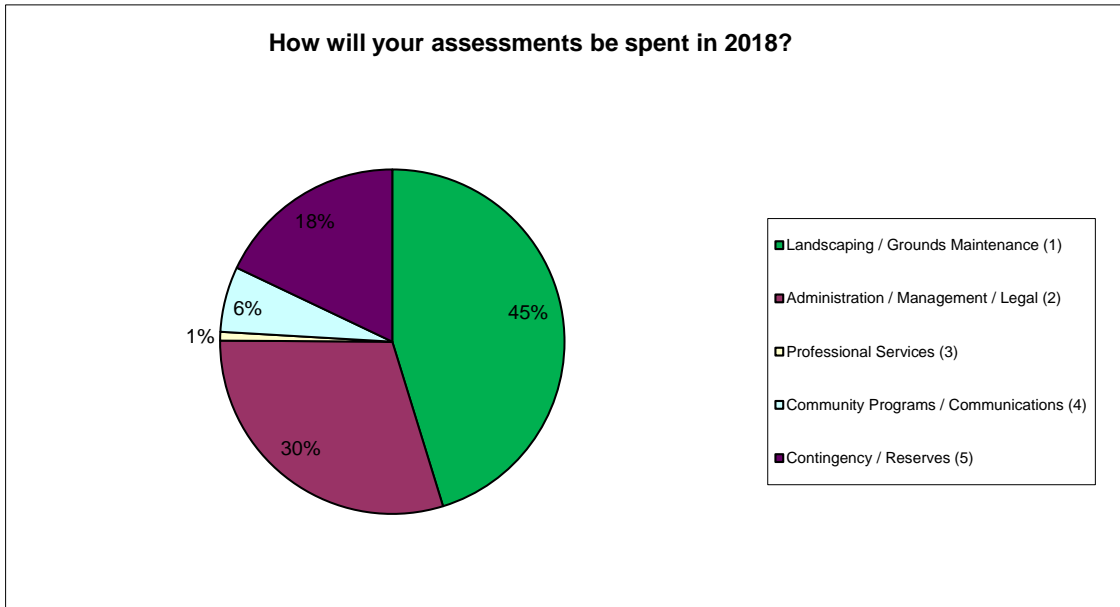


LCMA 2018 Operating Budget

| Income | % of Total | 2018 Proposed Budget | 2017 Budget | YOY Variance | % Increase / Decrease |
|----------------------------|---------------|----------------------|------------------|----------------|-----------------------|
| Assessments - Homeowners | 57.5% | 696,592 | 693,736 | 2,856 | 0.41% |
| Assessments - Apartments | 8.3% | 101,184 | 107,712 | (6,528) | -6.06% |
| Assessments - Commercial | 22.4% | 272,000 | 283,764 | (11,764) | -4.15% |
| Assessments - Schools | 0.5% | 6,528 | 0 | 6,528 | N/A |
| Assessments - Builders | 0.0% | 0 | 1,632 | (1,632) | -100.00% |
| Assessments - IPAs 6th Ave | 1.2% | 15,000 | 15,000 | - | 0.00% |
| Assessments - IPAs Alleys* | 7.7% | 92,940 | 91,020 | 1,920 | 2.11% |
| Interest & Fees | 1.5% | 17,600 | 17,600 | - | 0.00% |
| Professional Services | 0.8% | 10,000 | 10,000 | - | 0.00% |
| Total Income | 100.0% | 1,211,844 | 1,220,464 | (8,620) | -0.71% |

| Expense | % of Total | 2018 Proposed Budget | 2017 Budget | YOY Variance | % Increase / Decrease |
|---|---------------|----------------------|------------------|----------------|-----------------------|
| Landscaping / Grounds Maintenance (1) | 45.2% | 573,579 | 552,101 | 21,478 | 3.89% |
| Administration / Management / Legal (2) | 29.9% | 369,524 | 364,443 | 5,081 | 1.39% |
| Professional Services (3) | 0.8% | 10,000 | 10,000 | - | 0.00% |
| Community Programs / Communications (4) | 6.1% | 70,000 | 75,000 | (5,000) | -6.67% |
| Contingency / Reserves (5) | 17.9% | 188,741 | 218,920 | (30,179) | -13.79% |
| Total Expense | 100.0% | 1,211,844 | 1,220,464 | (8,620) | -0.71% |



* Assessments of \$30/quarter for homeowners who live on LCMA alleys for ongoing maintenance.

- 1: Water/sewer, electricity, grounds maintenance, landscaping & maintenance grants, fertilization/weeds/insect control, grounds/irrigation repairs, tree/shrub/plant maintenance & replacement, lighting maintenance, snow removal.
- 2: Community management, Executive Director, office and meeting expenses, accounting, postage, reserve study, tax prep, insurance, taxes, legal fees, delinquent accts management.
- 3: Construction Inspection
- 4: Community events, communications, website.
- 5: Operating contingency fund, reserve & capital fund contributions.