217,173</b>	<b>\$0</b>	<b>-\$1,170,690</b>	<b>\$9,351</b>	<b>-\$1,170,690</b>		<b>\$9,351</b>		<b>\$226,524</b>	

## 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%
<b>Total revenue</b>	<b>\$7,551,015</b>	<b>\$7,077,009</b>	<b>(\$474,006)</b>	<b>547.0%</b>	<b>\$8,748,986</b>	<b>\$6,932,262</b>	<b>(\$1,816,724)</b>	<b>171.0%</b>

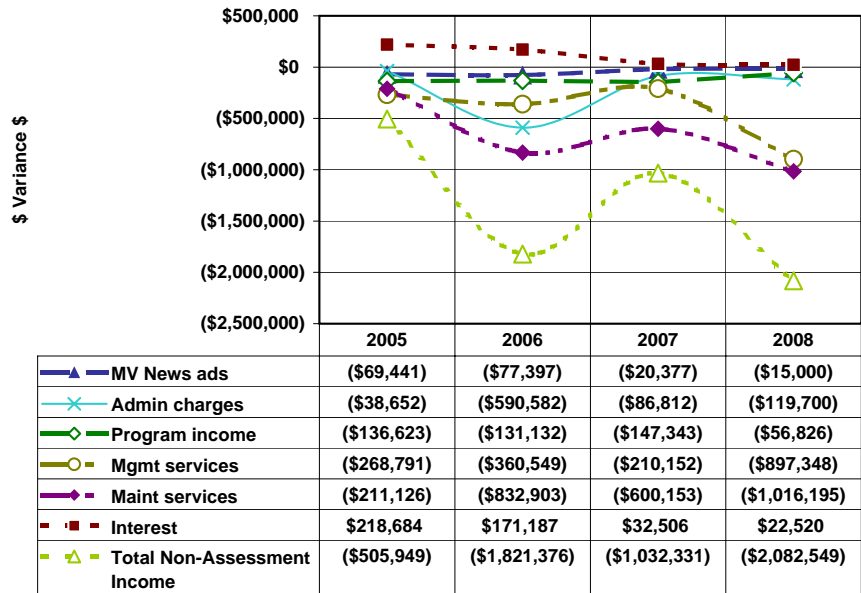
  

	2007 Budget	2007 Projected Actual	\$ 2007 Variance \$	% 2007 Variance %	2008 Budget	2008 Observer Estimated	\$ 2008 Variance \$	% 2008 Variance %
Assessment income	\$4,075,755	\$4,086,136	\$10,381	0.3%	\$4,825,785	\$4,825,785	\$0	0.0%
Advertising income	\$210,000	\$189,623	(\$20,377)	-12.9%	\$210,000	\$195,000	(\$15,000)	-7.1%
Administrative Charges	\$313,945	\$227,133	(\$86,812)	-39.5%	\$274,420	\$154,720	(\$119,700)	-43.6%
Class and recreation program income	\$620,320	\$472,977	(\$147,343)	-234.5%	\$532,050	\$475,224	(\$56,826)	-42.0%
Management and administrative service income	\$945,341	\$735,189	(\$210,152)	#DIV/0!	\$1,014,528	\$117,180	(\$897,348)	-169.9%
Maintenance and landscaping service income	\$1,386,648	\$786,495	(\$600,153)	-71.0%	\$1,716,195	\$700,000	(\$1,016,195)	-59.2%
Interest income	\$12,628	\$45,134	\$32,506	86.4%	\$14,900	\$37,420	\$22,520	151.1%
<b>Total revenue</b>	<b>\$7,564,637</b>	<b>\$6,542,686</b>	<b>(\$1,021,951)</b>	<b>#DIV/0!</b>	<b>\$8,587,878</b>	<b>\$6,505,329</b>	<b>(\$2,082,549)</b>	<b>-170.7%</b>

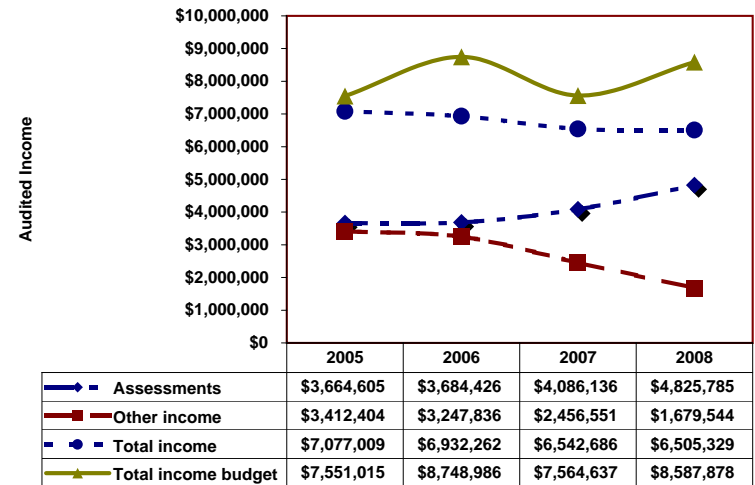
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Description	2005 B	2005 Audit	\$ 2005 Variance \$	% 2005 Variance %	2006 B	2006 Audit	\$ 2006 Variance \$	% 2006 Variance %
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Budget to Actual Variance Non Assessment Income 2005-2008



Assessment vs non Assessment Income



## MVF 2008 Budget Income Analysis

G/L Acct #	Description	2005 Budget	2006 Budget	2007 Budget Published 9-15 2006	2007 Projected Actual	2008 Budget	Observer 2008 Budget Estimate
	<b>Income</b>						
4103	Allowance for Bad Debts	-\$12,000	-\$6,000	-\$6,000	\$0	-\$50,000	\$0
4109	Transfer Fee	\$107,000	\$42,000	\$59,950	\$35,693	\$32,500	\$32,000
4110	Assessment Collection Fee	\$175,000	\$220,000	\$132,000	\$0	\$160,000	\$0
4120	Advertising Village News & Web	\$258,000	\$265,000	\$210,000	\$192,652	\$210,000	\$195,000
4130	Village Wide Recreation/Special	\$63,778	\$75,000	\$77,000	\$13,200	\$13,850	\$13,850
4140	Disclosure Income	\$97,000	\$108,000	\$157,500	\$91,048	\$99,000	\$75,000
4151	Tot Lot Inspections	\$3,500	\$3,500	\$3,700	\$751	\$720	\$500
4153	Lake Whetstone Income	\$1,200	\$25,000	\$6,500	\$5,902	\$6,500	\$6,000
4154	Ballfield Use Fees	\$7,800	\$13,000	\$14,000	\$4,579	\$12,000	\$4,600
4163	ARB Violations	\$0	\$5,000	\$7,600	\$9,567	\$10,000	\$10,000
4165	Major Property Improvement Request	\$15,000	\$15,000	\$1,500	\$19,467	\$17,000	\$17,000
4166	Minor (Basic) PIR	\$0	\$3,000	\$22,500	\$0	\$0	\$0
4180	Grants	\$0	\$30,000	\$0	\$40,753	\$82,000	\$0
4195	Interfund Income	\$95,000	\$500,413	\$0	\$0	\$0	\$0
4197	Undesignated Reserves	\$93,000	\$93,000	\$0	\$0	\$0	\$0

## MVF 2008 Budget Income Analysis

G/L Acct #	Description	2005 Budget	2006 Budget	2007 Budget Published 9-15 2006	2007 Projected Actual	2008 Budget	Observer 2008 Budget Estimate
4198	Excess - Prior -Year	\$0	\$83,917	\$0	\$0	\$0	\$0
4199	Miscellaneous Income	\$0	\$40,000	\$10,625	\$10,500	\$0	\$10,000
4320	Rental and Fees	\$30,000	\$35,000	\$41,000	\$37,919	\$30,000	\$38,000
4330	Teen Funding & Grants	\$1,500	\$3,000	\$14,000	\$1,390	\$0	\$2,000
4324	Pool Membership	\$2,550	\$0	\$11,120	\$9,960	\$15,000	\$10,000
4340	Program Fees	\$0	\$4,000	\$6,000	\$5,000	\$6,000	\$5,000
4399	Misc-Undesignated Reserves	\$95,000	\$40,000	\$0	\$0	\$0	\$0
4400	Special Event	\$13,000	\$15,000	\$15,000	\$11,959	\$15,000	\$12,000
4410	Classes & Camps	\$282,085	\$320,000	\$300,200	\$275,000	\$300,200	\$275,000
4420	Concessions	\$11,000	\$11,000	\$10,000	\$1,117	\$10,000	\$1,000
	Pool Management	\$107,499	\$100,000	\$107,000	\$118,374	\$107,000	\$118,374
4550	MC Fixed Mgmt & Maint Fees	\$800,483	\$728,000	\$648,926	\$0	\$625,778	\$0
4580	HC Additional Services	\$170,369	\$150,000	\$206,715	\$100,000	\$300,000	\$100,000
4581	Inspection Enforcement Service	\$0	\$0	\$21,000	\$3,293	\$22,250	\$3,300
	Fixed Price & ala carte for HC	\$572,265	\$572,265	\$601,074	\$0	\$770,088	\$650,000
	Fixed MVF- Maintenance Contract	\$562,180	\$783,245	\$724,500	\$856,578	\$900,000	\$0
4969	Maint - Competitive Bids & Others	\$419,724	\$554,725	\$60,000	\$0	\$0	\$0
	<b>Total Income</b>	<b>\$7,640,015</b>	<b>\$8,598,986</b>	<b>\$7,564,637</b>	<b>\$6,730,747</b>	<b>\$8,594,878</b>	<b>\$7,130,509</b>

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	Assessment income	\$3,632,662	\$3,679,774	\$4,075,755	\$4,084,409	\$4,825,785	\$4,825,785
	Advertising income	\$258,000	\$265,000	\$210,000	\$192,652	\$210,000	\$195,000
	Administrative Charges	\$385,500	\$439,000	\$413,645	\$174,015	\$295,670	\$152,300
	Class and recreation program income	\$520,412	\$676,000	\$610,320	\$585,526	\$606,550	\$494,824
	Management and administrative service income	\$973,699	\$1,450,712	\$1,477,715	\$797,003	\$1,718,116	\$750,000
	Maintenance and landscaping service income	\$1,555,252	\$1,338,470	\$784,500	\$856,578	\$901,107	\$700,000
	Interest income	\$31,490	\$32,700	\$12,628	\$40,564	\$14,900	\$12,600
	Inter fund transfers	\$283,000	\$717,330	\$0	\$0	\$0	\$0
	<b>Total revenue</b>	<b>\$7,640,015</b>	<b>\$8,598,986</b>	<b>\$7,584,563</b>	<b>\$6,730,747</b>	<b>\$8,572,128</b>	<b>\$7,130,509</b>

## MVF 2008 Budget Analysis

G/L Acct #	Description	2007 Budget Published 9-15-2006	2007 Projected Actual	2008 Budget	Observer 2008 Budget Estimate
	<b>Income</b>				
4100	Assessment Homeowners	\$3,561,099	\$3,561,605	\$4,287,513	\$4,287,513
4101	Assessment Condominiums	\$377,856	\$380,050	\$382,272	\$382,272
4102	Assessments-Apartments	\$136,800	\$144,481	\$156,000	\$156,000
4103	Allowance for Bad Debts	-\$6,000	\$0	-\$50,000	\$0
4109	Transfer Fee	\$59,950	\$35,214	\$32,500	\$32,000
4110	Assessment Collection Fee	\$132,000	\$0	\$160,000	\$0
4111	Return Check Charge	\$770	\$1,260	\$1,000	\$1,500
4112	Interest Income - Assessment	\$12,628	\$9,127	\$11,500	\$7,633
4113	Interest Income - Bank	\$0	\$36,007	\$3,400	\$29,787
	Reserve Interest	\$0	\$0	\$0	\$153,000
4120	Advertising Village News & Web	\$210,000	\$189,623	\$210,000	\$195,000
4130	Village Wide Recreation/Special Events	\$77,000	\$13,200	\$13,850	\$13,850
4140	Disclosure Income	\$157,500	\$91,048	\$99,000	\$75,000
4151	Tot Lot Inspections	\$3,700	\$750	\$720	\$500
4153	Lake Whetstone Income	\$6,500	\$7,082	\$6,500	\$6,000
4154	Ballfield Use Fees	\$14,000	\$4,121	\$12,000	\$4,600
4163	ARB Violations	\$7,600	\$9,990	\$10,000	\$10,000
4165	Major Property Improvement Request	\$1,500	\$18,900	\$17,000	\$17,000
4166	Minor (Basic) PIR	\$22,500	\$0	\$0	\$0
4171	Sponsorship	\$8,500	\$8,900	\$9,000	\$9,000
4180	Grants	\$0	\$47,004	\$82,000	\$0
4199	Miscellaneous Income	\$10,625	\$10,500	\$0	\$10,000
4330	Teen Funding & Grants	\$14,000	\$1,390	\$0	\$2,000
4324	Pool Membership	\$11,120	\$9,960	\$15,000	\$10,000
4420	Concessions	\$10,000	\$1,117	\$10,000	\$1,000
	Pool Management	\$107,000	\$118,374	\$107,000	\$118,374
4550	MC Fixed Mgmt & Maint Fees	\$648,926	\$618,690	\$625,778	\$0
4580	HC Additional Services	\$206,715	\$100,000	\$300,000	\$100,000
4581	Inspection Enforcement Service	\$21,000	\$3,293	\$22,250	\$3,300
	Fixed Price & ala carte for HC	\$601,074	\$786,495	\$770,088	\$650,000
	Fixed MVF- Maintenance Contract Income	\$724,500	\$0	\$900,000	\$0
4969	Maint - Competitive Bids & Others	\$60,000	\$0	\$0	\$0
4990	Poplar Spring	\$0	\$0	\$1,107	\$0
	<b>Total Income</b>	<b>\$7,564,637</b>	<b>\$6,594,160</b>	<b>\$8,594,878</b>	<b>\$7,155,329</b>
	<b>Expenses</b>				
5110	Wages & Salaries	\$3,011,631	\$3,109,115	\$3,267,547	\$3,202,388
5111	Temporary Employees	\$747,627	\$863,791	\$780,060	\$889,705
5113	Teen Club Wages	\$4,000	\$1,807	\$6,000	\$2,544
5114	Regular Part Time	\$90,706	\$72,787	\$137,663	\$74,971
5115	Recording Secretaries	\$18,500	\$17,488	\$16,700	\$18,012
5116	Village News Delivery Wages	\$24,871	\$21,631	\$26,502	\$22,280
5117	Payroll Taxes TCGC	\$7,285	\$0	\$17,583	\$0
5118	Taxes Payroll	\$335,926	\$358,074	\$359,090	\$368,816
5119	Employee Benefits	\$425,276	\$466,780	\$506,857	\$480,783
5120	Workers Compensation	\$72,782	\$76,636	\$83,583	\$78,935
5121	Payroll Processing Costs	\$29,500	\$26,948	\$28,600	\$27,892
5150	Training	\$34,540	\$12,587	\$23,700	\$13,027
5490	Uniforms	\$9,060	\$10,075	\$10,474	\$10,428
	<b>Payroll Costs</b>	<b>\$4,811,704</b>	<b>\$5,037,720</b>	<b>\$5,264,359</b>	<b>\$5,189,781</b>

## MVF 2008 Budget Analysis

G/L Acct #	Description	2007 Budget Published 9-15-2006	2007 Projected Actual	2008 Budget	Observer 2008 Budget Estimate
5320	Water & Sewer	\$41,300	\$57,356	\$42,300	\$59,364
5530	Electricity	\$160,050	\$189,611	\$163,850	\$196,247
5350	Gas for Heating	\$16,254	\$15,577	\$18,554	\$16,122
5350	Heating Oil	\$9,800	\$7,417	\$9,800	\$7,677
5360	Telephone	\$55,000	\$48,329	\$54,225	\$50,020
	<b>Utility</b>	<b>\$282,404</b>	<b>\$318,290</b>	<b>\$288,729</b>	<b>\$329,431</b>
5140	Business Expenses	\$26,140	\$28,928	\$32,025	\$29,941
5141	Meeting & Event Supplies	\$7,290	\$4,843	\$13,615	\$5,013
5142	Board Expenses	\$11,470	\$3,907	\$0	\$4,044
5143	Recognitions & Awards	\$2,300	\$2,650	\$2,000	\$2,742
5151	Milage	\$14,354	\$10,621	\$14,734	\$10,993
	<b>Business Expenses</b>	<b>\$61,554</b>	<b>\$50,950</b>	<b>\$62,374</b>	<b>\$52,733</b>
5409	Disclosure Package Supplies	\$0	\$2,713	\$0	\$0
5410	Office Supplies	\$27,138	\$22,456	\$26,225	\$23,242
5411	Marketing Promotion Materials	\$13,065	\$4,073	\$12,500	\$4,215
5412	Copy Paper	\$2,920	\$5,200	\$10,995	\$5,382
5413	Envelopes	\$3,815	\$126	\$1,850	\$130
5414	Toner Cartridges	\$11,789	\$4,138	\$13,347	\$4,282
5415	Duplicating Applied	\$23,489	\$0	\$100	\$0
5416	Disclosure Duplicating	\$5,000	\$740	\$0	\$766
	<b>Office Supplies</b>	<b>\$87,216</b>	<b>\$39,445</b>	<b>\$65,017</b>	<b>\$38,018</b>
<b>5418</b>	<b>Postage</b>	<b>\$45,900</b>	<b>\$38,262</b>	<b>\$39,388</b>	<b>\$39,601</b>
5555	Printing Village News	\$74,200	\$73,956	\$90,000	\$76,544
5557	Miscellaneous Printing	\$8,275	\$8,876	\$8,900	\$9,187
	<b>Printing</b>	<b>\$82,475</b>	<b>\$82,832</b>	<b>\$98,900</b>	<b>\$85,732</b>
5417	Service Contracts	\$27,450	\$24,515	\$105,000	\$25,373
5522	Lockbox & Credit Card Fees	\$13,445	\$0	\$0	\$0
5523	Bank Service Charges	\$10,275	\$31,633	\$32,000	\$32,740
5510	Data Processing	\$12,500	\$12,474	\$10,500	\$12,911
5611	Software Maintenance	\$23,190	\$20,768	\$24,255	\$21,495
5515	Membership Dues	\$4,442	\$1,453	\$5,382	\$1,504
5516	Management Fees	\$713	\$726	\$748	\$751
5528	Professional Services	\$23,000	\$25,158	\$11,000	\$26,039
5138	Subcontractors	\$41,257	\$26,948	\$27,017	\$27,892
5419	Assessment Collections	\$1,500	\$24	\$0	\$25
5554	Subscription	\$2,200	\$1,938	\$1,900	\$2,000
	<b>Other Administrative Expenses</b>	<b>\$117,215</b>	<b>\$118,666</b>	<b>\$190,785</b>	<b>\$122,813</b>
<b>5525</b>	<b>Audit</b>	<b>\$32,232</b>	<b>\$65,306</b>	<b>\$50,000</b>	<b>\$50,000</b>
5519	Legal Process Server Fees	\$12,000	\$14,424	\$12,000	\$14,929
5520	Legal Attorney Services	\$50,000	\$47,304	\$49,000	\$48,960
5521	Legal Court Filing Fees	\$6,000	\$8,468	\$8,000	\$8,765
	<b>Legal</b>	<b>\$68,000</b>	<b>\$70,196</b>	<b>\$69,000</b>	<b>\$72,653</b>
5139	Performance & Admissions	\$82,227	\$97,978	\$28,175	\$101,407
5425	Program Supplies	\$86,990	\$90,353	\$96,800	\$93,515
5428	Youth Program Supplies	\$1,200	\$2,575	\$1,800	\$2,665
5435	Youth Account Expenditures	\$500	\$0	\$400	\$0
	<b>Performance and Admissions</b>	<b>\$170,917</b>	<b>\$190,906</b>	<b>\$127,175</b>	<b>\$197,587</b>
5343	Billable Supplies	\$105,890	\$75,600	\$2,500	\$40,000
5344	Fixed Price Supplies	\$40,048	\$139,256	\$40,000	\$10,000
5345	Shop Supplies	\$2,000	\$2,414	\$7,900	\$4,000
5420	Building Supplies	\$19,732	\$17,954	\$16,000	\$15,000
5480	Consumable Supplies	\$4,558	\$2,728	\$0	\$4,000
	<b>Maintenance Supplies</b>	<b>\$172,228</b>	<b>\$237,953</b>	<b>\$66,400</b>	<b>\$73,000</b>

## MVF 2008 Budget Analysis

G/L Acct #	Description	2007 Budget Published 9-15-2006	2007 Projected Actual	2008 Budget	Observer 2008 Budget Estimate
5440	Vehicle Fuel	\$55,203	\$64,201	\$64,103	\$66,448
5450	Vehicle Rental	\$15,458	\$5,676	\$9,000	\$5,875
5455	Equipment Maintenance	\$30,000	\$25,271	\$21,000	\$26,155
5460	Vehicle Rental	\$1,000	\$170	\$750	\$176
5470	Expendable Equipment	\$9,400	\$12,505	\$13,000	\$12,943
5580	Repair and Maintenance Buildings	\$116,098	\$120,258	\$115,800	\$124,467
5562	Maintenance Support	\$9,500	\$13,784	\$16,500	\$14,267
5576	Sign Repair and Replacement	\$5,270	\$4,957	\$6,930	\$5,200
5577	Park Furniture Repair & Replacement	\$7,325	\$8,426	\$8,450	\$8,721
5578	Asphalt Concrete Repair	\$9,700	\$12,469	\$12,826	\$9,700
5579	Lights Repair and Replacement	\$8,850	\$3,547	\$9,000	\$3,600
5580	Snow Removal	\$13,700	\$11,449	\$17,025	\$13,700
5587	Retaining Wall Repair	\$1,500	\$671	\$3,700	\$1,500
5588	Fence & Backstop Repair	\$7,000	\$2,316	\$8,200	\$2,397
5590	Fixed Price - Maintenance	\$0	\$606,861	\$0	\$0
5540	Equipment Rental	\$18,980	\$14,011	\$19,600	\$14,502
	<b>Maintenance &amp; Repair</b>	<b>\$350,241</b>	<b>\$933,523</b>	<b>\$352,901</b>	<b>\$337,543</b>
5370	Contracted Trash Removal	\$57,905	\$54,881	\$52,235	\$56,802
5585	Trash Pick Up	\$62,325	\$2,150	\$75,650	\$2,226
	<b>Trash Removal</b>	<b>\$120,230</b>	<b>\$57,031</b>	<b>\$127,885</b>	<b>\$59,027</b>
5570	Mowing & Edging	\$285,874	\$2,839	\$359,157	\$286,000
5571	Grass Fertilizer	\$12,270	\$0	\$15,125	\$12,300
5572	Greenspace Repair	\$9,850	\$2,825	\$19,525	\$9,900
5573	Weed Control	\$13,875	\$113	\$18,875	\$14,000
5574	Tree Shrub Maintenance	\$98,000	\$32,783	\$135,750	\$98,000
5575	Tree Shrub Removal Replacement	\$36,725	\$20,041	\$77,850	\$36,700
5581	Store Drain Maintenance	\$3,685	\$2,504	\$7,115	\$3,700
5582	Tot Lot Repairs	\$18,100	\$2,407	\$22,150	\$2,491
5584	Lakes Ponds Maintenance	\$24,000	\$5,885	\$31,000	\$6,091
5586	Ballfield Maintenance	\$34,080	\$16,967	\$51,350	\$34,080
5591	Lake Bank Maintenance	\$5,000	\$2,080	\$10,000	\$5,000
5593	Leaf Pick Up	\$6,500	\$683	\$13,774	\$6,500
	<b>Grounds, Landscaping, Lakes &amp; Streams</b>	<b>\$547,959</b>	<b>\$89,126</b>	<b>\$761,671</b>	<b>\$514,762</b>
<b>5550</b>	<b>Security</b>	<b>\$113,112</b>	<b>\$129,892</b>	<b>\$115,871</b>	<b>\$116,000</b>
5375	Water Quality Protection Fee	\$2,170	\$1,865	\$2,170	\$1,930
5380	Front Foot Benefit	\$7,924	\$4,529	\$7,224	\$4,687
5495	Permits & Licenses	\$10,111	\$9,618	\$8,061	\$9,955
5530	Insurance D & O	\$21,966	\$12,890	\$12,322	\$13,342
5531	Insurance General Liability	\$96,265	\$89,050	\$88,931	\$92,166
5532	Insurance Automobile	\$39,582	\$36,559	\$39,277	\$37,839
5533	Insurance Umbrella	\$31,176	\$31,042	\$31,042	\$32,128
5535	Insurance Crime	\$1,556	\$1,544	\$1,545	\$1,598
	<b>Insurance-Licenes &amp; Taxes</b>	<b>\$210,750</b>	<b>\$187,097</b>		<b>\$193,645</b>
	<b>Contributions to Reserve</b>	<b>\$289,000</b>	<b>\$117,632</b>	<b>\$714,500</b>	<b>\$714,500</b>

## MVF 2008 Budget Analysis

G/L Acct #	Description	2007 Budget Published 9-15-2006	2007 Projected Actual	2008 Budget	Observer 2008 Budget Estimate
	<b>Income</b>				
	Assessment income	\$4,075,755	\$4,086,136	\$4,825,785	\$4,825,785
	Advertising income	\$210,000	\$189,623	\$210,000	\$195,000
	Administrative Charges	\$413,645	\$173,232	\$295,670	\$152,300
	Class and recreation program income	\$610,320	\$591,558	\$606,550	\$494,824
	Management and administrative service income	\$1,477,715	\$721,983	\$1,718,116	\$750,000
	Maintenance and landscaping service income	\$784,500	\$0	\$901,107	\$700,000
	Interest income	\$12,628	\$45,134	\$14,900	\$37,420
	<b>Total Revenue</b>	<b>\$7,564,637</b>	<b>\$6,594,160</b>	<b>\$8,594,878</b>	<b>\$7,155,329</b>
	<b>Expenses by Cost Category</b>				
	Payroll Costs	\$4,811,704	\$5,037,720	\$5,264,359	\$5,189,781
	Utility	\$282,404	\$318,290	\$288,729	\$329,431
	Business Expenses	\$61,554	\$50,950	\$62,374	\$52,733
	Office Supplies	\$87,216	\$39,445	\$65,017	\$38,018
	Postage	\$45,900	\$38,262	\$39,388	\$39,601
	Printing	\$82,475	\$82,832	\$98,900	\$85,732
	Other Administrative Expenses	\$117,215	\$118,666	\$190,785	\$122,813
	Audit	\$32,232	\$65,306	\$50,000	\$50,000
	Legal	\$68,000	\$70,196	\$69,000	\$72,653
	Performance and Admissions	\$170,917	\$190,906	\$127,175	\$197,587
	Maintenance Supplies	\$172,228	\$237,953	\$66,400	\$73,000
	Maintenance & Repair	\$350,241	\$933,523	\$352,901	\$337,543
	Trash Removal	\$120,230	\$57,031	\$127,885	\$59,027
	Grounds, Landscaping, Lakes & Streams	\$547,959	\$89,126	\$761,671	\$514,762
	Security Services	\$113,112	\$129,892	\$115,871	\$116,000
	Insurance-Licenes & Taxes	\$210,750	\$187,097		\$193,645
	Contributions to Reserve	\$289,000	\$117,632	\$714,500	\$714,500
	<b>Total Expenses</b>	<b>\$7,564,637</b>	<b>\$7,764,849</b>	<b>\$8,394,955</b>	<b>\$8,186,850</b>

## MVF 2008 Budget Analysis

G/L Acct #	Description	2007 Budget Published 9-15-2006	2007 Projected Actual	2008 Budget	Observer 2008 Budget Estimate
<b>Summary by Fiscal Year of Operating Income &amp; Expenses by Property Fund</b>					
<b>Income</b>					
	MVF Fund	\$2,747,989	\$2,650,116	\$3,024,671	\$2,874,857
	Designated Users Facilities Fund	\$2,046,578	\$2,000,548	\$2,400,702	\$2,393,054
	Poplar Spring Fund	\$1,881	\$1,881	\$2,082	\$2,265
	User Fee Programs Fund	\$432,200	\$406,450	\$432,200	\$406,374
	Community Management Fund	\$949,341	\$748,671	\$1,019,028	\$778,780
	Maintenance Activity Fund	\$1,386,648	\$786,495	\$1,716,195	\$700,000
	<b>Total Income</b>	<b>\$7,564,637</b>	<b>\$6,594,160</b>	<b>\$8,594,878</b>	<b>\$7,155,329</b>
<b>Expenses</b>					
	MVF Fund	\$2,694,949	\$2,237,372	\$3,128,882	\$2,817,684
	Designated Users Facilities Fund	\$1,931,121	\$1,877,033	\$1,892,503	\$2,020,796
	Poplar Spring Fund	\$1,862	\$777	\$2,084	\$2,010
	User Fee Programs Fund	\$496,485	\$506,447	\$380,879	\$456,185
	Community Management Fund	\$1,006,918	\$1,005,974	\$1,189,751	\$1,085,461
	Maintenance Activity Fund	\$1,433,302	\$2,137,248	\$1,991,429	\$1,804,715
	Reserve Fund	\$289,000	\$117,632	\$714,500	\$714,500
	<b>Total Expenses</b>	<b>\$7,564,637</b>	<b>\$7,764,850</b>	<b>\$8,585,527</b>	<b>\$8,186,850</b>
	(Deficit) / Surplus				
	MVF S/(D)	\$53,040	\$412,744	-\$104,211	\$57,173
	DUF S/(D)	\$115,457	\$123,515	\$508,199	\$372,257
	PS S/(D)	\$19	\$1,105	-\$2	\$255
	UFP S/(D)	-\$64,285	-\$99,997	\$51,321	-\$49,811
	CM S/(D)	-\$57,577	-\$257,303	-\$170,723	-\$306,681
	MA S/(D)	-\$46,654	-\$1,350,753	-\$275,234	-\$1,104,715
	<b>Summary (Deficit) / Surplus</b>	<b>\$0</b>	<b>-\$1,170,690</b>	<b>\$9,351</b>	<b>-\$1,031,521</b>