Living Within Your Means

> "A budget is telling your money where to go instead of wondering where it went" – Dave Ramsey

Financial experts agree that it's a sign of good financial health to live within your means – meaning you spend less than you earn and you avoid taking on too much debt. It allows you to save money for emergencies and investing. Willow Run has not been able to live within its means for the last three years. Our costs have continued to rise while revenues have remained unchanged. We all know that over the last 2-3 years inflation has hit the country hard. Prices in the United States have grown 18 percent overall since 2020, with energy prices the most volatile.

Because of the age of Willow Run's assets, Maintenance costs have increased $30,300 since 2020, or 31.4 percent. Willow Run's Net Fixed Assets currently are worth $492,600. Their original value was $1,320,500. This means that they are worth only 37.3 percent of their original value. Because of the issue the park has had with leakage from the pool, this year's water costs are projected to be $8,100 more than last year. That's a 22.8 percent increase over last year. Lastly, Gas and Electricity have increased by $4,700 since 2020; a 35.3 percent increase.

We have a rule in the bylaws, which states that the park needs to keep a year's worth of Operating Costs in reserve for emergencies. For the last three years we have pulled down that Reserve to meet expenses. At the end of 2020 we had $297 thousand in reserve versus operating expenses of $240 thousand. This year the park will end up with about $175 thousand in reserve versus $295 thousand in operating expenses. We will need to rebuild the reserve by at least $125 thousand over the next 2-3 years.

> "The way I see it, if you want the rainbow, you have got to put up with the rain" – Dolly Parton

The first step the park must take is to increase revenues to at least meet expected costs. We have to face the fact that costs are not going to return to 2020 levels. We will have to spend at least $96 thousand to repair the pool so it will last for another 15-20 years. This should reduce water usage, but we have also heard that water rates could increase by as much as 25 percent. <u>Due to this the monthly dues will have to increase by $30 per month, effective January 1, 2024.</u> This will only allow the park to get to breakeven for fiscal 2024.

Longer term, we will have to look at spending money for additional road improvements and rebuilding the tennis courts. We will also have the task of getting the Reserve back to 100% of Operating expense levels. All of these will be reviewed again next year for fiscal 2025.

Ralph Smith - Treasurer
Willow Run Board of Directors

BUDGET COMPARISON					
	2024 Bdgt	2023 Est	2022 Actl	2021 Actl	2020 Actl
	@ $125/mo				
Dues	$376,500	$286,140	$279,022	$283,453	$286,915
Interest	$11,504	$5,809	$1,173	$1,208	$1,753
Other	$13,960	$15,111	$22,153	$14,427	$13,993
Revenues	$401,964	$307,060	$302,348	$299,088	$302,661
Revenue per Lot per Month	**$133.45**	**$101.95**	**$100.38**	**$99.30**	**$100.49**
Maintenance	$127,779	$126,561	$102,913	$114,601	$96,282
Service	$19,260	$18,597	$13,994	$11,611	$15,698
Utilities	$79,800	$75,875	$65,542	$57,785	$62,378
Payroll	$48,480	$46,859	$44,014	$38,746	$40,919
Office	$3,300	$2,991	$2,600	$1,864	$4,694
Insurance	$17,262	$16,760	$16,558	$16,646	$15,742
Other	$4,740	$7,530	$16,046	$6,349	$4,639
Operating Expenses	$300,621	$295,173	$261,667	$247,602	$240,352
Pool	$96,275	$4,000	$4,045		$7,483
Roads		$43,284		$12,000	$13,425
Maintenance Equipment		$2,511	$9,464	$3,107	
Buildings		$4,712	$46,550	$4,600	
Transportation Equipment		$5,000		$17,228	
Septic System			$3,017	$54,125	
Furniture & Fixtures		$1,618	$2,413		
Playground		$19,377	$15,520		
Fixed Asset Spending	$96,275	$80,502	$81,009	$91,060	$20,908
Total Spending	$396,896	$375,675	$342,676	$338,662	$261,260
Spending per Lot per Month	**$131.77**	**$124.73**	**$113.77**	**$112.44**	**$86.74**
Profit or (Loss) by Lot by Month	**$1.68**	**($22.78)**	**($13.39)**	**($13.14)**	**$13.75**
Money Market Reserve Year End	**$244,817**	**$175,754**	**$255,773**	**$275,680**	**$297,052**

2024 BUDGET

		24Bdgt	FY2023	Dec Est	Nov Est	Oct Est	Sep Est	Aug Ytd	FY2022	FY2021	FY2020
4000	Dues (@ $125/month)	$376,500.00	$286,140.00	$23,845.00	$23,845.00	$23,845.00	$23,845.00	$190,760.00	$279,022.00	$283,453.19	$286,915.00
4005	Transfer Fees	$400.00	$100.00				$100.00				
4010	*Expedite Fee for Unit Sale (to 4102)*									$150.00	$150.00
4020	Fines and Penalties	$360.00	$25.00					$25.00	$375.00		$667.94
4030	Gate Cards & Openers	$1,080.00	$1,085.00			$65.00	$180.00	$840.00	$1,210.00	$1,080.00	$910.00
4051	Vending Commission - Laundry	$3,600.00	$3,502.30		$270.00	$1,145.00	$730.00	$1,357.30	$3,392.62	$4,759.10	$1,542.22
4070	Clubhouse	$480.00	$375.00					$375.00	$650.00	$500.00	$50.00
4075	*Kitchen Fund (to 4102)*		$520.00					$520.00			
4080	Playground	$540.00	$554.00					$554.00	$1,538.63		
4085	Tennis Courts		$227.00					$227.00			
4090	Late Charges/Finance Charges	$2,760.00	$2,732.86	$190.00	$170.00	$145.00	$140.00	$2,087.86	$2,257.32	$4,050.29	$3,757.21
4101	Social Activities - Other								$804.00	$1,834.00	$80.00
4101a	*Club House Fund - Other (to 4102)*		$200.00					$200.00			$20.00
4101c	Steak/Chicken Dinner										$1,100.00
4101e	Office Fund								$320.00	$705.00	
4101f	Pork Chop Dinner	$240.00	$225.00					$225.00	$210.00		
4101g	*40th Anniversary (to 4102)*		$943.00					$943.00			
4102	Miscellaneous Income	$540.00	$556.39					$556.39	$52.00	$780.75	$307.06
4103	*Clothing Sales (to 4102)*									$106.00	$70.00
4104	*Mailboxes (to 4102)*		$80.00					$80.00	$40.00	$120.00	$160.00
4150	Legal Fees due from Lot Owners	$3,960.00	$3,985.86					$3,985.86	$707.50	$341.00	$5,178.88
4151	Reimburseable Expenses		$0.00								
7000	*Other Income (to 4102)*								$10,500.00		
7010	Interest Income	$11,504.12	$5,808.78	$850.00	$825.00	$800.00	$750.00	$2,583.78	$1,172.89	$1,208.50	$1,752.96
7070	Refunds-Taxes		$0.00						$95.84		
	Total Income	**$401,964.12**	**$307,060.19**	**$24,885.00**	**$25,110.00**	**$26,000.00**	**$25,745.00**	**$205,320.19**	**$302,347.80**	**$299,087.83**	**$302,661.27**

6176	Grounds Beautification	$1,740.00	$1,600.41				$95.00	$1,505.41	$1,735.10	$6,983.19	$910.00
6241	Pool	$26,400.00	$26,497.95				$3,616.01	$22,881.94	$19,158.97	$20,833.55	$12,196.01
6242	Building, Garage & Office	$1,200.00	$944.21	$280.00				$664.21	$3,193.44	$2,240.30	$1,091.63
6242a	Club House Enhancements	$1,920.00	$4,314.80					$4,314.80		$705.24	$1,055.81
6243	Playground		$35.94					$35.94			
6244	Equipment Purchase & Rental										
6246	Tennis Courts									$180.00	
6247a	*Snow Plow (to 6575)*									$527.50	
6247c	*Park Check (to 6575)*										
6247d	General Maintenance	$8,520.00	$8,070.25		$435.00	$940.00	$1,125.00	$5,570.25	$7,409.00	$6,904.25	$7,379.75
6247e	Contracted Service Contract	$63,279.00	$60,873.81	$4,578.00	$4,578.00	$4,578.00	$6,867.00	$40,272.81	$56,834.66	$55,410.66	$54,152.06
6300	*Repairs & Maint Supplies - Other (to 6301)*								$87.64		
6301	Maintenance Supplies	$9,000.00	$8,392.42	$20.00	$175.00	$20.00	$640.00	$7,537.42	$5,000.75	$2,468.49	$10,723.96
6340	*Bldg Rprs-Clubhouse & Washrooms (to 6242a)*									$197.60	$732.86
6445	Beaches & Lake	$6,600.00	$6,248.89					$6,248.89	$3,921.57	$8,718.43	$5,246.25
6576	Septic Fields	$3,600.00	$4,389.00				$3,600.00	$789.00	$1,075.00	$1,925.52	$165.00
6577	Water System								$76.46		$153.00
6578	Roads										
6240	*Maintenance Other (to 6575)*		$341.55					$341.55	$328.29	$535.84	
6247	*Park Other (to 6575)*									$576.00	

		24Bdgt	FY2023	Dec Est	Nov Est	Oct Est	Sep Est	Aug Ytd	FY2022	FY2021	FY2020
6303	***Repairs - Other (to 6575)***		$3,154.25		$255.00	$895.00	$675.00	$1,329.25	$3,192.80	$1,702.16	$2,186.86
6500	**Park Maintenance Duress - Reimburseable**										
6575	**Repairs, Service & Maintenance - Other**	$5,520.00	$1,697.98					$1,697.98	$899.24	$4,691.86	$288.91
	Maint Total	$127,779.00	$126,561.46	$4,878.00	$5,443.00	$6,433.00	$16,618.01	$93,189.45	$102,912.92	$114,600.59	$96,282.10
6565	**Accounting**	$11,100.00	$10,605.00	$1,050.00	$1,020.00	$1,025.00	$1,125.00	$6,385.00	$10,060.00	$9,979.00	$8,262.90
6271	***Advisory Fees***										
6280	**Legal Fees**	$8,160.00	$7,992.36					$7,992.36	$3,934.50	$1,632.50	$7,435.15
	Service Total	$19,260.00	$18,597.36	$1,050.00	$1,020.00	$1,025.00	$1,125.00	$14,377.36	$13,994.50	$11,611.50	$15,698.05
6228	**Fuel Purchases**	$2,100.00	$1,739.09				$400.00	$1,339.09	$1,864.98	$1,616.24	$1,446.85
6395	***Service Update on Lots***										$2,452.00
6400	**Gas & Electric**	$19,200.00	$18,003.49	$1,300.00	$1,000.00	$1,200.00	$2,000.00	$12,503.49	$17,256.19	$16,366.73	$13,306.64
6410	**Water**	$45,900.00	$43,589.95	$1,600.00	$2,500.00	$4,200.00	$5,100.00	$30,189.95	$35,480.68	$33,263.14	$35,621.49
6411	**Garbage Disposal**	$12,600.00	$12,542.00		$902.00			$11,640.00	$10,940.00	$6,539.00	$9,550.90
	Utilities Total	$79,800.00	$75,874.53	$2,900.00	$4,402.00	$5,400.00	$7,500.00	$55,672.53	$65,541.85	$57,785.11	$62,377.88
6561	**Lifeguard Payroll**	$21,600.00	$21,006.38				$4,500.00	$16,506.38	$19,488.77	$17,625.14	$16,551.93
6562	**Maintenance Payroll**	$12,240.00	$11,648.50	$225.00	$300.00	$400.00	$2,025.00	$8,698.50	$12,616.47	$9,933.28	$12,658.17
6564	**Office Payroll**	$10,920.00	$10,604.75			$1,450.00	$1,450.00	$7,704.75	$8,361.24	$8,163.25	$8,183.27
6610	**Payroll Taxes**	$3,720.00	$3,599.52	$50.00	$60.00	$115.00	$620.00	$2,754.52	$3,385.09	$2,862.33	$3,416.96
6560	***Payroll Expenses - Other***								$162.41	$162.44	$108.30
	Payroll Total	$48,480.00	$46,859.15	$275.00	$360.00	$1,965.00	$8,595.00	$35,664.15	$44,013.98	$38,746.44	$40,918.63
6265	**Postage**	$420.00	$366.27	$20.00	$50.00		$118.00	$178.27	$247.28	$170.82	$349.00
6581	**Office Supplies**	$1,440.00	$1,398.71		$85.00		$100.00	$1,213.71	$1,242.61	$499.67	$1,512.86
6582	**Office Maintenance**	$900.00	$825.03					$825.03	$717.42	$657.06	$712.47
6580	**Office Expense - Other**	$540.00	$394.10					$394.10	$393.03	$536.54	$2,119.67
	Office Total	$3,300.00	$2,984.11	$20.00	$135.00	$0.00	$218.00	$2,611.11	$2,600.34	$1,864.09	$4,694.00
6180	**Insurance**	$1,662.00	$1,662.00		$463.10			$1,198.90	$1,198.90	$3,306.00	$2,123.10
6530	**Liability Insurance**	$15,600.00	$15,098.30			$4,015.00		$11,083.30	$15,358.68	$13,339.68	$13,618.75
	Insurance Total	$17,262.00	$16,760.30	$0.00	$463.10	$4,015.00	$0.00	$12,282.20	$16,557.58	$16,645.68	$15,741.85
6620	**Property Tax**	$600.00	$525.00	$525.00					$497.69	$723.96	$2,384.52
6630	**Sales Tax**								$190.16		
6640	**Federal Tax**										$295.00
	Taxes Total	$600.00	$525.00	$525.00	$0.00	$0.00	$0.00	$0.00	$687.85	$723.96	$2,679.52
6103	***Clothes - T-Shirts (to 6260)***										
6105	**Social Activities**	$2,100.00	$2,068.55					$2,068.55	-$19.03		$580.00
6105c	***40th Anniversary (to 6260)***		$2,714.56					$2,714.56			
6175	**Gate Cards & Openers Expense**	$1,080.00	$1,080.00				$300.00	$780.00	$1,080.00	$1,080.00	
6230	**Licenses & Permits**	$600.00	$543.50					$543.50	$713.50	$543.50	$553.50
6115	**Bad Debt**		$340.39					$340.39	$13,526.93	$3,954.95	
6120	***Bank Service Charges (to 6260)***		$67.00					$67.00	$56.50	$46.00	$9.00
6260	**Miscellaneous**	$360.00	$189.86					$189.86			$817.94
6140	**Depreciation**								$68,580.58	$60,642.78	$66,183.00
	Misc Total	$4,140.00	$7,003.86	$0.00	$0.00	$0.00	$300.00	$6,703.86	$83,938.48	$66,267.23	$68,143.44
	Total Expenses	**$300,621.00**	**$295,165.77**	**$9,648.00**	**$11,823.10**	**$18,838.00**	**$34,356.01**	**$220,500.66**	**$330,247.50**	**$308,244.60**	**$306,535.47**
	Net Income	**$101,343.12**	**$11,894.42**	**$15,237.00**	**$13,286.90**	**$7,162.00**	**-$8,611.01**	**-$15,180.47**	**-$27,899.70**	**-$9,156.77**	**-$3,874.20**

BALANCE SHEET

		12/31/2024	FY24Chgs	12/31/2023	Sep-DecChgs	8/31/2023	12/31/2022	12/31/2021
1001	Petty Cash	$61.28	$0.00	$61.28	$0.00	$61.28	$61.28	$61.28
1006	Associated Checking Acct	$6,692.75	$0.00	$6,692.75	$0.00	$6,692.75	$26,387.01	$41,450.19
1006a	Associated Club House Fund	$4,833.47	$0.00	$4,833.47	$0.00	$4,833.47	$12,632.30	$11,523.30
1007	Associated Money Market	$246,391.72	$5,668.12	$240,723.60	$70,355.88	$170,367.72	$23,373.02	$40,362.34
1008	Advia Reserve Acct	$2,270.87	$0.00	$2,270.87	$0.00	$2,270.87	$6,034.86	$1,316.99
1009	Advia Money Market	$9,537.43	$0.00	$9,537.43	$0.00	$9,537.43	$232,400.18	$235,317.97
	Total Checking & Savings	$269,787.52	$5,668.12	$264,119.40	$70,355.88	$193,763.52	$300,888.65	$330,032.07
1500	Accounts Receivable	$8,462.82	$0.00	$8,462.82	$0.00	$8,462.82	-$75,426.07	-$77,387.74
1502	Legal Fees Due from Lot Members	$375.14	$0.00	$375.14	$0.00	$375.14	$375.14	-$9,734.33
1503	Residency Fines	$1,800.00	$0.00	$1,800.00	$0.00	$1,800.00	$2,100.00	$25,736.40
1504	***Due from Elkhorn***	$570.00	$0.00	$570.00	$0.00	$570.00	$570.00	$0.00
1550a	A/R Reimburseable Expense Lot 233	$1,371.50	$0.00	$1,371.50	$0.00	$1,371.50	$0.00	$0.00
1550b	A/R Reimburseable Expense Lot 3	$466.00	-$600.00	$1,066.00	-$200.00	$1,266.00	$0.00	$0.00
	Total Other Current Assets	$13,045.46	-$600.00	$13,645.46	-$200.00	$13,845.46	-$72,380.93	-$61,385.67
1701	Furniture & Fixtures	$16,637.17	$0.00	$16,637.17	$0.00	$16,637.17	$15,018.80	$12,606.29
1702	Maintenance Equipment	$120,580.18	$0.00	$120,580.18	$0.00	$120,580.18	$118,068.94	$108,604.84
1703	Pool	$300,392.65	$96,275.00	$204,117.65	$4,000.00	$200,117.65	$200,117.65	$196,073.11
1703a	Lakes & Ponds	$8,768.00	$0.00	$8,768.00	$0.00	$8,768.00	$8,768.00	$8,768.00
1704	Roads & Improvements	$269,965.16	$0.00	$269,965.16	$0.00	$269,965.16	$226,681.16	$226,681.16
1705	Buildings	$145,431.67	$0.00	$145,431.67	$0.00	$145,431.67	$140,720.42	$94,170.42
1706	Transportation Equipment	$32,727.75	$0.00	$32,727.75	$0.00	$32,727.75	$27,727.75	$27,727.75
1708	Lift Station Equipment	$53,051.57	$0.00	$53,051.57	$0.00	$53,051.57	$53,051.57	$53,051.57
1709	Water System & Improvements	$295,893.24	$0.00	$295,893.24	$0.00	$295,893.24	$295,893.24	$295,893.24
1711	Septic System & Improvements	$98,422.80	$0.00	$98,422.80	$0.00	$98,422.80	$98,422.80	$95,404.90
1712	Tennis Courts	$30,610.59	$0.00	$30,610.59	$0.00	$30,610.59	$30,610.59	$30,610.59
1713	Mailboxes	$15,990.00	$0.00	$15,990.00	$0.00	$15,990.00	$15,990.00	$15,990.00
1714	Playground	$34,897.21	$0.00	$34,897.21	$2,532.00	$32,365.21	$15,520.00	$0.00
1707	Accumulated Depreciation	-$827,921.63	$0.00	-$827,921.63	$0.00	-$827,921.63	-$827,921.63	-$759,341.05
	Net Fixed Assets	$595,446.36	$96,275.00	$499,171.36	$6,532.00	$492,639.36	$418,669.29	$406,240.82
	Total Assets	**$878,279.34**	**$101,343.12**	**$776,936.22**	**$76,687.88**	**$700,248.34**	**$647,177.01**	**$674,887.22**
2000	Accounts Payable	$4,070.40	$0.00	$4,070.40	-$13,000.00	$17,070.40	$3,880.27	$3,755.22
2100	Payroll Taxes Payable	$280.50	$0.00	$280.50	-$2,250.00	$2,530.50	$268.07	$341.76
2201	Sales Tax Payable	$0.00	$0.00	$0.00	$0.00	$0.00	$53.08	-$85.25
2300	Benevolence Fund	$0.00	$0.00	$0.00	$0.00	$0.00	$717.71	$717.71
2400	Prepaid Dues	$53,570.03	$0.00	$53,570.03	$0.00	$53,570.03	$0.00	$0.00
	Total Current Liabilities	$57,920.93	$0.00	$57,920.93	-$15,250.00	$73,170.93	$4,919.13	$4,729.44
1110	Retained Earnings	$719,015.29	$0.00	$707,120.87	$64,862.99	$642,257.88	$523,407.58	$532,564.35
3010	Reserve Funds - Water Project	$0.00	$0.00	$0.00	$0.00	$0.00	$146,750.00	$146,750.77
	Net Income	$101,343.12	*$101,343.12*	$11,894.42	*$27,074.89*	-$15,180.47	-$27,899.70	-$9,156.77
	Total Equity	$820,358.41	$101,343.12	$719,015.29	$91,937.88	$627,077.41	$642,257.88	$670,158.35
	Total Liabilities & Equity	**$878,279.34**	**$101,343.12**	**$776,936.22**	**$76,687.88**	**$700,248.34**	**$647,177.01**	**$674,887.79**