

The 2020 Budget and financial reports will be reviewed at the Annual Meeting.

A few items to note:

2020 Budget: The 2020 budget projects a total income of \$398,276 which includes a conservative increase of 3% in base maintenance fees, \$10 increase in Winter Surcharge from \$32 to \$42 and a \$6 increase in Hot Tub Fee from \$54 to \$60. With total expenses at \$453,191 a negative variance of (\$54,915) is expected at year end. However if we can continue to improve on sales income and collections we can make up the difference.

2019 Budget: Overall income projected for June 2019 is \$203,184. This is \$2,634 more than last year at this time Overall expenses are \$211,867. This is \$11,869 more than last year at this time. Overall actual expenses are \$9,925 less than budgeted for the reporting period. Variances and explanations are listed below:

Administrative Expenses -Overall expenses in this category are \$83,378. This is higher than the same period last year and largely because the computer expenses were not being billed until recently. The positive variance of \$3,124 against budget for the year is largely due to timing of audit expense.

Utilities – Overall utilities at \$37,925 are lower than last year during this time by \$3,119. Most line items are close to budget, the savings reflected in the cable TV/Internet in YTD against budget is offset by the higher YTD actual in propane.

Operating and Maintenance Expenses -Expenses are \$28,618 for the reporting period. This is \$6,735 higher than last year and slightly lower than 2019 budgeted projections. With the addition of the bed bug PM and pest program, pest control is higher than last year's actual and our budgeted expense. Plowing and sanding is also higher than last year. Capital improvements reflects \$3,601 for the sealcoating at \$3,336 plus the line striping at \$265 that total the \$3601 reflected in the Capital Improvements line item in this category.

Guest Services at \$46,752 is \$2,531 higher than this time last year and slightly lower than budget projections for this year.

Operating Cash is \$164,045 and is \$18,020 higher than the \$146,025 during this time last year.

Reserve Special Assessment #1015 has been closed and the balance of \$860.92 was transferred into the money market account and will be used in part for payment for the computer upgrade and building wifi upgrade. The monies from that assessment was used for the purchase industrial washing machines (\$14,215) and security system (\$4,442) in 2015, paving (\$57,557) in 2016 and carpeting throughout the common areas of the Inns (\$20,300) in 2018.

Replacement Reserves #1210 & #1230 are two items significance . First is the **CD #1210** which represents **\$61,798.39** in Certificates of Deposit for most of the Replacement Reserves. The rest of the money, **\$34,031**, was held in **Northway Reserve MM** (money market) **#1230**. Earlier in the year the Money Market and the two CD's were merged into a new three year CD that will mature 3/4/2022 and the Northway Reserve **MM #1230** was closed. The remaining CD will mature on 6/22/2020.

Payroll Checking Account #1022 was set up for payroll for three full time staff.

Bank Balances/Cash Positions through June 2019 and Compared to June 2018.

		JUNE -19		JUNE -18	
#1009	Operating Checking	\$	32,117	\$	23,400
#1220	Money Market	\$	131,928	\$	122,625
	Operating Total		\$164,045	\$	146,025
#1022	Payroll		15,002		0
#1015	Speical Assessment Reserve	\$	0	\$	21,166
#1245	Security Deposit	\$	2,831	\$	2,029
#1230	Reserve Money Market	\$	0	\$	34,031
#1210	CD's	\$	96,236	\$	61,798
	Total Reserves		\$96,236	\$	95,829
	Total Cash	\$	278,114	\$	265,049
	Excluding Special Assessments	\$	NA	\$	243,883

The financial records of the Inns of Waterville Valley Association are reviewed by the accounting firm of Diane B. Rhodes, CPA of Plymouth, NH. In addition, this firm prepares our annual tax filings with the IRS and the State of New Hampshire.

Your Board of Directors and the Inns of Waterville Valley Association Staff make every effort to control costs while maintaining a high standard for operations. Owners can help by referring prospective owners (and renters). We have some excellent interval units now available for sale (and lease) at reasonable prices.

Linda Sousa
Member – Board of Directors and Treasurer