

# LCA Special Meeting on Finances 02-28-2007

## Meeting Notes

LOCATION: Nyumbani  
6:15 rough start (others late)  
6:30 Most people present

PRESENT:

Rick, Carrie (Percolator)  
Robert, Fran (Ailanthus)  
Misia (Tree House)  
Teresa (Shofam)  
Naima (Nyumbani)  
Teresa, Stevie, Jaysun (4722)

---

### AGENDA / TABLE OF CONTENTS:

#### I Financial Goal-setting Activity

At the direction of NASCO's Kiran, we reviewed financial goals brainstormed at the NASCO workshop earlier this month, dividing them into a category of "things we can 'buy'" and a category of "things that take administrative work".

A. We prioritized the four buyable items as follows:

First: "Houses Up to Code/ Past Code / to a Standard", meaning houses to a standard defined by LCA, probably to include full code compliance.

Second: "Increased Emergency Fund", meaning a larger permanent reserve that can be drawn upon in emergencies (and re-funded from income).

Third: "Part-time Staff Person". There was discussion as to what such a staff person would be. Informal consensus that it would be a \$500-or-less (non-tax-item) per year position with duties including Collections (as discussed at 2-21-07 Board Meeting), maintaining certain records and augmenting Bookkeeper's financial reports, and researching topics as assigned by Board.

Fourth: "Programs Expansion/New Property Acquisition"

B. We touched on the goals categorized as "things that take administrative work", understanding them to be comparatively 'fuzzy', yet wanting them to be in our minds as we moved on to other topics. Teresa (4722, LCA President) may have the sheets on which these items were written.

#### II House Sale and Loan Options

A. \*brief\* brainstorm on additional \$ ideas.

We identified a few other potential sources for new income:

1. Selling a house other than Vortex House
2. Grants and Loans (personal, homeowner, organizational)
  - a. Tenants' low-income assistance grants and loans
  - b. Didn't Kiran (NASCO) say something about being able to help get grants? (**UNASSIGNED ACTION ITEM: Follow up w/ ?'s for NASCO**)

B. Developing Understanding of Finances and Values around Sale and/or Financing

1. Rob presented on the quantitaves of finance vs vortex sale (MS Excel (download) See "Appendix B - Funding True Break-even" ) Robert presented from a spreadsheet printout of various scenarios in which the LCA increases income to fully pay operating costs. There was informal consensus that the maintenance costs assumed in the scenarios were too low; the target number for financing maintenance should come from a survey of specific deferred needs in the houses.

Teresa (4722) questioned other assumptions, especially that major 'recovery' maintenance cannot all be conducted in the course of a single year (rather than spread out over a longer period of 10 years).

Some highlights from the presentation:

- \* Financing can be used to obtain fast cash for immediate remediation of deferred maintenance.
- \* Financing can be used to fund our best guess at a break-even budget (much higher than FY '06-'07) without increasing cost-share all at once (we borrow money now, and raise cost-share progressively to pay back the loan and to achieve income sufficient to meet ongoing costs).
- \* Comparing cost-share implications from a sale vs. financing is complicated - Rob needs to do more spreadsheet fiddling.
- \* With no financing or income from a house sale, and assuming low numbers for maintenance, cost-share should be \$88 more than that currently approved to begin March 1 and rise ~\$50 yearly.
- \* A large loan or set-aside fund from house sale income could spread our needed cost-share increase over many years. For example, allowing us to raise cost-share only an additional \$25 (\$75 total) per year rather than \$88 one-time (\$138 total in 2008), until the slow-rising cost-share matched actual operating costs (after about 10 years). In the case of a loan, there would be significant extra cost in the form of interest.

## 2. Group Activity: Listing of Qualitative Aspects (Sale and Financing Options)

We brainstormed concerns and pros/cons concerning a decision to either sell a house or get financing (or both); then we straw-pollled and assigned an average 'rating' (0-5, with higher being better) in terms of the appropriate 'weighting' for each factor, on our final decisions.

Issues raised included (in order of collectively-assigned importance):

- \* Impact on capacity to conduct maintenance now (or relatively very soon)  
>> 4.9
- \* Impact on alignment with LCA mission  
>> 4.66
- \* Impact of losing a community that has been stable, historically  
>> 4.3
- \* Potential for mis-management of funds raised  
>> 4
- \* Importance of having money to invest  
>> 3.6
- \* Impact on ability to expand in the future - to acquire houses in this neighborhood  
>> 3.5
- \* Needs and Desires of the Vortex Community  
>> 3.4
- \* Impact on capacity for mutual aid (what happens when emergency costs must be shared by a smaller community?)  
>> 3.2 (there was one abstention)
- \* Risk of indebtedness (losing properties used as security for a loan, due to default)  
>> 2.7
- \* Impact on Cost-share  
>> 2.7
- \* Ease of the financial transaction in question  
>> 2.2 (there was one abstention)
- \* Impact of owing money to banks long-term (vs. owning free-and-clear soon)  
>> 1.2

## III. PRESENTATION: Housing Market Analysis (Teresa, 4722)

Teresa presented her findings based on a survey of LCA households, acquaintances in the neighborhoods immediately proximate, and some more standard real estate market measures (a Philly-Camden-Wilmington MSA listing of fair market values for rental properties). See "Appendix A - Housing Market Analysis"

#### **IV. Next Steps**

There was informal consensus that more discussion needs to happen.

A. Carryover discussion regarding house sale and finance options will move onto upcoming Board Meeting agenda(s),

B. A meeting of household finance point-people will be scheduled, to encourage propagation of best practices and some standardization for household finances in LCA communities.

**UNASSIGNED ACTION ITEM:** Convene a meeting of household financiers.

C. The question of childcare during LCA meetings was raised. Misia volunteered to act as point-person for ensuring availability of child-care to LCA members who need it in order to attend meetings (or do other LCA work).

**ACTION ITEM:** Misia to act as child-care coordinator to make care available as-requested during LCA meetings.

Teresa (4722)

# APPENDIX A

Feb. 28, 2007

## - HOUSING MARKET ANALYSIS

Area name: Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA

Fair market rent in 2006 for a 1-bedroom apartment in Philadelphia County is \$742 a month.

Fair market rent for a 2-bedroom apartment is \$886 a month.

Fair market rent for a 3-bedroom apartment is \$1061 a month.

4 bedroom-1262

5 bedroom 1417.

### Houses

1) 3500

2) 2490

3) 3500

4) 2200

5) 1850

6) 3000

7) 3800

8) 1875

9) 1500

10) 2500

11) 1600

12) 2900

13) 4200

Total: 34915

Average:  $34,915 / 13 = 2686$

Drop high and low (4200 and 1500)

Total: 29215

Average:  $29,215 / 11 = 2656$

Taking simply the total cost share + maintenance (1323)

$1323 / 2686 = .4925 = 49.25%$  (all 13 properties)

$1323 / 2656 = .4981 = 49.81%$

$1373 / 2656 = .5169 = 51.69%$

So I figured out some values for the houses separately from 4722, because of 4722's structural difference (a store front, and two apartments). I found 13 listings either on craigslist or from folks who live in the neighborhood and rent. I removed the highest and lowest values and figured out the average rent per month (2656). I divided our cost share + maintenance as of today (1323) by the average rent (2656) to come up with .4981 thus we are paying approximately 50% of the market average in our neighborhood for our houses. Come October when the cost share increase again, assuming the average rent does not also increase at that time we will be paying 52% of the market average of our neighborhood.

## INTRO

# LCA Financial Planning – Secured Financing and/or Vortex Sale Planning Scenarios

This spreadsheet workbook includes scenarios for funding a complete long-term 'break-even' budget for the LCA. Some basic assumptions addressed in this 'reformist' analysis include:

The LCA has consistently under-budgeted and under-spent on maintenance.

The LCA has not budgeted or accounted for losses from vacancy and bad debt.

The LCA has only very recently accounted and budgeted for cost inflation.

The analysis is divided into worksheets on tab selectors located at the bottom of the window for this spreadsheet. Unfortunately, the Budget Scenarios do not yet include a detail on pre-financing major maintenance items that will hit us between 2008 and 2012, when we're most vulnerable.

Click on >>

Go to >>

**Financed Budget Scenarios**

Looks at spending and cost-share scenarios if we got a large secured loan from a bank.

**PostSale Budget Scenarios**

Looks at spending and cost-share scenarios if we sold Vortex House (or a similar property).

**Sale Proceeds Allocation**

Looks at proposed allocation of proceeds from sale of Vortex House (or a similar property).

**Maintenance Finance History**

REFERENCE: Looks at maintenance budgeting and expenditures over the past 5 years.

**Reference Data**

REFERENCE: Cut-and-past data from miscellaneous sources.

**Use tabs at window bottom to navigate manually between the sheets above, at any time from anywhere.**

**GOALS DEVELOPMENT:**

**True 'Break-even-with-emergency-cushion' Budget within 12 years**

Account for Previously 'Invisible' Costs						
Previously Unaccounted Items	Previous Yearly Budget Average	Previous Yearly Budget Variance	Est. Yearly Deferred (see side calcs)	10-year Recovery Yearly Payment Plan	Suggested New Budget	Budget Difference
Annual maintenance costs:	\$21,000	-\$1,500	\$5,100	\$5,100	\$27,600	\$6,600
Vacancy costs	\$0	-\$6,160	\$6,160		\$6,160	\$6,160
Bad debt (gifts)	\$0	-\$3,000	\$3,000		\$3,000	\$3,000
<b>TOTALS</b>	\$21,000	-\$10,660	\$14,260	\$5,100	\$36,760	\$15,760

**SCENARIO A:  
Budget / Cost-share Implications in a 'Recovery' Budget (no sale or financing)**

Suggested New Spending	\$15,760.00
Approved Cost-share Increase	\$8,400.00 (approx. net of inflation, starting FY 2008)
<b>INCOME SHORTFALL (all else equal)</b>	<b>\$7,360.00</b>

Made up by additional monthly cost-share increase: **\$87.62** > translates to **\$14.60** ...per person per month increase in a house of 6

**SCENARIO B:  
Recovery Costs Paid in Lump-sum Through Financing**

INCOME SHORTFALL IN 'RECOVERY' BUDGET	\$7,360 (from Scenario A)
BUDGETED INCOME REDUCTION DUE TO ONE-TIME 'RECOVERY' FINANCING	-\$5,100 (Finance... \$51,000 ...of work over 10 yrs.)
PAYMENTS ON FINANCING	\$5,100 (Assumes 10% per year payments (= interest plus some principle))
<b>REMAINING SHORTFALL IN 'RECOVERY' BUDGET</b>	<b>\$7,360</b>

Made up by additional cost-share increase: **\$88** > translates to **\$15** ...per person per month increase in a house of 6

Note: Although the additional increases to cost-shares are the same in Scenarios A and B, the financing component in 'B' allows the LCA far greater freedom to plan ahead and schedule maintenance. For example, we could undertake a \$30,000 roof replacement in 2008 at the 6.5% rate of our own financing, rather than pay 10% or more to a contractor for 'trade credit' financing.

**Deferred maintenance calculations**

Assumes minor maintenance has been done for the most part, over the years.

**ESTIMATE PROPER SPENDING:**

Replacement item	Unit cost	# applicable	Frequency / year	Yearly Cost
Roofing (replacement)	\$30,000.00	7	0.03	\$7,000
Roofing (maintenance)	\$5,000.00	7	0.2	\$7,000
Painting (exterior)	\$6,000.00	7	0.1	\$4,200
Masonry	\$10,000.00	7	0.05	\$3,500
Floors	\$10,000.00	7	0.02	\$1,400
<b>TOTALS</b>				<b>\$23,100</b>

**ESTIMATE ACTUAL SPENDING:**

Estimated Actual Expenditures on these items: \$18,000

Annual deferred maintenance: \$5,100

MULTIPLY UNDERSPENDING OVER PAST 10 YEARS:  
X 10 YEARS **\$51,000**

10-year Recovery Budgeting Additional Yearly **\$5,100**

ASSUMES WE DON'T HAVE ENOUGH PERSON-POWER, EXPERTISE AND WILL TO PERFORM ALL THE DEFERRED MAINTENANCE IN SINGLE YEAR OR A FEW YEARS

**Losses to Vacancy Calculations**

**Vacancies in past 5 years**

**Lost cost-share and maintenance dues during past 5 years**

Property	Months	Monthly Rent value	Total Loss	Causes notes
4722 Baltimore	0		\$0	NA
4811 Springfield	0	\$1,400	\$0	NA
1014 S 47 <sup>th</sup> Street	10	\$1,400	\$14,000	Fire
4819 Springfield		\$1,400		
906 S 49 <sup>th</sup> Street	0	\$1,400		NA
5023 Cedar Ave.	12	\$1,400	\$16,800	Turnover vacancies
4709 Windsor	0	\$1,400		NA
<b>TOTAL</b>			<b>\$30,800</b>	
<b>Yearly Avera:</b>			<b>\$6,160</b>	

Financed Budget Scenarios

<b>SCENARIO C:</b>								<b>FINANCED COSTS</b>	
<b>1) Recovery Costs Paid in Lump-sum Through Financing</b>									
<b>2) Needed Cost-share Increase Financed Initially then Eased in Progressively</b>								<b>Financed Maintenance</b>	
INCOME SHORTFALL IN 'RECOVERY' BUDGET	\$7,360.00								
BUDGETED REDUCTION OF INCOME DUE TO ONE-TIME 'RECOVERY' FINANCING	-\$5,100.00 (Finance... \$51,000.00 ...of work over 10 yrs.) >>>							\$51,000	
	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2008-2015 Financed Cost-share</b>
REDUCE BUDGETED INCOME DUE TO COST-SHARE 'PROGRESSIVE INCREASE' FUND OFFSETTING COSTS PAYMENTS ON FINANCING	-\$10,000	-\$8,000	-\$6,000	-\$3,750	-\$1,800	\$0	\$0	\$0	\$29,550
(10% annual = 6.5% interest + 3.5% principle)	\$8,055	\$8,055	\$8,055	\$8,055	\$8,055	\$8,055	\$8,055	\$8,055	
<b>REMAINING SHORTFALL IN 'RECOVERY' BUDGET</b>	<b>\$315</b>	<b>-\$5,740</b>	<b>-\$3,740</b>	<b>-\$1,490</b>	<b>\$460</b>	<b>\$2,260</b>	<b>\$2,260</b>	<b>\$2,260</b>	
Total cumulative increase (over and above \$100 March 'kick' and \$50 annual 'inflation' increase approved for start of FY 2008)	\$4	-\$68	-\$45	-\$18	\$5	\$27	\$27	\$27	
Cummulative Increase in Cost-share (incl. Inflation increases), 03/07 Thru Fiscal Year indicated >	\$154	\$132	\$205	\$282	\$355	\$427	\$477	\$527	
Approx. Total Cost-share (incl. Maint.) per house per month	\$1,495	\$1,473	\$1,547	\$1,624	\$1,697	\$1,769	\$1,819	\$1,869	
Rent per person per month in a 6-person community	\$249	\$246	\$258	\$271	\$283	\$295	\$303	\$311	<b>TOTAL FINANCED</b>
Plus expected labor for LCA (7 hours/year @ \$15/hour)	<b>\$258</b>	<b>\$254</b>	<b>\$267</b>	<b>\$279</b>	<b>\$292</b>	<b>\$304</b>	<b>\$312</b>	<b>\$320</b>	<b>\$80,550</b>
Projected market rent in area (single in a spacious shared house), at 8% annual increase	\$380	\$399	\$419	\$440	\$462	\$485	\$509	\$535	
Market Percentage variance from LCA rent ("Market is ___ MORE than LCA rent.") >>	47%	57%	57%	57%	58%	60%	63%	67%	

**PAYMENTS ON FINANCING, SCENARIO B**

\$5,100 PER YEAR      \$425 PER MONTH

**\$51,000**

\$61 PER COMMUNITY/MONTH      \$10 PER PERSON/MONTH (6 IN THE HOUSE)

**PAYMENTS ON FINANCING, SCENARIO C**

\$8,055 PER YEAR      \$671 PER MONTH

**\$80,550**

\$96 PER COMMUNITY/MONTH      \$16 PER PERSON/MONTH (6 IN THE HOUSE)

**GOALS DEVELOPMENT:**  
**True 'Break-even-with-emergency-cushion' Budget within 12 years**

Account for Previously 'Invisible' Costs	Previous Yearly Budget Average	Previous Yearly Budget Variance	Est. Yearly Deferred (see side calcs)	10-year Recovery Yearly Payment Plan	* Suggested New Budget (6 properties)	* Budget Difference
Previously Unaccounted Items						
Annual maintenance costs:	\$21,000	-\$1,500	\$5,100	\$4,371	\$26,657	\$5,657
Vacancy costs	\$0	-\$6,160	\$6,160		\$5,280	\$5,280
Bad debt (gifts)	\$0	-\$3,000	\$3,000		\$2,571	\$2,571
<b>TOTALS</b>	<b>\$21,000</b>	<b>-\$10,660</b>	<b>\$14,260</b>	<b>\$4,371</b>	<b>\$34,509</b>	<b>\$13,509</b>

\* Assumes operations costs scale proportionally with the number of houses operated.

**SCENARIO A:  
 Budget / Cost-share Implications in a 'Recovery' Budget (no sale or financing)**

Suggested New Spending	\$13,508.57	
Approved Cost-share Increase	\$7,200.00	(approx. net of inflation, starting FY 2008)
<b>INCOME SHORTFALL (all else equal)</b>	<b>\$6,308.57</b>	

Made up by additional monthly cost-share increase: **\$87.62** > translates to **\$14.60** ...per person per month increase in a house of 6

**SCENARIO B:  
 Recovery Costs Paid in Lump-sum Using House-sale Proceeds**

INCOME SHORTFALL IN 'RECOVERY' BUDGET	\$6,309	(from Scenario A)
BUDGETED INCOME REDUCTION DUE TO COST-SHARE 'PROGRESSIVE INCREASE' FUND OFFSETTING COSTS	-\$4,371	(Finance...)
		<b>\$43,714</b> ...of work over 10 yrs.)
<b>REMAINING SHORTFALL IN 'RECOVERY' BUDGET</b>	<b>\$1,937</b>	

Made up by additional cost-share increase: **\$27** > translates to **\$4** ...per person per month increase in a house of 6

Note: Although the additional increases to cost-shares are the same in Scenarios A and B, the cash inflow from a house sale reflected in 'B' allows the LCA greater freedom to plan ahead and schedule maintenance. For example, we could undertake a \$30,000 roof replacement in 2008, rather than pay 10% or more to a contractor for 'trade credit' financing (assuming we didn't somehow find a way to pay the \$30K up-front).

**Deferred maintenance calculations**  
 Assumes minor maintenance has been done for the most part, over the years.

**ESTIMATE PROPER SPENDING:**

Replacement item	Unit cost	# applicable	Frequency / year	Yearly Cost
Roofing (replacement)	\$30,000.00	7	0.03	\$7,000
Roofing (maintenance)	\$5,000.00	7	0.2	\$7,000
Painting (exterior)	\$6,000.00	7	0.1	\$4,200
Masonry	\$10,000.00	7	0.05	\$3,500
Floors	\$10,000.00	7	0.02	\$1,400
<b>TOTALS</b>				<b>\$23,100</b>

**ESTIMATE ACTUAL SPENDING:**  
 Estimated Actual Expenditures on these items: \$18,000

Annual deferred maintenance: \$5,100

MULTIPLY UNDERSPENDING BY 6/7 OF HOUSES, OVER PAST 10 YEARS:  
 X 6/7 X 10 YEARS **\$43,714**

10-year Recovery Budgeting Additional Yearly **\$4,371**  
(ASSUMES WE DON'T HAVE ENOUGH PERSON-POWER, EXPERTISE AND WILL TO PERFORM ALL THE DEFERRED MAINTENANCE IN SINGLE YEAR OR A FEW YEARS)

**Losses to Vacancy Calculations  
 Vacancies in past 5 years**

**Lost cost-share and maintenance dues during past 5 years**

Property	Months	Monthly Rent value	Total Loss	Causes notes
4722 Baltimore	0		\$0	NA
4811 Springfield	0	\$1,400	\$0	NA
1014 S 47 <sup>th</sup> Street	10	\$1,400	\$14,000	Fire
4819 Springfield		\$1,400		
906 S 49 <sup>th</sup> Street	0	\$1,400		NA
5023 Cedar Ave.	12	\$1,400	\$16,800	Turnover vacancies
4709 Windsor	0	\$1,400		NA
<b>TOTAL</b>			<b>\$30,800</b>	
<b>Yearly Average</b>			<b>\$6,160</b>	

PostSale Budget Scenarios

<b>SCENARIO C:</b>									<b>DRAWS FROM SALE PROCEEDS</b>
<b>1) Recovery Costs Paid in Lump-sum Using House-sale Proceeds</b>									
<b>2) Needed Cost-share Increase Subsidized Initially and Eased in Progressively</b>									<b>\$43,714</b>
INCOME SHORTFALL IN 'RECOVERY' BUDGET	\$6,308.57								
BUDGETED REDUCTION OF INCOME DUE TO ONE-TIME 'RECOVERY' FINANCING	-\$4,371.43 (Fund... \$43,714.29 ...of work over 10 yrs.) >>>								
	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	
REDUCE BUDGETED INCOME DUE TO COST-SHARE 'PROGRESSIVE INCREASE' FUND OFFSETTING COSTS	-\$1,937	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$1,937</b>
<b>REMAINING SHORTFALL IN 'RECOVERY' BUDGET</b>	<b>\$0</b>	<b>\$1,937</b>	<b>\$1,937</b>	<b>\$1,937</b>	<b>\$1,937</b>	<b>\$1,937</b>	<b>\$1,937</b>	<b>\$1,937</b>	
Total cumulative increase (over and above \$100 March 'kick' and \$50 annual 'inflation' increase approved for start of FY 2008), per property	\$0	\$27	\$27	\$27	\$27	\$27	\$27	\$27	
Cummulative Increase in Cost-share (incl. Inflation increases), 03/07 Thru Fiscal Year indicated >	\$150	\$227	\$277	\$327	\$377	\$427	\$477	\$527	
Approx. Total Cost-share (incl. Maint.) per house per month (assumes costs scale proportionally with # of houses)	\$1,492	\$1,569	\$1,619	\$1,669	\$1,719	\$1,769	\$1,819	\$1,869	
Rent per person per month in a 6-person community	\$249	\$261	\$270	\$278	\$286	\$295	\$303	\$311	
Plus expected labor for LCA (7 hours/year @ \$15/hour)	<b>\$257</b>	<b>\$270</b>	<b>\$279</b>	<b>\$287</b>	<b>\$295</b>	<b>\$304</b>	<b>\$312</b>	<b>\$320</b>	<b>TOTAL DRAWS FROM SALE PROCEEDS</b>
Projected market rent in area (single in a spacious shared house), at 8% annual increase	<b>\$380</b>	\$399	\$419	\$440	\$462	\$485	\$509	\$535	<b>\$45,651</b>
Market Percentage variance from LCA rent ("Market is ..% MORE than LCA rent.")	48%	48%	50%	53%	56%	60%	63%	67%	

**PAYMENTS ON FINANCING, SCENARIO B**

\$4,371 PER YEAR      \$364 PER MONTH

**\$43,714**

\$52 PER COMMUNITY/MONTH

\$9 PER PERSON/MONTH (6 IN THE HOUSE)

**PAYMENTS ON FINANCING, SCENARIO C**

\$4,565 PER YEAR      \$380 PER MONTH

**\$45,651**

\$54 PER COMMUNITY/MONTH

\$9 PER PERSON/MONTH (6 IN THE HOUSE)

Sale Proceeds Allocation

VORTEX SALE:	
Appraised price (predicted)	\$400,000
Sale & Closing costs	(\$20,000)
Reimburse for room	(\$50,000) (Vortex community has spent a bunch out-of-pocket)
<b>TOTAL PROCEEDS</b>	<b>\$330,000</b>
<b>Suggested Allocation of Proceeds:</b>	
	\$45,651 > Capital improvements (catch up on deferred maintenance)
	\$284,349 > Capital fund > Invest @ 6% APR yield
<b>Balance</b>	<b>\$0</b>

Capital Fund (yearly disbursements):												
Income, Allocation and (Spending)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Capital Fund FWD \$284,349 @ 6% yield >	<b>\$17,061</b>	Per year income										
Maintenance & Improvements budget supplement	(\$5,657)	Brings yearly maintenance spending to level sufficient to sustain buildings										
Building Purchase Fund (cummulative balance)	\$9,904	\$19,808	\$29,711	\$39,615	\$49,519	\$59,423	\$69,326	\$79,230	\$89,134	\$99,038	\$108,942	\$8,942
(New Bldg. Purchase fund: put \$100K down on a new purchase after 10 years)											\$100,000	
Building Purchase Fund – investment yearly income @ 6% yield >	<b>\$0</b>	<b>\$594</b>	<b>\$1,188</b>	<b>\$1,783</b>	<b>\$2,377</b>	<b>\$2,971</b>	<b>\$3,565</b>	<b>\$4,160</b>	<b>\$4,754</b>	<b>\$5,348</b>	<b>\$5,942</b>	
Increasing Yearly Community Grants Program >	(\$1,500)	(\$2,094)	(\$2,688)	(\$3,283)	(\$3,877)	(\$4,471)	(\$5,065)	(\$5,660)	(\$6,254)	(\$6,848)	(\$7,442)	(\$1,500)
<b>Balance (not a simple column tally)</b>	<b>\$0</b>											



Reference Data

LCA Financial Report (05-06)

Income	Q1	Q2	Q3	Q4	05-06 Total	05-06 Budget
Cost Share	\$19,022.01	\$17,760.00	\$17,190.00	\$16,150.00	\$70,122.01	\$71,400
Unspent Maintenance	\$8,000.00	\$-	\$-	\$-	\$8,000.00	\$-
Interest	\$38.33	\$37.35	\$36.71	\$38.64	\$151.03	\$130
Workshop Facilitation Gra	\$-	\$-	\$-	\$-	\$-	\$-
Misc.	\$500.00	\$663.42	\$-	\$-	\$1,163.42	\$1,163
<b>Total</b>	<b>\$27,560.34</b>	<b>\$18,460.77</b>	<b>\$17,226.71</b>	<b>\$16,188.64</b>	<b>\$79,436.46</b>	<b>\$72,693</b>

Expenses	Q1	Q2	Q3	Q4	05-06 Total	05-06 Budget
Annuity	\$1,230.00	\$1,230.00	\$1,230.00	\$1,230.00	\$4,920.00	\$4,920
Mortgage Interest	\$562.03	\$532.93	\$520.40	\$495.70	\$2,111.06	\$2,300
Mortgage Principle	\$961.52	\$990.62	\$1,003.15	\$1,027.85	\$3,983.14	\$3,794
Licenses	\$-	\$240.00	\$-	\$-	\$240.00	\$300
Taxes	\$272.55	\$13,286.73	\$-	\$267.22	\$13,826.50	\$14,000
Insurance	\$4,516.44	\$4,516.44	\$2,681.25	\$3,517.20	\$15,231.33	\$21,000
BookKeeping	\$590.00	\$-	\$-	\$-	\$590.00	\$600
Operating	\$-	\$-	\$-	\$-	\$-	\$100
Misc.	\$460.00	\$-	\$-	\$-	\$460.00	\$2,000
Maintenance Grants	\$10,362.00	\$10,000.00	\$2,400.00	\$7,739.18	\$30,501.18	\$22,000
Workshop Facilitation Gra	\$-	\$-	\$-	\$-	\$-	\$-
Workshop Facilitation Gra	\$-	\$-	\$-	\$-	\$-	\$400
Escrow Interest	\$19.24	\$19.24	\$19.24	\$19.24	\$76.95	\$90
<b>Total</b>	<b>\$18,973.78</b>	<b>\$30,815.96</b>	<b>\$7,854.04</b>	<b>\$14,296.39</b>	<b>\$71,940.16</b>	<b>\$71,504</b>

<b>NEI</b>	<b>\$8,586.56</b>	<b>###</b>	<b>\$9,372.67</b>	<b>\$1,892.25</b>	<b>\$7,496.30</b>	<b>\$1,188.80</b>
------------	-------------------	------------	-------------------	-------------------	-------------------	-------------------

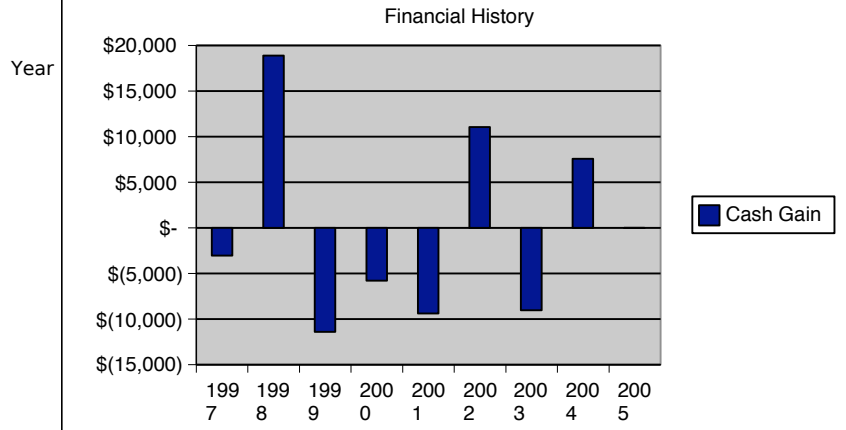
Proposed budgets

No Cost Share increase	\$50 Cost Share increase	With additional \$35 increase
<b>06-07 Budget</b>	<b>06-07 Budget</b>	<b>07-08 Budget</b>
\$71,400	\$75,600	\$78,540
\$-	\$-	\$-
\$130	\$130	\$130
\$-	\$-	\$-
\$-	\$-	\$-
<b>\$71,530</b>	<b>\$75,730</b>	<b>\$78,670</b>

06-07 Budget	06-07 Budget	07-08 Budget
\$4,920	\$4,920	\$4,920
\$1,900	\$1,900	\$1,900
\$4,194	\$4,194	\$4,194
\$300	\$300	\$300
\$14,500	\$14,500	\$15,000
\$21,000	\$21,000	\$22,050
\$600	\$600	\$600
\$100	\$100	\$100
\$16,500	\$16,500	\$2,000
\$7,000	\$11,000	\$27,000
\$-	\$-	\$-
\$400	\$400	\$400
\$90	\$90	\$90
<b>\$71,504</b>	<b>\$75,504</b>	<b>\$78,554</b>

<b>\$26</b>	<b>\$226</b>	<b>\$116</b>
-------------	--------------	--------------

Balance Sheet		
<b>Assets</b>		
Cash	Commerce B	\$23,679.89
	PFCU	\$464.98
	<b>Total</b>	<b>\$24,144.87</b>
	Emergency f	\$10,000.00
	Operational	\$14,144.87
Escrow	PFCU	\$6,963.23
Loans	Mariposa	\$0.00
<b>Liabilities</b>		
	Kent's Annuity	\$4,920.00
	Mortgage (C	\$19,740.10



Proposed Budget Notes:

Please note that the Misc. Expenses for 2006-7 include \$15480 for Basement Installment plan and \$1020 for other misc expenses