

Southwinds Homeowners Association

2006 Annual Financial Report and 2007 Proposed Budget

	2006 Budget	2006 Projected*	Difference	2007 Proposed
--	----------------	--------------------	------------	------------------

Balance Forward from Prior Year

Assets (end of year)				
Cash in bank	\$11,544	\$13,860	\$2,316	\$15,150
Note 3 Less accumulated reserve	(\$3,000)	(\$3,000)	\$0	(\$4,500)
Total Assets less reserve (see note 4)	\$8,544	\$10,860	\$2,316	\$10,650

Income

Dues per property	\$175	\$175		\$150
Total dues	\$10,150	\$10,150	\$0	\$8,700
Fees	\$0	\$0	\$0	\$0
Total Income	\$10,150	\$10,150	\$0	\$8,700

Expense

Non-discretionary Expenses				
Bank Service Charges	\$30	\$0	(\$30)	\$0
Note 1 Property Liability incl Dam Liab.	\$4,153	\$4,070	(\$83)	\$4,100
State DEP Dam Inpection				\$550
Directors Liability Insurance	\$800	\$827	\$27	\$827
Licenses and Permits	\$25	\$25	\$0	\$25
Legal and accounting fees	\$0	\$0	\$0	\$0
Maint - entryways & open space	\$2,000	\$1,870	(\$130)	\$2,000
Note 2 Utilities	\$400	\$395	(\$5)	\$225
Post Office Box	\$60	\$62	\$2	\$65
Admin - postage and supplies	\$50	\$63	\$13	\$100
Property taxes	\$300	\$162	(\$138)	\$200
Web Site Fees	\$150	\$167	\$17	\$170
Total Non-discretionary Expenses	\$7,968	\$7,641	(\$327)	\$8,262
Committee Expenses				
Open Space				
Pond Maintenance	\$0	\$0	\$0	\$0
Landscape & facility additions	\$750	\$0	(\$750)	\$500
Entrance Lighting		\$0	\$0	\$5,000
Social Committee(block party)	\$1,300	\$1,219	(\$81)	\$1,300
Total Committee Expenses	\$2,050	\$1,219	(\$831)	\$6,800
Total Cash Expenses	\$10,018	\$8,860	(\$1,158)	\$15,062

Total Cash Income vs. Expense	\$132	\$1,290	\$1,158	(\$6,362)
Note 3 Pond Reserve Account	\$1,500	\$1,500	\$0	\$1,500
Total Net (less reserve set-aside)	(\$1,368)	(\$210)	(\$1,158)	(\$7,862)

Balance Forward to Next Yr.

Total assets less reserve	\$8,676	\$12,150		\$4,288
Accumulated pond reserve	\$3,000	\$3,000		\$4,500
Total Assets	\$11,676	\$15,150		\$8,788

Notes to financial statement

- * Year end projection as of 10/16/2006
- 1 Property liability is not available without dam insurance; quote does not include terrorism insurance (\$390)
- 2 includes cost for fixtures/bulbs
- 3 accrual for future pond cleanup; portion will be used for attorney's fees if dredging proceeds
- 4 in terms of cash flow, approximately \$5,000 is needed in January in order to pay early bills (insurance)