

Another Look at Media 55

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

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, Clubhouse 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.