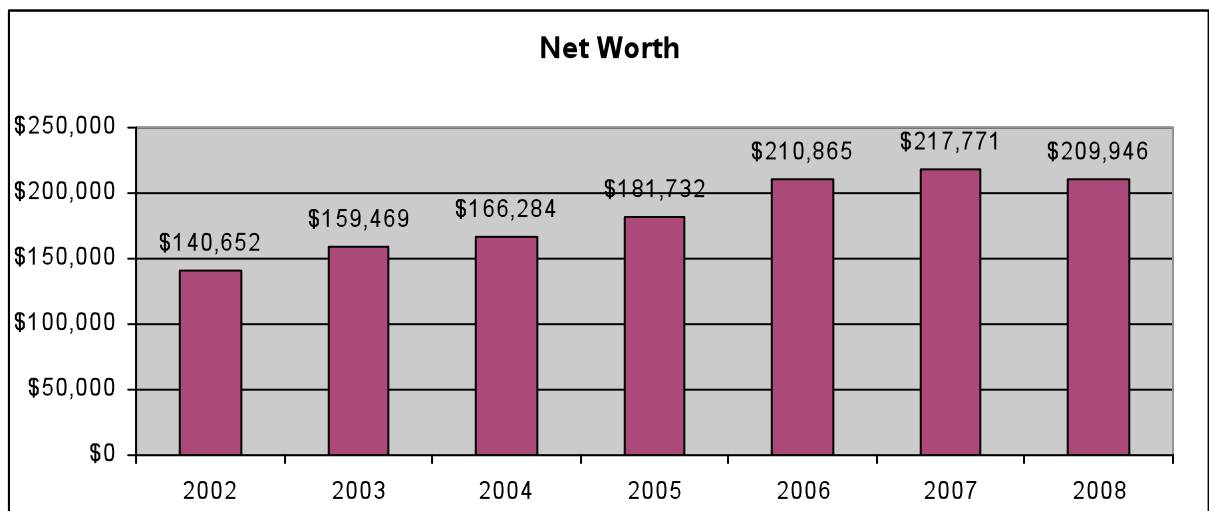


Date: 10/12/08

To: Willo Board Members – Annual Report 05/01/07 – 04/30/08

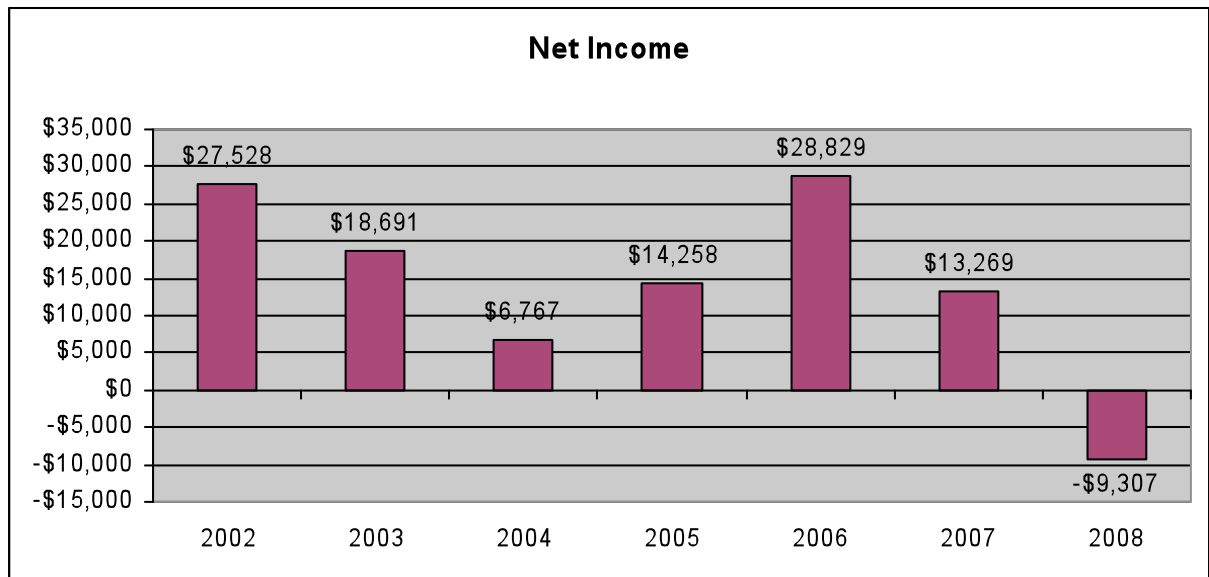
The assets and liabilities of the Willo Neighborhood Association as of 04/30/08:

<u>Assets:</u>	<u>04/30/08</u>	<u>04/30/07</u>
Cash		
Cash-Chase Checking Account	\$ 4,641.74	\$ 9,514.94
Cash-Chase Money Market Account	65,696.11	95,129.98
Cash-Chase CD	0.00	25,000.00
Cash-Edward Jones CD's & MM act	150,292.97	99,981.26
Total Cash	\$ 220,630.82	\$ 229,626.18
Unrecognized Expenses (Prepaid Expenses)	\$ 0.00	\$ 0.00
Accounts Receivable	195.50	0.00
Deposits Pending	<u>0.00</u>	<u>0.00</u>
Total Assets:	\$ 220,826.32	\$ 229,626.18
<u>Liabilities:</u>		
Unrecognized Income (Prepaid Ads)	\$ 10,178.50	\$ 9,729.75
Current Expenses (Bills Pending)	<u>701.58</u>	<u>2,125.85</u>
Total Liabilites:	\$ 10,880.08	\$ 11,855.60
Net Worth:	\$ 209,946.24	\$ 217,770.58



Profit and Loss:

	Year Ended 04/30/08	Year Ended 04/30/07
Block Watch	(2,110.13)	(37.43)
Historic Registration	76.60	609.44
Home Tour	17,293.74	36,027.42
Luminaria	(2,167.32)	(1,898.69)
Newsletter	(7,279.82)	2,469.27
Interest Income	8,476.62	5,350.68
Legal	(8,007.00)	(19,199.60)
Miscellaneous	(15,589.76)	(10,412.51)
Streetscape	0.00	(96.40)
Zoning Committee	0.00	(236.75)
Adjustments	<u>0.00</u>	<u>693.87</u>
Net Income (Loss)	\$ (9,307.07)	\$13,269.30



Note 1 – Fiscal Year

The operating year of May 1st through April 30th was chosen to allow time to tabulate the income and expenses from the annual Home Tour in February – the major source of income for the neighborhood. The Board of Director elections are held semi-annually (2007, 2009, etc) in March with new officers beginning in April.

Note 2 – Financial Summary

Page 1 of this report provides a complete financial summary of all Willo Neighborhood Association activities – provided on an accrual basis. Income is recognized when earned and expenses are recognized when incurred. This primarily affects the neighborhood newsletter “Inside Willo”. Prepaid advertising is identified as income received but not yet earned and is deducted as a liability from assets. Expenses that are paid in advance are identified as prepaid expenses and are included as an asset.

Note 3 – Block Watch

The Block Watch program is a volunteer organization helping to fight crime in the Willo Neighborhood. Block Watch was revived in 2006 and has made significant achievements, receiving complements from the Phoenix Police Department. The expenses incurred are paid from the general fund for the betterment of the neighborhood.

	Year Ended 04/30/08	Year Ended 04/30/07
Income:		
FQ Story	\$ 0.00	\$ 100.00
Total Income:	\$ 0.00	\$ 100.00
Expenses:		
Advertising	\$ 151.25	\$ 137.43
Helium Refill	0.00	0.00
Supplies	65.29	0.00
GAIN event	400.00	0.00
Kick-off meeting expenses – food	728.02	0.00
Sign expense	<u>765.57</u>	<u>0.00</u>
Total Expenses:	\$ 2,110.13	\$ 137.43
Net Income (Loss)	(\$2,110.13)	(\$ 37.43)

Note 4 – Historic Registration

For several years, Board Member Gene Nance has helped Willo Neighborhood residents complete the Historic Registration applications.

Each year, residents wishing to take advantage of the Historic Tax Exemption are required to register by completing an application, having their signature notarized and forwarding pictures of their home to the Historic Registration office. As a community service, Gene Nance takes pictures of the home and notarizes the signatures on the applications. For this service, he collects a \$10.00 donation from each resident applicant.

	Year Ended 04/30/08	Year Ended 04/30/07
Income	\$ 80.00	\$ 675.00
Expenses	<u>\$ (3.40)</u>	<u>(65.56)</u>
Net Income (Loss)	\$ 76.60	\$ 609.44

Note 5 – Home Tour

The annual Willo Neighborhood Association Home Tour is the largest single fund-raising project of the neighborhood. Held in February, the tour generally features 12-14 homes for viewing by the general public. Admission is charged and the funds are used for the betterment of the neighborhood. Attendance has averaged over 3,000 people for several years. This was the 20th Anniversary Home Tour and additional funds were approved for advertising expenses. Income for tickets was kept separate from T-Shirt/Poster income this year – in previous years, all funds were rolled into Ticket Sales.

	2008 Home Tour	2007 Home Tour
Income:		
Ticket Sales – (includes change from Treasury):	\$ 24,123.00	\$ 33,832.00
Credit Card Sales	6,825.01	6,162.75
Less Returned Checks	0.00	0.00
Internet Sales	16,454.40	13,831.79
Less Change	<u>(3,000.00)</u>	<u>(3,000.00)</u>
Total Ticket Sales:	\$ 44,402.41	\$ 50,826.54
Brochure Ads	\$ 3,850.00	\$ 4,600.00
Vendor Sales - Checks	1,457.50	2,122.50
Vendor Sales – Internet	3,162.14	0.00
Bank Fees	<u>(10.00)</u>	0.00
Less Returned Checks - Vendors	<u>(50.00)</u>	0.00
Plus recovery of NSF + fees	60.00	0.00
T-Shirt/Poster Sales	2,395.00	69.05
Less Change	<u>(1,000.00)</u>	0.00
Unbudgeted Income – Front Porch	2,426.00	675.00
Less Refunds	<u>(75.00)</u>	<u>(50.00)</u>
Total Gross Income:	\$ 56,618.05	\$ 58,243.09
Expenses:		
Administrative Expenses:		
Cell Phone	\$ 166.83	\$ 302.13
Postage	0.00	0.00
Bank Charges	671.59	399.61
Pre-Sale Ticket Printing	0.00	72.64
Wireless Terminals	<u>601.89</u>	<u>0.00</u>
Total Admin Expenses:	\$ 1,440.31	\$ 774.38

Tour Day Expenses:		
Signage	\$ 0.00	\$ 0.00
Trolley	2,878.25	2,397.20
Table and Chair Rental	645.61	136.30
Street Closure	459.78	463.65
Port-a-Potties	756.52	526.48
Music	1,200.00	1,000.00
TP/Wipes, etc.	0.00	0.00
Police Officers	750.00	150.00
Insurance (75% of Policy)	1,242.78	745.37
Misc – not itemized	<u>2,527.70</u>	<u>209.82</u>
Total Tour Day Expenses:	\$ 10,460.64	\$ 5,628.82
PR Expenses:		
Magnets	\$ 85.00	\$ 85.00
Brochure Printing	2,685.04	2,299.47
Brochure Graphic Design	1,000.00	0.00
T-Shirts	1,774.56	1,478.55
Poster Printing	656.44	1,001.00
Promo Fliers	220.22	130.02
Banner Stands & Signage	163.50	299.34
Pre-Sale Posters	0.00	0.00
Advertising	11,380.50	3,570.55
Misc.	<u>500.00</u>	<u>0.00</u>
Total PR Expenses:	\$ 18,465.26	\$ 8,863.93
Vendor Expenses:		
Vendor Mailings	\$ 0.00	\$ 0.00
Vendor Fliers	0.00	0.00
Paper and Name Badges	306.81	16.73
Homeowner Door Hangers	16.94	0.00
Misc	<u>726.38</u>	<u>81.03</u>
Total Vendor Expenses:	\$ 1,033.19	\$ 114.70
Homeowner Expenses:		
Name Tags	\$ 0.00	\$ 0.00
Gifts	1,752.94	1,638.55
Prospecting Fliers	<u>0.00</u>	<u>38.03</u>
Total Homeowner Expenses:	\$ 1,752.94	\$ 1,676.58
Event Expenses:		
Brunch	\$ 1,171.27	\$ 1,030.17
Homeowner Fall Welcome Party	609.96	0.00
Pre-Tour Party	<u>4,390.74</u>	<u>4,127.09</u>
Total Party Expenses:	\$ 6,171.97	\$ 5,157.26
Total Expenses:	<u>\$ 39,324.31</u>	<u>\$ 22,215.67</u>
Gross Profit (Loss)	\$ 17,293.74	\$ 36,027.42

Note 6 – Luminaria

The Willo Luminaria are a neighborhood tradition. Streets throughout the neighborhood are lined with luminarias each year on the three days preceding Christmas.

	Year Ended 04/30/08	Year Ended 04/30/07
Income:		
Contributions	\$ 532.13	\$ 585.50
Less overpayment for Sand – refunded	<u>(177.13)</u>	<u>0.00</u>
Total Income:	\$ 355.00	\$ 585.50
Expenses:		
Insurance	\$ 242.27	\$ 248.45
Sand	177.13	191.48
Less Overpayment – Invoice paid twice	<u>(177.13)</u>	<u>0.00</u>
Bags, Candles, supplies	2,102.92	2,044.26
Fliers and Misc.	<u>0.00</u>	<u>0.00</u>
Total Expenses:	\$ 2,522.32	\$ 2,484.19
Net Income (Loss)	(\$ 2,167.32)	(\$ 1,898.69)

Note 7 – “Inside Willo” – the Willo Neighborhood Newsletter

The Willo Neighborhood publishes a newsletter for the benefit of the community. Any revenues received over expenses are added to the general fund to be used for the benefit of the neighborhood. The cost of publication is intended to be offset by the sale of advertising. The Editor and Sales Ad Representative is Kelli Ramirez.

	Year Ended 04/30/08	Year Ended 04/30/07
Newsletter Summary:		
Advertising Sales	\$ 35,036.58	\$ 38,223.00
Color Sales	580.00	1,230.00
Accounts Receivable – Ads	97.75	0.00
Accounts Receivable – Color	<u>0.00</u>	<u>0.00</u>
Total Sales:	\$ 35,616.58	\$ 39,453.00
Expenses:		
Editor’s Salary	\$ 3,000.00	\$ 2,750.00
Ad Commissions	8,657.88	8,432.28
Ad Lay-Out Salary	3,500.00	3,250.00
Printing Expense	26,375.55	20,989.06
Other Expenses	<u>1,236.02</u>	<u>1,102.64</u>
Total Expenses:	\$ 42,896.40	\$ 36,523.98
Adjustments:		
Refunds of overpayments	\$ 0.00	\$ 428.25
Payment applied to Luminaria	0.00	25.50
NSF fee (was reimbursed by merchant)	<u>0.00</u>	<u>6.00</u>
Total Adjustments:	\$ 0.00	(\$ 459.75)
Net Income (Loss)	(\$ 7,279.82)	\$ 2,469.27

Advertising rates for “Inside Willo” are listed below:

Note – rate increases of approx. 10% were approved in July 07 effective January 08. Printing costs continue to increase and ad revenues were not covering the increased expenses. Advertisers were given advance notice and were able to pre-pay at the old rate until January.

Rates through 12/31/07:

Ad Size	1 Issue	3 Issues	6 Issues
Business Card	\$ 30.00	\$ 81.00	\$ 153.00
¼ Page	\$ 70.00	\$189.00	\$ 357.00
½ Page	\$105.00	\$283.50	\$ 535.50
Full Page	\$165.00	\$445.50	\$ 841.50
Back Cover	\$215.00	\$580.50	\$1,096.50

Rates effective 01/01/08:

Ad Size	1 Issue	3 Issues	6 Issues
Business Card	\$ 35.00	\$ 94.50	\$ 178.50
¼ Page	\$ 80.00	\$216.00	\$ 408.00
½ Page	\$115.00	\$310.50	\$ 585.50
Full Page	\$180.00	\$486.00	\$ 918.00
Full Page (inside front/back)	\$200.00	\$540.00	\$1,020.00
Back Cover (4 color, full bleed)	N/A	\$750.00	\$2,200.00

Full page color is an additional \$50.00.

Half-page color is an additional \$45.00.

Quarter-page color is an additional \$45.00.

Color is not available for Business Card ads.

Ad Sales compensation is calculated at 25% of ad sales.

Editor Salary is \$300.00 per issue (revised Dec 06).

Lay-Out Salary is \$350.00 per issue (revised Dec 06).

Previous increases were approved by the Board on 03/97 and 12/02.

Note 8 – Interest Income

The Willo Neighborhood maintains a checking account and an interest-bearing Money Market account at JP Morgan Chase. CD's are currently invested at Edward Jones – one CD was invested with Chase and has since matured. Copies of statements are available upon request.

Interest Earned Summary – Chase Money Market #xxxx6236:

	Year Ended 04/30/08	Year Ended 04/30/07
May	\$ 220.32	\$ 276.25
June	123.78	144.37
July	93.47	137.53
August	108.38	115.06
September	160.81	40.05
October	111.54	119.79
November	114.39	116.21
December	94.00	110.48
January	74.12	110.39
February	29.59	118.04
March	31.58	103.00
April	<u>37.98</u>	<u>173.55</u>
Total Interest – Chase Money Market:	\$ 1,199.97	\$ 1,664.72

Interest Earned Summary – Edward Jones CD's:

May	\$ 2,491.85	\$ 0.00
November	0.00	3,685.96
December	<u>3,818.64</u>	<u>0.00</u>
Total Interest – Edward Jones:	\$ 6,310.49	\$ 3,685.96

Interest Earned Summary – Chase CD:

August	<u>\$ 966.16</u>	<u>\$ 0.00</u>
Total Interest - Chase:	\$ 966.16	\$ 0.00

Total Interest – all accounts:	\$ 8,476.62	\$ 5,350.68
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Note 9 – Zoning Committee

The Zoning Committee reviews issues and projects that could impact the neighborhood. In past years, expenses incurred were absorbed by individual members of the neighborhood.

	Year Ended 04/30/08	Year Ended 04/30/07
Income	\$ 0.00	\$ 0.00
Expenses	<u>\$ 0.00</u>	<u>\$ 236.75</u>
Net Income (Loss)	\$ 0.00	(\$ 236.75)

Note 10 – Streetscape

On 08/08/05, the Willo Board committed to spending \$150,000 in Willo Neighborhood funds to calm the traffic on 3rd and 5th Avenues by narrowing the entrances and exits to McDowell and Thomas Roads. Expenses incurred were for printing and mailing ballots to the members of the neighborhood at the request of the City of Phoenix.

	Year Ended 04/30/08	Year Ended 04/30/07
Income	\$ 0.00	\$ 0.00
Expenses	<u>\$ 0.00</u>	<u>\$ 96.40</u>
Net Income (Loss)	\$ 0.00	(\$ 96.40)

Note 11 – Legal

The Willo Neighborhood Association incurred Legal Expenses as a result of a lawsuit filed on 06/16/06 by a neighborhood resident requesting copies of ballots for the Streetscape project. The civil case was filed in the Superior Court of Maricopa County, case #CV2006-009197. The case was found in favor of Willo – a subsequent review and then an appeal were also in favor of Willo, 1 CA-CV 07-0117. The case then reached the Supreme Court, case #CV-07-0444-PR. The Supreme Court denied the application for review and confirmed awarded attorney’s fees to Willo. A total of \$12,000.00 in awarded attorney’s fees are pending as of the end of the financial period. Other expenses were incurred for reviews of charity giving, By-Laws revisions, and the neighborhood’s Non-Profit status.

	Year Ended 04/30/08	Year Ended 04/30/07
Income:		
April 07	\$ 0.00	\$ 20.00
April 08	<u>6,238.00</u>	<u>0.00</u>
Total Income:	\$ 6,238.00	\$ 20.00
Expenses:		
May	\$ 2,873.95	\$ 0.00
June	0.00	0.00
July	5,458.01	0.00
August	1,796.00	4,582.00
September	60.00	3,009.60
October	40.00	2,993.68
November	0.00	1,545.07
December	901.14	80.00
January	0.00	180.00
February	1,320.41	0.00
March	1,794.49	1,650.00
April	<u>0.00</u>	<u>5,179.25</u>
Total Expenses:	\$ 14,245.00	\$ 19,219.60
Net Income (Loss)	(\$ 8,007.00)	(\$ 19,199.60)

Note 12 – Miscellaneous

All other financial activities of the Willo Neighborhood are charged to miscellaneous. Expenses are incurred for the benefit of the neighborhood.

	Year Ended 04/30/08	Year Ended 04/30/07
Income:		
Photocopies for lawsuit	\$ 4.00	\$ 0.00
IRS refund 2007	<u>31.22</u>	<u>0.00</u>
Total Income:	\$ 35.22	\$ 0.00
Expenses:		
Donations & Gifts	\$ 1,125.94	\$ 3,048.58
Water Bills	218.09	264.16
Storage Unit/PO Box	1,505.43	1,541.43
Board Meetings	832.00	600.00
Website Hosting	2,274.33	2,379.35
Corporation Filing Fee	10.00	10.00
Insurance	422.00	422.00
Kleanstreets	371.86	0.00
Taxes and related expenses	4,412.12	0.00
Walton Park	2,760.00	0.00
Misc	1,049.21	1,818.32
Legal – By-Laws	<u>644.00</u>	<u>0.00</u>
Total Expenses:	\$ 15,624.98	\$ 10,412.51
Net Income (Loss)	(\$ 15,589.76)	(\$ 10,412.51)

Note 13 – Adjustments

	Year Ended 04/30/08	Year Ended 04/30/07
Income:		
Cash found in boxes – 2005 Home Tour	\$ 0.00	\$ 593.00
Overpayment – 2006 Home Tour	0.00	45.00
Interest paid on found cash	<u>0.00</u>	<u>55.87</u>
Total Income:	\$ 0.00	\$ 693.87
Expenses:	\$ 0.00	\$ 0.00
Net Income (Loss)	\$ 0.00	\$ 693.87

Note 14 – Reconciliation of changes in cash:

	Year Ended
Beginning Cash	\$ 229,626.18
Less Prepaid Ads	(9,729.75)
Plus Prepaid Expenses	<u>0.00</u>
Beginning Adjusted Cash	\$ 219,896.43
Plus Net Income by Group:	
Block Watch	(\$ 2,110.13)
Historic Registration	76.60
Home Tour	17,293.74
Luminaria	(2,167.32)
Newsletter	(7,279.82)
Less Accounts Receivable	(195.50)
Interest	8,476.62
Zoning Committee	0.00
Streetscape	0.00
Legal	(8,007.00)
Miscellaneous	(15,589.76)
Adjustments	0.00
Plus Unrecognized Income	10,178.50
Less Prepaid Expenses	0.00
Accounts Receivable from previous period	0.00
Accrued Interest	0.00
Write-off Ads from previous period	0.00
Unrealized gains / losses	58.46
Unexplained Difference	0.00
Ending Cash Position	<u>\$ 220,630.82</u>

This report is certified as true and correct to the best of my knowledge:

Bill Rayner
Treasurer, Willo Neighborhood Association
10/12/08