

Lummi Island Scenic Estates Community Club, Inc.

Proposed 2021 Budget (Modified Cash Basis)

	2018 Actual	2019 Actual	2020 Budget	2021 Budget	Note
Income:					
Dues	\$287,305	\$290,000	\$288,550	\$288,550	398 dues-paying lots @ \$725/lot
Water Fees	68,598	69,435	69,875	70,000	Rounded up from 2019 actual/2020 budget
Water Loan Fees (DWSRF)	27,503	28,400	28,400	28,400	Same each year
Interest Income	1,792	8,914	2,000	1,500	Recent actual much higher, but interest rates have sharply decreased
Other Income	25,238	50,012	24,200	18,150	25% decrease to 2020 budget (uncertainty re: what late fees, penalties, etc., we will charge in 2021)
Allowance for Doubtful Accounts	N/A	N/A	-14,000	-14,000	Budgeted separately but reduces other accounts in actuals
Total Income	410,436	446,761	399,025	392,600	
Expenses:					
Operations:					
Vehicle Maintenance	4,271	711	4,000	4,000	Same as 2020 budget
Buildings Maintenance	5,179	4,470	7,000	7,000	
Marina Maintenance	1,816	750	2,000	2,000	
Dock Deployment	114	0	1,000	1,000	
Grounds/Roads/Maintenance	2,508	5,000	5,000	5,000	Larger projects come from reserves
Supplies	2,028	3,605	2,500	4,000	Round up from 2019 actual
Total Operations	15,916	14,536	21,500	23,000	
Utilities:					
Telephone (Cell & Internet)	4,285	4,418	4,530	4,530	Same as 2020 budget
Electricity	7,164	6,211	8,000	8,000	
Garbage	273	271	300	450	Minor changes from 2020 budget to reflect current costs/expectations
Propane	2,056	2,067	3,500	3,000	
Gasoline/Diesel	1,564	2,438	2,000	2,200	
Total Utilities	15,342	15,405	18,330	18,180	
Administration:					
Bank/Payment Processing Fees	353	716	800	800	Same as 2020 budget
Insurance	60,432	57,207	58,870	27,500	10% increase over estimated 2020-21 actual
Website	370	281	950	950	Same as 2020 budget
Postage, Mailing Service	1,922	2,222	2,000	2,500	In case DOH requires additional notices
Administrative Supplies & Serv	3,043	3,678	4,750	4,856	Slight increase from 2020 budget
Tech (Hardware, Software, Backup)	719	416	800	3,600	New computers/monitors for operations staff
Director Stipend	2,719	3,202	3,625	3,625	5 board positions, \$725/ea
Total Administration	69,558	67,722	71,795	43,831	

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Staffing:					
Employee Wages	103,227	109,744	117,500	123,375	
Payroll Taxes	12,547	11,733	13,900	14,595	5% increase from 2020 budget as placeholder (currently expect 2020 actuals to exceed budget by small %)
Employee Benefits	10,519	9,964	15,500	16,275	
Employee Training	234	1,041	3,000	3,000	Same as 2020 budget
Employee Travel	401	624	1,050	1,050	
Total Staffing	126,928	133,106	150,950	158,295	
Professional Services:					
Accounting/Bookkeeping Fees	5,460	5,775	6,000	6,000	Same as 2020 budget
Audit Expense	0	9,000	4,500	4,950	10% increase to 2020 budget
Payroll Processing	1,580	1,694	1,800	1,800	Same as 2020 budget
Legal/Lien Fees	160	4,675	15,000	8,600	Decrease to reflect lower 2019 actual and 2020 trend
Total Professional Services	7,200	21,144	27,300	21,350	
Taxes & Licenses					
Income Taxes	0	3,216	500	2,000	Function of interest income, which has increased in recent years
Property Taxes	2,697	2,089	2,700	2,765	10% increase over 2020 actual
Business Taxes & Licenses	3,740	4,572	4,050	5,576	
Total License & Taxes	6,437	9,877	7,250	10,342	
Water:					
Treatment Plant Management	2,744	6,431	7,000	8,000	2020 budget + \$1K for cell phone data
Reservoir Mgmt (Water Ops)	1,389	2,493	1,000	1,500	Raw water line repair
Storage Tanks	0	775	1,000	1,000	Same as 2020 budget
Distribution System	12,975	6,037	6,000	6,000	
Chemicals	2,657	3,761	2,500	4,000	Increases due to turbidity issues
Water Testing	1,157	1,587	1,500	4,500	
Permits & Fees	3,660	4,586	3,500	4,000	In line with 2018-19 actuals
Total Water	24,582	25,670	22,500	29,000	
Other:					
Reserve Study	1,000	3,275	1,000	3,603	Site visit - 2019 actual +10%
Depreciation Expense	22,800	36,862	31,632	48,000	Estimate based on current actual and anticipated additional capital expenses - also see adjustment below
Interest Expense DWSRF	4,067	3,655	4,745	3,500	Estimate based on 2019 actual
Total Other	27,867	43,792	37,377	55,103	
Total Expenses	293,830	331,252	357,002	359,100	
Net Income	\$116,606	\$115,509	\$42,023	\$33,500	

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Adjustments					
Depreciation	22,800	36,862	31,632	48,000	Back out non-cash expense
DWSRF Loan Principal	-27,503	-24,745	-23,655	-24,900	Not truly an expense, included here as a cash outflow. Total DWSRF interest + principal is \$28,400, same as total Water Loan Fees income above.
Annual Reserve Contribution	-60,000	-51,900	-50,000	-56,600	Not truly an expense, included in the budget since it is an outflow from operating cash
Total Adjustments	-64,703	-39,783	-42,023	-33,500	
Net Operating Cash	\$51,903	\$75,726	\$0	\$0	

Additional Information about Dues and Fees:

Annual Dues:

Dues cover the period of January 1 to December 31 and are billed as of January 1. Dues are payable on a semi-annual basis (as per section 4.5.1.3 of the bylaws), with the first half due on January 1 (becoming delinquent on February 1) and the second half due on June 1 (becoming delinquent on July 1).

As a courtesy and budgeting convenience to members who maintain a current account status, LISECC offers a monthly payment plan for dues. LISECC will issue monthly payment coupons to qualifying members in January. If a member becomes 30 days delinquent, their account will revert to a semi-annual payment schedule as specified by section 4.5.1.3 of the bylaws.

Water Fees are billed bi-monthly and are due within 30 days of invoice.

Water Loan Fees (DWSRF) are included in the dues billing and on the same payment schedule as dues.

Typical annual costs (not including water usage fees) per dues-paying lot include:

	Without water connection	With water connection
Annual dues	\$725	\$725
Water Loan Fees (DWSRF)	71	71
Water RTS Fee	N/A	120
Total	\$796	916*
		*Plus water usage fees