

Another Look at Media 55

<p>2009 REDBOOK BUDGET</p> <p>PCM Income~ \$2,369K Expenses~ \$7,305K Loss -\$4,936K /M/M -\$32.30</p> <p>ACTUAL</p> <p>Income \$1,504K Expenses \$8,171K Loss -\$6,667K /M/M -\$43.63</p>	<p style="text-align: center;">Income</p> <p>Ad Insertion \$776K High Speed Internet \$507K <i>Equipment Rental \$350K</i> <i>Premium Channels \$336K</i> <i>Digital Basic \$96K</i> Video Production \$78K <i>Commissions \$60K</i> Service Calls \$63K Ad Income \$61K Regency Service \$0K <i>Modems \$23K</i> Message Board \$16K Video Tapes \$3K TOTAL INCOME \$2,369K</p>	<p style="text-align: center;">Expenses</p> <p><i>Prog./Copyright Fees \$4,546K</i> <i>Salaries & Related \$1,824K</i> <i>Other Operating \$252K</i> <i>Interest \$117K</i> <i>Taxes \$155K</i> <i>Utilities \$154K</i> <i>Materials & Supplies \$86K</i> <i>Professional Fees \$23K</i> <i>Allocation Expenses \$149K</i> TOTAL EXPENSES \$7,305K</p> <p>Loss/yr (TE-TI) \$4,936K ÷12,735 \$388/Manor ÷12 \$32.30/mo Current Monthly Assessment</p>
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Residents Actually Pay Most Items In ITALICS

***This is a loss of: \$6,667K/Yr, or,
\$43.63/Manor/Mo***

The Yearly Budget in the 2009 Red Book contains the numbers listed above. Theoretically, the cost to the owners can be derived by subtracting the Expense (\$7305K) from the Income (\$2369K) resulting in a Loss (-\$4937) that we must pay at a rate of \$32.30 per month.

In reality, those items in italics are paid for by the owners at the time of original purchase or when rented or purchased. When you add up all the “real” expenses (italics) you will find that when you subtract the Expense (\$8171K) from the Income (\$1504K) you end up with a

Loss (\$6667K) that we are paying at a rate of \$43.63 per month.

Playing with the accounting numbers is a special skill of PCM as is evidenced by Land Sales (the golf course, Club-house 1, etc.) and such entities as broadband over the years. PCM is adept at making an item untraceable without special undocumented knowledge of the accounting system.

Prime examples of this are the Monies that were spent for the Incentive Plan and non-emergency Credit Card bills.