

**HMC Management
Profit & Loss Budget
October 2013 through September 2014**

Assessable Units
Units minus delinquents
Total Income minus Assessments
Total Expenses and Reserves
Assessment per member
Total Assessments

| Oct 11 - Sep 12 | Oct 12 - Sep 13 | Oct 13 - Sep 14 |
|-----------------|-----------------|-----------------|
| 395 | 394 | 394 |
| 390 | 389 | 388 |
| 207,237 | 277,278 | 220,070 |
| 975,598 | 927,686 | 909,556 |
| 1,970 | 1,672 | 1,777 |
| 768,361 | 650,408 | 689,486 |

| | Oct 06 - Sep 7 | Oct 07 - Sep 8 | Oct 08 - Sep 9 | Oct 09 - Sep 10 | Oct 10 - Sep 11 | Actual Oct 11 - Sep 12 | Current Budget | Proposed Budget |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------------|-------------------|--------------------|
| Ordinary Income/Expense | | | | | | | | |
| Income | | | | | | | | |
| Assessments | 463,867.51 | 482,211.51 | 595,767.38 | 595,697.79 | 648,216.56 | 620,980 | 650,408 | 689,486 |
| Ferry Fees | 152,056.82 | 139,517.33 | 161,715.82 | 157,613.93 | 191,962.96 | 193,362 | 165,000 | 175,000 |
| Other Income | | | | | | | | |
| Beachcomber Ads | 740.00 | 500.00 | 650.00 | 680.00 | 600.00 | 700 | 600 | 600 |
| Renter's Fees, Copy, Fax and Notary | 7,248.00 | 2,558.39 | 2,018.95 | 418.40 | 2,356.83 | 760 | 2,000 | 2,000 |
| Nsf Fees | 924.00 | 175.00 | 446.00 | 315.00 | 245.00 | 175 | 200 | 200 |
| Postage | 34.69 | 385.04 | 27.20 | 15.76 | 20.65 | 34 | 20 | 20 |
| Property Transfer fee | 4,300.00 | 2,000.00 | 1,800.00 | 2,500.00 | 2,475.00 | 1,750 | 1,000 | 1,000 |
| Research Office Time Fees | | | | | | | 500 | 250 |
| Interest & Handling (Delinquent Accounts) | 10,931.97 | 10,620.08 | 8,155.10 | 3,668.48 | 16,207.42 | 9,195 | 4,558 | 5,000 |
| Member Credit Card Fees | 2,611.75 | 66.13 | 562.49 | 5,355.00 | 0.00 | 147 | 1,000 | 1,000 |
| Other Income | | | | | | 1,008 | - | - |
| Attorney Collections (see note 5) | 11,456.33 | 12,257.12 | 1,552.45 | 8,933.65 | 29,791.41 | 10,366 | 10,000 | 10,000 |
| Total Other Income | 26,890.41 | 16,454.64 | 13,659.74 | 12,952.64 | 23,463.57 | 13,770 | 19,878 | 20,070 |
| Reserve Transfer | | | | | | | | |
| Ramp Cable Replacement - every 5 years | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | - | - | 25,000 |
| Shipyards (2 Years on even years) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | - | 92,000 | - |
| Total Reserve Transfer | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | - | 92,000 | 25,000 |
| Carry Forward | | | | | | | | |
| Interest Earned | | | | | | | | |
| HMC Management Reserves | | 962.53 | 3,313.57 | 176.70 | 182.75 | 94 | 180 | - |
| General Fund | 22,787.68 | 12,971.06 | 711.67 | 391.15 | 220.67 | 12 | 220 | - |
| Total Interest Earned | 22,787.68 | 13,933.59 | 5,434.47 | 1,287.02 | 403.42 | 105 | 400 | - |
| Total Income | 689,881.08 | 668,505.58 | 789,674.66 | 775,149.02 | 887,510.08 | 828,217 | 927,686 | 909,556 |
| Expense | | | | | | | | |
| HMC Regular Operations | | | | | | | | |
| Accountant/Auditor | 3,775.00 | 4,324.00 | 4,424.00 | 4,610.00 | 4,913.74 | 5,544 | 6,000 | 5,000 |
| Reserve Analysis | | | | | | - | 2,000 | 1,300 |
| Bad Debt Write Off | | | -2.00 | | 10,770.23 | - | - | 2,000 |
| Bank Fees | 818.02 | 915.09 | 316.75 | 296.95 | 303.50 | 92 | 350 | 300 |
| Amount of Check that was returned for NSF | | 1,401.00 | 529.80 | 1,613.00 | 1,792.98 | 977 | - | - |
| Community Building Maintenance | | | | | | 2,152 | 1,000 | 1,000 |
| Community Asso. Institute | 375.00 | 130.00 | 130.00 | 120.00 | 130.00 | 130 | 150 | 150 |
| Contract Svcs for Junk Removal | | | | | 0.00 | - | 500 | 150 |
| Credit Card Fees - Member Payments | | 1.21 | 768.17 | 897.63 | 939.90 | 886 | 1,000 | 1,000 |
| Emergency Preparedness | 1,101.12 | 1,845.36 | 1,902.36 | 1,124.19 | 0.00 | 1,168 | 500 | 500 |
| State and County Taxes | 4,487.17 | 2,816.27 | 4,945.68 | 2,852.75 | 6,254.57 | 3,492 | 6,500 | 6,000 |
| HMC Property Pre-Sale Expense | | | 605.48 | | 0.00 | - | 200 | 200 |
| Removal of unsafe trees | | | | | 0.00 | 3,255 | 2,500 | 5,000 |
| Insurance (see Note 4) | | | | | | | | |
| Directors/Officers Ins | 2,738.00 | 2,738.00 | 2,732.00 | 2,528.00 | 2,550.00 | 55 | 2,700 | 2,785 |
| Crime (Break-ins and Theft) | 479.00 | 0.00 | | 456.00 | 456.00 | - | 460 | 460 |
| 5 Million Excess Liability | 17,831.00 | 18,735.50 | 21,881.00 | 20,604.00 | 6,998.00 | 7,226 | 10,500 | 10,300 |
| 14 Million Excess Liability | 339.50 | 239.50 | | 3,041.00 | -4,500.60 | | 9,500 | 9,270 |
| Total Insurance | 21,387.50 | 21,713.00 | 24,613.00 | 26,629.00 | 5,503.40 | 7,281 | 23,160 | 22,815 |
| Legal Fees (see note 5) | | | | | | | | |
| Collection Costs | 15,034.97 | 12,940.79 | 22,213.04 | 18,630.59 | 18,255.43 | 17,170 | 18,000 | 18,000 |
| General | 5,840.20 | 6,038.92 | 7,191.88 | 25,167.40 | 18,639.69 | 4,781 | 12,000 | 12,000 |
| Total Legal Fees | 20,875.17 | 18,979.71 | 29,404.92 | 43,797.99 | 36,895.12 | 21,951 | 30,000 | 30,000 |

HMC Management
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October 2013 through September 2014

| | Oct 06 - Sep 7 | Oct 07 - Sep 8 | Oct 08 - Sep 9 | Oct 09 - Sep 10 | Oct 10 - Sep 11 | Oct 11 - Sep 12 | Current Budget | Proposed Budget |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------------|--------------------|
| Office Equipment | 139.84 | 102.96 | 1,579.73 | 458.85 | 3,640.82 | 693 | 1,500 | 1,000 |
| Other | | | | | | | | |
| Education and Training | 0.00 | 0.00 | 25.00 | 0.00 | 25.00 | 168 | 100 | 150 |
| CrystalTech-Web hosting | 0.00 | 0.00 | 95.37 | 106.11 | 20.79 | 93 | 100 | 100 |
| Mileage | | | | | | 58 | 200 | 250 |
| Background Checks | | | | | | - | 200 | 200 |
| Miscellaneous & copier contract | 5,596.54 | 6,498.30 | 2,147.29 | 612.55 | 958.07 | 1,049 | 500 | 500 |
| Total Other | 5,596.54 | 6,498.30 | 2,267.66 | 718.66 | 1,003.86 | 1,368 | 1,100 | 1,200 |
| Payroll Expenses | 2,613.97 | 2,583.58 | 782.53 | 2,925.07 | 834.12 | 819 | 1,000 | 1,000 |
| Pension Administration Ferry Crew | 530.00 | 530.00 | 1,060.00 | 530.00 | 530.00 | 595 | 550 | 600 |
| Postage | | | | | | | | |
| Box Fee | 46.00 | 236.64 | 441.26 | 70.00 | 70.00 | 70 | 80 | 80 |
| Stamps & Postage | 1,884.62 | 1,425.41 | 1,293.81 | 1,823.10 | 2,995.53 | 2,163 | 2,500 | 2,500 |
| Total Postage | 1,930.62 | 1,662.05 | 1,735.07 | 1,893.10 | 3,065.53 | 2,233 | 2,580 | 2,580 |
| Printing | 3,721.81 | 4,326.90 | 2,785.44 | 3,927.38 | 3,247.68 | 2,454 | 1,000 | 1,000 |
| Admin Salaries | | | | | | | | |
| Aflac | | -935.75 | -5,248.80 | -3,592.80 | -3,406.80 | (44) | - | - |
| Medical Insurance | 3,255.80 | 2,302.54 | 4,723.29 | 6,796.43 | 7,709.30 | 10,135 | 10,000 | 10,300 |
| Retirement | 868.92 | 2,345.52 | 2,238.93 | 2,424.29 | 2,445.94 | 2,533 | 2,105 | 2,070 |
| Gross Wages | 68,875.34 | 75,501.14 | 76,892.04 | 74,596.40 | 77,419.86 | 81,270 | 67,051 | 69,230 |
| Payroll Taxes | 5,433.95 | 6,134.64 | 6,296.11 | 5,979.31 | 6,684.37 | 6,749 | 6,173 | 6,378 |
| Total Admin Salaries | 78,434.01 | 85,348.09 | 84,901.57 | 86,203.63 | 90,852.67 | 100,643 | 85,329 | 87,978 |
| Island Security Costs | 390.35 | 2,017.78 | 2,195.94 | 1,595.10 | 368.21 | 3,969 | 500 | 1,200 |
| Office Supplies | 1,014.55 | 600.81 | 3,909.59 | 761.54 | 1,095.67 | 967 | 1,200 | 1,200 |
| Telephone/Fax | 2,340.18 | 2,017.67 | 2,343.94 | 2,241.78 | 2,238.83 | 2,495 | 2,500 | 2,500 |
| Utilities/Electric | 390.46 | | 317.56 | 1,157.46 | 1,287.17 | 1,370 | 2,000 | 1,500 |
| Facilities and Grounds Maintenance | | | | | | | | |
| Gross Wages | 1,078.00 | 1,214.50 | 1,585.50 | 1,843.75 | 2,231.00 | 1,463 | 2,250 | 6,300 |
| Payroll Taxes | 86.23 | 253.16 | 329.83 | 250.39 | 272.67 | 199 | 300 | 947 |
| Total HMC Regular Operations | 151,085.54 | 159,281.44 | 173,432.52 | 186,448.22 | 178,171.67 | 166,195 | 175,669 | 184,420 |
| Piles, Dolphins and Ferry Ramps | | | | | | | | |
| Garbage - Ferry | | | 270.38 | 181.28 | 196.37 | 218 | 225 | 250 |
| Insurance - Docks and Piers (see note 4) | | | | | 0.00 | 12,977 | 13,200 | 16,045 |
| Ferry Ramp Generator Maintenance and Fuel | | | | | | - | 1,000 | 600 |
| Other | | | | | | | | |
| Annual DNR Lease | | 610.71 | 343.29 | 313.05 | 0.00 | 222 | 500 | 225 |
| Parts and Supplies | 414.26 | 1,493.68 | 138.79 | 645.65 | 822.86 | 3,817 | 1,000 | 1,000 |
| Other/Inspection | 3,647.57 | 164.12 | | 4,330.60 | 720.00 | 197 | 1,000 | 1,000 |
| Total Other | 4,061.83 | 2,268.51 | 482.08 | 5,289.30 | 1,542.86 | 4,236 | 2,500 | 2,225 |
| Repairs/Maintenance | 42,706.16 | 21,003.58 | 1,516.03 | 31,353.32 | 47,169.37 | 19,583 | 3,000 | 3,000 |
| Sanikans | | | 1,974.60 | 2,509.40 | 2,837.80 | 2,762 | 3,000 | 3,000 |
| Utilities | 745.38 | 110.90 | 1,606.29 | 1,327.92 | 1,795.71 | 1,773 | 1,900 | 1,900 |
| Cable Replacement | | | | | | - | - | 25,000 |
| Total Ferry Docks and Ramps | 47,513.37 | 23,382.99 | 5,849.38 | 40,661.22 | 53,542.11 | 41,548 | 24,825 | 52,020 |

**HMC Management
Profit & Loss Budget
October 2013 through September 2014**

| | Oct 06 - Sep 7 | Oct 07 - Sep 8 | Oct 08 - Sep 9 | Oct 09 - Sep 10 | Oct 10 - Sep 11 | Oct 11 - Sep 12 | Current Budget | Proposed Budget |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|----------------|-----------------|
| Ferry | | | | | | | | |
| Engine Overhaul | | 29,536.95 | 94,981.80 | 140.68 | 35,441.16 | | | |
| Equipment | 784.01 | 795.36 | 2,482.48 | 2,060.16 | 7.14 | 69 | 2,500 | 2,500 |
| Fuel | 53,431.65 | 74,463.68 | 44,803.25 | 59,368.91 | 68,313.13 | 72,199 | 90,000 | 85,500 |
| Insurance (see note 4) | 40,186.00 | 41,096.00 | 42,031.83 | 42,110.00 | 52,796.00 | 48,290 | | |
| Marine Package | | | | | | | 19,000 | 19,160 |
| Vessel Pollution Liability | | | | | | | 1,100 | 1,130 |
| Commercial Package | | | | | | | 6,500 | 6,810 |
| Total Insurance | | | | | | | 26,600 | 27,100 |
| Repairs | 7,489.37 | 243.90 | 1,505.05 | 5,658.11 | 5,805.37 | 1,122 | 6,000 | 6,000 |
| Other | | | | | | | | |
| Rentals for fill in Captains/Deck Hands | | | | | | - | 500 | 500 |
| Sheds (waiting, oil and school) | | | | | | - | 300 | 300 |
| Cellphone | 550.85 | 517.99 | 528.88 | 690.70 | 542.02 | 547 | 600 | 600 |
| Drug Testing | 593.00 | 590.00 | 1,108.00 | 293.50 | 592.00 | 853 | 600 | 300 |
| Inspections and Licensing | 151.72 | 1,293.83 | 1,248.00 | 600.00 | 2,214.96 | 800 | 2,300 | 1,500 |
| Miscellaneous | 3,097.59 | 1,547.78 | 890.44 | 784.38 | 2,121.76 | 2,393 | 2,000 | 2,000 |
| Tickets & Passes & Stickers | 513.41 | 988.44 | 30.14 | 2,085.12 | 1,667.01 | - | 1,100 | 1,500 |
| Uniforms | 894.44 | 985.90 | 1,238.80 | 1,029.54 | 1,713.53 | 1,038 | 1,200 | 1,300 |
| Legal Fees - IBU Attorney | 868.41 | 15.04 | 1,125.67 | | 288.00 | - | 500 | 500 |
| Total Other | 6,669.42 | 5,938.98 | 6,169.93 | 5,483.24 | 9,139.28 | 5,630 | 9,100 | 8,500 |
| Passenger Vessel Asso. | 0.00 | 385.00 | 806.00 | 409.00 | 421.00 | 447 | 450 | 450 |
| Routine Maintenance & Supplies | 5,220.86 | 2,224.80 | 4,205.34 | 5,692.63 | 5,420.36 | 6,188 | 5,500 | 6,000 |
| Ferry Salaries & Benefits | | | | | | | | |
| Medical Insurance | 17,013.17 | 20,764.86 | 15,656.61 | 26,224.20 | 31,243.26 | 39,811 | 40,000 | 41,200 |
| Retirement-Employer | 8,103.24 | 14,665.12 | 12,580.99 | 14,076.79 | 13,326.04 | 13,078 | 15,545 | 15,648 |
| Payroll Taxes | 15,684.83 | 18,359.72 | 17,530.56 | 18,628.92 | 19,301.55 | 18,728 | 23,721 | 23,584 |
| Gross Wages | 191,385.10 | 207,886.55 | 234,361.44 | 261,010.33 | 251,641.90 | 239,979 | 267,168 | 267,087 |
| Total Ferry Salaries & Benefits | 232,186.34 | 261,958.65 | 280,380.00 | 322,355.84 | 318,465.15 | 311,595 | 346,434 | 347,519 |
| Ship Yard | | | | | 91,947.76 | 665 | 92,000 | - |
| Supplies, Paper Products, Water | 1,155.66 | 4,900.86 | 1,692.14 | 768.41 | 847.70 | 1,962 | 2,000 | 2,150 |
| Personal Property & Excise | 878.28 | 2,522.84 | 2,466.52 | 3,099.13 | 2,488.04 | 2,271 | 3,000 | 2,600 |
| Total Ferry | 348,001.59 | 424,067.02 | 481,524.34 | 447,146.11 | 591,092.09 | 450,438 | 583,584 | 488,319 |
| Parks | | | | | | | | |
| Maintenance | | | | | | | | |
| Lawn Equipment | 1,402.51 | 3,620.99 | 2,624.02 | 1,027.87 | 2,531.38 | 23 | 200 | 200 |
| General upkeep including park parking | | | | | | 24 | 2,800 | 2,800 |
| Total Maintenance | | | | | | 47 | 3,000 | 3,000 |
| Other | | | | | | | | |
| Garbage Pick Up | 599.20 | 573.17 | 521.66 | 516.23 | 330.88 | 536 | 600 | 600 |
| Misc. | 443.26 | 2,260.77 | 359.19 | 31.14 | 1,540.82 | 84 | - | 100 |
| Sanikans | 5,293.60 | 5,208.35 | 2,055.52 | 3,065.83 | 3,464.34 | 2,974 | 3,600 | 3,300 |
| Total Other | 6,336.06 | 8,042.29 | 2,936.37 | 3,613.20 | 5,336.04 | 3,594 | 4,200 | 4,000 |
| Parks Development | | | | 190.05 | 0.00 | 415 | - | - |
| Playground Improvement | | | | 344.89 | 0.00 | 231 | - | - |
| Small Boat Dock Floats | | | | | | 187,477 | - | - |
| Removal and Installation Equipment Rental - \$1,000 for each rental of equipment | | | | | | - | 1,000 | 2,000 |
| Maint & Improvements | 312.60 | 276.10 | 161.66 | 2,915.78 | 625.20 | - | 750 | 750 |
| Total Small Boat Dock | 312.60 | 276.10 | 161.66 | 2,915.78 | 625.20 | 187,477 | 1,750 | 2,750 |
| Supplies & Equipment Repairs | 269.09 | 2,160.87 | 536.52 | 327.00 | 494.29 | 598 | 1,000 | 1,000 |
| Utilities | 889.64 | 1,757.12 | 590.19 | 482.92 | 506.33 | 578 | 900 | 700 |
| Total Parks | 7,807.39 | 12,236.38 | 4,224.74 | 7,338.90 | 6,961.86 | 192,939 | 10,850 | 11,450 |

**HMC Management
Profit & Loss Budget
October 2013 through September 2014**

| | Oct 06 - Sep 7 | Oct 07 - Sep 8 | Oct 08 - Sep 9 | Oct 09 - Sep 10 | Oct 10 - Sep 11 | Oct 11 - Sep 12 | Current Budget | Proposed Budget |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------------|--------------------|
| Roads (ferry island/mainland lots) | | | | | | | | |
| Auto Insurance (water truck) | 964.00 | 964.00 | 854.00 | 825.00 | 943.00 | 802 | 850 | 847 |
| Dust Control Truck | 1,378.00 | 1,520.66 | 4,580.57 | 124.06 | 507.65 | 3,302 | 1,700 | 2,500 |
| Road Maintenance (Contract Costs) | 26,043.75 | 36,921.01 | 22,331.35 | 13,955.03 | 14,083.05 | 12,982 | 15,000 | 17,000 |
| Road & Ditch Materials & Supplies | 7,470.54 | 20,710.48 | 6,761.68 | 869.42 | 2,552.82 | 2,362 | 8,000 | 8,000 |
| Salaries | | | | | | | | |
| Payroll taxes | 47.62 | 0.00 | 0.00 | 53.01 | 0.00 | - | 108 | - |
| Tansy | 600.00 | 0.00 | 0.00 | 1,200.00 | 0.00 | 30 | 600 | - |
| Total Salaries | 647.62 | 0.00 | 0.00 | 1,253.01 | 0.00 | 30 | 708 | - |
| Total Roads | 36,503.91 | 60,116.15 | 34,527.60 | 17,026.52 | 18,086.52 | 19,478 | 26,258 | 28,347 |
| Total Expense | 590,911.80 | 679,083.98 | 699,558.58 | 698,620.97 | 847,854.25 | 870,598 | 821,186 | 764,556 |
| RESERVE FUND BUDGET Note 3 | | | | | | | | |
| HMC REGULAR OPERATIONS AREA | | | | | | | | |
| Reserve - Legal (Cap is \$35,000 - Balance is \$34,550) | | | | | | - | - | - |
| Reserve - Community Building & Sheds and Septic (Cap is \$20,000 - Balance is \$1,000) | | | | | | - | 1,000 | 1,500 |
| Total HMC Regular Operations Reserve Fund Budget | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | - | 1,000 | 1,500 |
| PILES, DOLPHINS AND FERRY RAMPS | | | | | | 30,000 | | - |
| Dock Piles and Ferry Dolphins (Cap is \$768,000 - Balance is \$108,478) | | | | | | - | 9,000 | 9,000 |
| Ramp Painting (Cap is \$212,000 - Balance is \$19,000) | | | | | | - | 19,000 | 33,500 |
| Reserve - Inspection of Ramps (Cap is \$12,000 - Balance is \$6,000.00) Required by Pierce County | | | | | | - | 6,000 | 3,000 |
| Reserve - Ramp Cable Replacement (Cap is \$25,000 - Balance is \$5,000.00) Recurring 5 year expense cycle previously not budgeted. | | | | | | - | 5,000 | 20,000 |
| Total Piles, Dolphins and Ferry Ramps Reserve Fund Budget | | | | | | 30,000 | 39,000 | 65,500 |
| FERRY | | | | | | | | |
| Reserve - Shipyard (Cap is \$95,000 - Balance is \$200,000 - Balance is \$0) Note 2 | | | | | | 46,000 | 46,000 | 49,000 |
| Reserve - Engine Overhaul/Replacement (Cap is \$200,000 - Balance is \$0) Note 2 | | | | | | 20,000 | 12,000 | 9,000 |
| Reserve - Ferry Replacement (Cap is 1,000,000 - Balance is \$1,000) | | | | | | - | 1,000 | 1,000 |
| Total Ferry Reserve Fund Budget | | | | | | 66,000 | 59,000 | 59,000 |
| PARKS | | | | | | | | |
| Reserves - Parks (Cap is \$36,000 - Balance is \$30,700) For new basketball court and riding mower Note 6 | | | | | | 6,000 | 4,000 | 2,000 |
| ROADS (FERRY ISLAND/MAINLAND LOTS) | | | | | | | | |
| Reserves - Roads General (Cap is \$50,000 - Balance is \$35,240) Note 7 | | | | | | 3,000 | 3,000 | 14,000 |
| \$500.00) | | | | | | - | 500 | 3,000 |
| Total Roads Reserve Fund Budget | | | | | | 3,000 | 3,500 | 17,000 |
| TOTAL RESERVE FUND BUDGET | | | | | | 105,000 | 106,500 | 145,000 |
| TOTAL EXPENSES AND RESERVES | | | | | | 975,598 | 927,686 | 909,556 |

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| Oct 06 - Sep 7 | Oct 07 - Sep 8 | Oct 08 - Sep 9 | Oct 09 - Sep 10 | Oct 10 - Sep 11 | Oct 11 - Sep 12 | Current Budget | Proposed Budget |
|----------------|----------------|----------------|-----------------|-----------------|-----------------|-------------------|--------------------|
|----------------|----------------|----------------|-----------------|-----------------|-----------------|-------------------|--------------------|

General note: This budget was generated based on analysis of the last five years of actually expenses. This budget follows the accounting requirements and format used by HMC.

Note 1: Ferry goes into dry dock every two years on the even year

Note 2: New engines and transmissions will be completed in Sept 2013 which will deplete the reserves. Next yard service estimated in 2016.

Note 3: Reserve accounts are recommended to total 10% of operating budget for HOA's. Refer to Annual Reserve Fund Budget Disclosure.

Note 4: Insurance was broken down per actual policy and allocated to appropriate departments for the 2013-2014 budget cycle.

Note 5: Legal fee expense is partially off set by legal fee income. This allows for accounting requirements.

Note 6: The Parks Reserve will be reduced by actual cost of the Basketball Court once that project has been completed.

Note 7: It is expected most of the Roads Reserve will be utilized in the 2012/2013 FY for purchase of rock.

HMC Management
Profit & Loss Budget
October 2013 through September 2014

HMC WATER

Assessable Connections
Connections minus delinquents
Base Fee per Connection
Reserve Fee per Connection
Assessment per Connection - Annual
Assessment per Connection - Monthly
Total Assessments - All Connections

Water

Ordinary Income/Expense
Base Fees

Reserves
USDA Water Special Assessment
Total Income

Expense

Accountant/Auditor
Bad Check
Bank Fee
Contract Manager
Insurance
Legal
Mailings
Membership Fees
Mileage Reimbursement
Other Expenses
Excise Tax
Miscellaneous
Permits & License
Water Samples
Total Other Expenses
Repairs - Parts
Supplies & Repairs - Contractors
Utilities
Wages - Administrative and Meter Reading
Taxes
Insurance
Pension
USDA Water Special Assessment
Total Expense

To Water Reserve (Cap is \$1,800,000.00 - Balance is \$110,123)
Total Expense and Reserve

| | Oct 06 - Sep 7 | Oct 07 - Sep 8 | Oct 08 - Sep 9 | Oct 09 - Sep 10 | Oct 10 - Sep 11 | Oct 11 - Sep 12 | Current Budget | Proposed Budget |
|-----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-------------------|--------------------|
| Actual | | | | | | | | |
| Oct 11 - Sep 12 | | | | | | | Oct 12 - Sep 13 | Oct 13 - Sep 14 |
| | | | | | | 395 | 399 | 397 |
| | | | | | | 390 | 394 | 390 |
| | | | | | | 156.00 | 156 | 154 |
| | | | | | | 84.00 | 84 | 98 |
| | | | | | | 240.00 | 240 | 252 |
| | | | | | | 20.00 | 20 | 21 |
| | | | | | | 93,600 | 94,276 | 98,300 |
| | | | | | | | | |
| | | | | | | 61,200 | 61,276 | 60,250 |
| | | | | | | 32,400 | 33,000 | 38,050 |
| | | | | | | - | - | 53,278 |
| | | | | | | 101,696 | 94,276 | 151,578 |
| | | | | | | | | |
| | | | | | | 485 | 1,000 | 1,000 |
| | | | | | | 270 | 200 | 200 |
| | | | | | | 32 | 50 | 50 |
| | | | | | | 9,541 | 15,000 | 12,000 |
| | | | | | | - | 1,800 | 1,800 |
| | | | | | | 2,617 | 1,700 | 1,500 |
| | | | | | | - | 1,000 | 1,500 |
| | | | | | | 183 | 200 | 200 |
| | | | | | | 273 | 100 | 400 |
| | | | | | | | | |
| | | | | | | 577 | 1,000 | 2,100 |
| | | | | | | 1,328 | 400 | 500 |
| | | | | | | 3,775 | 1,000 | 500 |
| | | | | | | 4,837 | 500 | 500 |
| | | | | | | 10,517 | 2,900 | 3,600 |
| | | | | | | 10,385 | 2,000 | 2,000 |
| | | | | | | 1,117 | 3,000 | 2,000 |
| | | | | | | 3,500 | 3,000 | 3,000 |
| | | | | | | 1,484 | 24,400 | 27,800 |
| | | | | | | - | 2,420 | 2,600 |
| | | | | | | - | 1,980 | - |
| | | | | | | - | 526 | 600 |
| | | | | | | - | - | 53,278 |
| | | | | | | 40,404 | 61,276 | 113,528 |
| | | | | | | | | |
| | | | | | | 32,400 | 33,000 | 38,050 |
| | | | | | | 72,804 | 94,276 | 151,578 |