

LHCC 2007 BUDGET

FINAL

November 15, 2006

|    | A                   | B                                       | C                   |
|----|---------------------|---|---------------------|
| 1  | SUMMARY DESCRIPTION |   | 2007 BUDGET         |
| 2  | Assessment Revenue  | Assmts - Lots w/Houses/Utilities        | \$ 1,135,757        |
| 3  | Assessment Revenue  | Assmts - Lots w/o Utilities Available   | \$ 268,246          |
| 4  | Assessment Revenue  | Annual Trash Assessments                | \$ 73,602           |
| 5  | Assessment Revenue  | Special Assessment for Roads            | \$ 379,173          |
| 6  | Assessment Revenue  | Prior Years Collections                 | \$ 100,000          |
| 7  |                     |   |                     |
| 8  |                     | <b>TOTAL ASSESSMENT REVENUE</b>         | <b>\$ 1,956,777</b> |
| 9  |                     |   |                     |
| 10 | Other Income        | Capitalization Fee/One Time Owner Assmt | \$ 420,000          |
| 11 | Other Income        | Interest Income                         | \$ 25,000           |
| 12 | Other Income        | Activities Income                       | \$ 500              |
| 13 | Other Income        | Late Fees                               | \$ 35,000           |
| 14 | Other Income        | Legal Fee Recovery                      | \$ 50,000           |
| 15 | Other Income        | Newsletter and other Advertising        | \$ 5,000            |
| 16 | Other Income        | Disclosure Packages                     | \$ 21,000           |
| 17 | Other Income        | Sale of LHCC Owned Lots                 | \$ 240,000          |
| 18 | Other Income        | Boat Fees - Under 10HP                  | \$ 6,600            |
| 19 | Other Income        | Boat Fees - 10 HP & Over                | \$ 36,300           |
| 20 | Other Income        | Boat Slip Rental                        | \$ 33,440           |
| 21 | Other Income        | Canoe Slip Rental                       | \$ 440              |
| 22 | Other Income        | Miscellaneous Income                    | \$ 10,000           |
| 23 | Other Income        | Compliance Penalties                    | \$ 1,000            |
| 24 | Other Income        | Loan for Clubhouse Renovation           | \$ 610,000          |
| 25 | Other Income        | LLC Club House Contribution             | \$ 200,000          |
| 26 |                     | Transfer from Clubhouse Reserve         | \$ 450,000          |
| 27 |                     | <b>TOTAL OTHER INCOME</b>               | <b>\$ 2,144,280</b> |
| 28 |                     |   |                     |
| 29 |                     |   |                     |
| 30 |                     | <b>TOTAL INCOME</b>                     | <b>\$ 4,101,057</b> |

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| 1  | SUMMARY DESCRIPTION     |  | 2007 BUDGET       |
| 31 |                         |  |                   |
| 32 | Administrative Expenses | Office Supplies                          | \$ 12,000         |
| 33 | Administrative Expenses | Office Equipment                         | \$ 7,500          |
| 34 | Administrative Expenses | Postage                                  | \$ 30,000         |
| 35 | Administrative Expenses | Printing/Copying                         | \$ 55,000         |
| 36 | Administrative Expenses | Bank Charges                             | \$ 1,000          |
| 37 |                         | Contributions                            | \$ 2,000          |
| 38 | Administrative Expenses | Miscellaneous                            | \$ 3,000          |
| 39 | Administrative Expenses | Advertising                              | \$ 3,000          |
| 40 | Administrative Expenses | Service Charges                          | \$ 500            |
| 41 | Administrative Expenses | Legal Fees - General Counsel             | \$ 110,000        |
| 42 | Administrative Expenses | Legal Fees - Collections                 | \$ 60,000         |
| 43 | Administrative Expenses | Insurance                                | \$ 81,360         |
| 44 | Administrative Expenses | Board & Meeting Expenses                 | \$ 5,000          |
| 45 | Administrative Expenses | Bad Debt Write Off/Recovery              | \$ 10,000         |
| 46 | Administrative Expenses | Web site                                 | \$ 600            |
| 47 | Administrative Expenses | Travel & Mileage                         | \$ 3,000          |
| 48 |                         | <b>TOTAL ADMINISTRATIVE EXPENSES</b>     | <b>\$ 383,960</b> |
| 49 |                         |  |                   |
| 50 | Personnel               | Administrative Salaries                  | \$ 250,270        |
| 51 | Personnel               | Maintenance Salaries                     | \$ 170,377        |
| 52 | Personnel               | Patrol Services Salaries                 | \$ 110,082        |
| 53 | Personnel               | Lifeguard Salaries                       | \$ 13,545         |
| 54 | Personnel               | Federal Unemployment/Fed Withhold Tax    | \$ 4,354          |
| 55 | Personnel               | State Unemployment/State Withholding Tax | \$ 14,151         |
| 56 | Personnel               | FICA                                     | \$ 41,637         |
| 57 | Personnel               | Medical/Health Benefits                  | \$ 20,000         |
| 58 | Personnel               | Training & Misc Expenses                 | \$ 12,000         |
| 59 | Personnel               | 401K                                     | \$ 12,500         |
| 60 |                         | <b>TOTAL PERSONNEL</b>                   | <b>\$ 648,916</b> |
| 61 |                         |  |                   |
| 62 | Taxes & Licenses        | Permits/Licenses                         | \$ 1,000          |
| 63 | Taxes & Licenses        | Income Taxes                             | \$ 25,000         |
| 64 | Taxes & Licenses        | Real Estate Taxes                        | \$ 14,000         |
| 65 | Taxes & Licenses        | Personal Property Taxes                  | \$ 2,500          |
| 66 |                         | <b>TOTAL TAXES &amp; LICENSES</b>        | <b>\$ 42,500</b>  |
| 67 |                         |  |                   |
| 68 |                         |  |                   |
| 69 | Committee Expenses      | Activities                               | \$ 7,000          |
| 70 | Committee Expenses      | Architectural Committee                  | \$ 1,000          |
| 71 | Committee Expenses      | Welcoming Committee                      | \$ 1,500          |
| 72 | Committee Expenses      | Safety Committee                         | \$ 1,000          |
| 73 | Committee Expenses      | Lake Committee                           |                   |
| 74 |                         | <b>TOTAL COMMITTEE EXPENSES</b>          | <b>\$ 10,500</b>  |

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| 75  |                                |  |                   |
| 76  | Utilities                      | Telephone                                    | \$ 8,000          |
| 77  | Utilities                      | Water/Sewer                                  | \$ 4,400          |
| 78  | Utilities                      | Electricity                                  | \$ 14,000         |
| 79  |                                | Club House utilities                         | \$ 5,000          |
| 80  | Utilities                      | Fuel - Heating & Cooling                     | \$ 10,000         |
| 81  | Utilities                      | Internet Service                             | \$ 6,000          |
| 82  |                                | <b>TOTAL UTILITIES</b>                       | <b>\$ 47,400</b>  |
| 83  |                                |  |                   |
| 84  |                                |  |                   |
| 85  | Annual Contracts               | Audit/Tax Return Preparation                 | \$ 7,500          |
| 86  | Annual Contracts               | Financial Management Fees                    | \$ 65,000         |
| 87  | Annual Contracts               | Uniforms                                     | \$ 750            |
| 88  | Annual Contracts               | Trash Removal Contract                       | \$ 70,000         |
| 89  | Annual Contracts               | Exterminating Contract                       | \$ 1,500          |
| 90  | Annual Contracts               | Portable Toilets                             | \$ 1,000          |
| 91  | Annual Contracts               | Lake Culture & Testing                       | \$ 4,000          |
| 92  | Annual Contracts               | Wackenhut Gate Contract                      | \$ 125,310        |
| 93  |                                | <b>TOTAL ANNUAL CONTRACTS</b>                | <b>\$ 275,060</b> |
| 94  |                                |  |                   |
| 95  | As Needed Contracts & Services | Consulting/Engineering                       | \$ 10,000         |
| 96  | As Needed Contracts & Services | Janitorial Services                          | \$ 6,552          |
| 97  | As Needed Contracts & Services | Campground Repairs/Refurbish                 | \$ 1,500          |
| 98  | As Needed Contracts & Services | Road Repairs                                 | \$ 10,000         |
| 99  | As Needed Contracts & Services | Lake & Beach Repairs                         | \$ 3,000          |
| 100 | As Needed Contracts & Services | Dam Maintenance                              | \$ 5,000          |
| 101 | As Needed Contracts & Services | Boat Repairs                                 | \$ 2,000          |
| 102 | As Needed Contracts & Services | Vehicle Maintenance                          | \$ 5,000          |
| 103 | As Needed Contracts & Services | Equipment Repairs                            | \$ 3,500          |
| 104 | As Needed Contracts & Services | Building Repairs                             | \$ 7,500          |
| 105 | As Needed Contracts & Services | Marina Repairs                               | \$ 2,500          |
| 106 | As Needed Contracts & Services | Computer Services                            | \$ 4,000          |
| 107 |                                | Miscellaneous Repairs                        | \$ 1,000          |
| 108 |                                | <b>TOTAL AS NEEDED CONTRACTS &amp; SERVS</b> | <b>\$ 61,552</b>  |
| 109 |                                |  |                   |
| 110 | Materials & Supplies           | Snow Removal                                 | \$ 10,000         |
| 111 | Materials & Supplies           | Perimeter Fences                             | \$ 1,250          |
| 112 | Materials & Supplies           | Miscellaneous Supplies                       | \$ 1,500          |
| 113 | Materials & Supplies           | Equipment Rental                             | \$ 750            |
| 114 | Materials & Supplies           | Tools & Equipment                            | \$ 2,000          |
| 115 | Materials & Supplies           | Janitorial Supplies                          | \$ 1,000          |
| 116 | Materials & Supplies           | Boat & Vehicle Decals - Registration         | \$ 3,200          |
| 117 | Materials & Supplies           | Visitor Passes & Active Tags                 | \$ 5,000          |
| 118 | Materials & Supplies           | Ground & Road Supplies                       | \$ 15,000         |
| 119 | Materials & Supplies           | Electrical Supplies                          | \$ 100            |
| 120 | Materials & Supplies           | Signs  | \$ 1,000          |
| 121 | Materials & Supplies           | Vehicle & Equipment Fuel                     | \$ 15,000         |
| 122 | Materials & Supplies           | Lake & Marina                                | \$ 1,200          |
| 123 |                                | <b>TOTAL MATERIALS &amp; SUPPLIES</b>        | <b>\$ 57,000</b>  |

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| 1   | <b>SUMMARY DESCRIPTION</b>  |                                       | <b>2007 BUDGET</b>  |
| 124 |                             |                                       |                     |
| 125 | Dam                         | Dam                                   | \$ 75,000           |
| 126 | Capital Expenditures        | Roads                                 | \$ 360,214          |
| 127 | Capital Expenditures        | Mid Size Truck General Purpose        | \$ 18,000           |
| 128 | Capital Expenditures        | Snow Blower                           | \$ 1,000            |
| 129 | Capital Expenditures        | Snow Plow Blade                       | \$ 5,000            |
| 130 | Capital Expenditures        | Clubhouse Improvement                 | \$ 1,260,000        |
| 131 | Capital Expenditures        | Leaf Vacuum                           | \$ 23,500           |
| 132 | Capital Expenditures        | Guard Rails                           | \$ 20,000           |
| 133 | Capital Expenditures        | Speed Tables (15)                     | \$ 13,500           |
| 134 | Capital Expenditures        | Furnish Club House Main Room          | \$ 30,000           |
| 135 | Capital Expenditures        | Clubhouse Game Room                   | \$ 3,000            |
| 136 | Capital Expenditures        | Clubhouse Exercise Room               | \$ 20,000           |
| 137 | Capital Expenditures        | Clubhouse Board Room/Library          | \$ 10,000           |
| 138 | Capital Expenditures        | Youth Activities Facilities           | \$ 20,000           |
| 139 |                             | <b>TOTAL CAPITAL INVESTMENTS</b>      | <b>\$ 1,859,214</b> |
| 140 |                             |                                       |                     |
| 141 | Other Expenses              | Projected Delinquencies Homes         | \$ 32,239           |
| 142 | Other Expenses              | Projected Delinquencies Utility Lots  | \$ 10,262           |
| 143 | Other Expenses              | Projected Delinquencies Trash         | \$ 2,944            |
| 144 | Other Expenses              | Projected Delinquencies Lots w/o Util | \$ 26,825           |
| 145 | Other Expenses              | Projected Delinquencies Special Ass.  | \$ 18,959           |
| 146 | Other Expenses              | Clubhouse Loan Repayment              | \$ 53,183           |
| 147 |                             |                                       |                     |
| 148 |                             | <b>TOTAL OTHER EXPENSES</b>           | <b>\$ 144,411</b>   |
| 149 |                             |                                       |                     |
| 150 | Replacement Reserves        | Marina                                | \$ 56,635           |
| 151 | Replacement Reserves        | Buildings & Equipment                 | \$ 193,090          |
| 152 | Replacement Reserves        | Athletic Facilities                   | \$ 1,625            |
| 153 | Replacement Reserves        | Roads                                 | \$ 240,328          |
| 154 |                             |                                       |                     |
| 155 | <b>Replacement Reserves</b> | <b>TOTAL REPLACEMENT RESERVES</b>     | <b>\$ 491,677</b>   |
| 156 |                             |                                       |                     |
| 157 | <b>Contingencies</b>        | <b>TOTAL CONTINGENCIES</b>            | <b>\$ 78,867</b>    |
| 158 |                             |                                       |                     |
| 159 |                             | <b>TOTAL EXPENSES</b>                 | <b>\$ 4,101,058</b> |
| 160 |                             |                                       |                     |
| 161 |                             |                                       |                     |
| 162 |                             |                                       |                     |
| 163 |                             | <b>NET INCOME/LOSS</b>                | <b>\$ (0)</b>       |