**HEIDELBERG BEACH ASSOCIATION**
**APPROVED BUDGET**
For the period July 1, 2009 through June 30, 2010

<table>
<thead>
<tr>
<th>Budget Surplus (Deficit) through 06/30/09</th>
<th>Approved Community Assessment '09 - '10</th>
<th>Total Funds Available to Disburse '09 - '10</th>
<th>Approved Budgeted Expenditures '09 - '10</th>
</tr>
</thead>
</table>

**Reserves:**
- Roads: 0.00 1,770.77 1,770.77 1,770.77 installment 4 of 10 to replenish reserve used to pay for new road
- General Fund Replenishment: 0.00 1,899.23 1,899.23 1,899.23 installment 4 of 10 to replenish reserve used to pay for new road
- Sewer Capital Improvement: 0.00 2,475.00 2,475.00 2,475.00 $25 per 99 lots

**Grounds:**
- Street Lights: 0.00 330.00 330.00 330.00 actual for 3 months and an estimate for 9 of approx $28 per month
- Mowing: 1,883.27 7,200.00 9,083.27 9,000.00 22 mowings / leaf mulching at $385 per mow plus sales tax of 6.5%
- Miscellaneous: 0.00 850.00 850.00 850.00 weed/seed promenade - $650 (2 applications), pavilion painting of $160
- Sewer Maintenance: 0.00 0.00 0.00 0.00
- Trees: 2,247.90 5,800.00 8,047.90 8,000.00 per Tree Committee request
- Water: 210.57 7,800.00 8,010.57 8,000.00 estimate based on prior year actual
- Snow Removal: 527.76 1,100.00 1,627.76 1,600.00 estimate based on average of last 2 years
- Roads: 0.00 500.00 500.00 500.00 wild guess on cost to fix sunken manhole covers
- Refuse Collection: 851.24 1,300.00 2,151.24 2,100.00 estimate based on prior year actual
- Communication: 0.00 600.00 600.00 600.00 per Communication Committee request for website update and Sandscribes
- Postage, office supplies, etc.: (120.08) 350.00 229.92 250.00 estimate based on prior year actual
- Insurance: 135.00 1,600.00 1,735.00 1,650.00 estimate based on prior year actual
- Services: 14.42 0.00 14.42 0.00
- Membership Goodwill: 96.26 100.00 196.26 100.00 estimate based on prior year actual
- Prior year income taxes: 0.00 510.00 510.00 510.00 actual
- Common Property RE Tax: 59.54 4,000.00 4,059.54 4,000.00 estimate based on prior year actual - current valuations not available until Dec
- Creek Maintenance: 0.00 0.00 0.00 0.00
- Beach Maintenance: 1,223.86 1,000.00 2,223.86 2,150.00 $1800 to clear bank, $200 for gas to drag beach, $150 for new buoy

**Total:**
7,129.74 39,185.00 46,314.74 45,785.00
HEIDELBERG BEACH ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

Prepared by Dick Castele, Treasurer
HEIDELBERG BEACH ASSOCIATION  
BALANCE SHEET  
At June 30, 2010 and 2009

<table>
<thead>
<tr>
<th></th>
<th>06/30/10</th>
<th>06/30/09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unencumbered</td>
<td>24,614.20</td>
<td>24,138.27</td>
</tr>
<tr>
<td>Budget surplus</td>
<td>1,293.50</td>
<td>12,184.53</td>
</tr>
<tr>
<td>Current year collected reserves</td>
<td>6,145.00</td>
<td>6,145.00</td>
</tr>
<tr>
<td>Construction deposit</td>
<td>5,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total in General Account</strong></td>
<td>37,052.70</td>
<td>42,467.80</td>
</tr>
<tr>
<td><strong>Reserves (see footnote # 1):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate of deposit (# 342291)</td>
<td>19,999.93</td>
<td>15,930.25</td>
</tr>
<tr>
<td>Certificate of deposit (# 342293)</td>
<td>34,982.74</td>
<td>26,772.86</td>
</tr>
<tr>
<td><strong>Total cash and certificates of deposit</strong></td>
<td>92,035.37</td>
<td>85,170.91</td>
</tr>
<tr>
<td><strong>Assessments receivable</strong></td>
<td>705.02</td>
<td>784.21</td>
</tr>
<tr>
<td><strong>Land valuations (see footnote # 2)</strong></td>
<td>280,190.00</td>
<td>280,200.00</td>
</tr>
<tr>
<td><strong>Fixed asset - road (see footnote # 3)</strong></td>
<td>22,020.00</td>
<td>25,690.00</td>
</tr>
<tr>
<td><strong>Mailbox inventory ($40 each)</strong></td>
<td>320.00</td>
<td>360.00</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>395,270.39</td>
<td>392,205.12</td>
</tr>
</tbody>
</table>

|                |            |            |
| **Liabilities:** |            |            |
| **Construction deposit payable** | 5,000.00 | 0.00     |
| **Members capital** | 390,270.39 | 392,205.12 |
| **Total Liabilities and Members Capital** | 395,270.39 | 392,205.12 |
HEIDELBERG BEACH ASSOCIATION  
STATEMENT OF OPERATIONS  
For the years ended June 30, 2010 and 2009

<table>
<thead>
<tr>
<th>Cash receipts from operations:</th>
<th>06/30/10</th>
<th>06/30/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>General assessments</td>
<td>39,185.00</td>
<td>38,361.40</td>
</tr>
<tr>
<td>Septic cleaning assessment</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Members property tax</td>
<td>64,460.84</td>
<td>64,130.84</td>
</tr>
<tr>
<td>Tennis court property tax</td>
<td>0.00</td>
<td>127.36</td>
</tr>
<tr>
<td>Socials</td>
<td>143.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Lot transfer fees</td>
<td>150.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Mailbox sales</td>
<td>40.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Prior year assessments received</td>
<td>784.21</td>
<td>0.00</td>
</tr>
<tr>
<td>less unpaid assessments and taxes</td>
<td>(640.93)</td>
<td>(784.21)</td>
</tr>
<tr>
<td>Total cash receipts from operations</td>
<td>104,142.12</td>
<td>107,105.39</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash disbursements from operations:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted items:</td>
</tr>
<tr>
<td>Reserve replenishments:</td>
</tr>
<tr>
<td>Roads</td>
</tr>
<tr>
<td>General</td>
</tr>
<tr>
<td>Sewer</td>
</tr>
<tr>
<td>Grounds:</td>
</tr>
<tr>
<td>Lights</td>
</tr>
<tr>
<td>Mowing</td>
</tr>
<tr>
<td>Miscellaneous</td>
</tr>
<tr>
<td>Trees</td>
</tr>
<tr>
<td>Water</td>
</tr>
<tr>
<td>Snow Removal</td>
</tr>
<tr>
<td>Roads</td>
</tr>
<tr>
<td>Refuse collection</td>
</tr>
<tr>
<td>Communication</td>
</tr>
<tr>
<td>Postage, supplies, etc.</td>
</tr>
<tr>
<td>Insurance</td>
</tr>
<tr>
<td>Services</td>
</tr>
<tr>
<td>Membership goodwill</td>
</tr>
<tr>
<td>Income taxes</td>
</tr>
<tr>
<td>Common property real estate taxes</td>
</tr>
<tr>
<td>Creek</td>
</tr>
<tr>
<td>Beach</td>
</tr>
<tr>
<td>Septic cleaning</td>
</tr>
<tr>
<td>Total budgeted items</td>
</tr>
<tr>
<td>Members property tax</td>
</tr>
<tr>
<td>Total cash disbursements from operations</td>
</tr>
<tr>
<td>Net cash in (out) from operations</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flow from non operating Items:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income on CD's</td>
</tr>
<tr>
<td>Transfer of reserve cash to CD's</td>
</tr>
<tr>
<td>Construction deposit received</td>
</tr>
<tr>
<td>Net cash in (out) from non operating Items</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net increase (decrease in cash)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year cash</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>End of year cash</td>
</tr>
</tbody>
</table>
### HEIDELBERG BEACH ASSOCIATION
### BUDGET VS ACTUAL
For the period July 1, 2009 through June 30, 2010

<table>
<thead>
<tr>
<th></th>
<th>Budget Surplus (Deficit) through 06/30/09</th>
<th>Approved Community Assessment '09 - '10</th>
<th>Total Funds Available to Disburse '09 - '10</th>
<th>Actual Expenses Through 30-Jun-10</th>
<th>Budget Surplus (Deficit) through 06/30/10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reserves:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads</td>
<td>0.00</td>
<td>1,770.77</td>
<td>1,770.77</td>
<td>(1,770.77)</td>
<td>0.00</td>
</tr>
<tr>
<td>General Fund Replenishment</td>
<td>0.00</td>
<td>1,899.23</td>
<td>1,899.23</td>
<td>(1,899.23)</td>
<td>0.00</td>
</tr>
<tr>
<td>Sewer Capital Improvement</td>
<td>0.00</td>
<td>2,475.00</td>
<td>2,475.00</td>
<td>(2,475.00)</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Grounds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Street Lights</td>
<td>0.00</td>
<td>330.00</td>
<td>330.00</td>
<td>(315.73)</td>
<td>14.27</td>
</tr>
<tr>
<td>Mowing</td>
<td>1,883.27</td>
<td>7,200.00</td>
<td>9,083.27</td>
<td>(8,610.53)</td>
<td>472.74</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>0.00</td>
<td>850.00</td>
<td>850.00</td>
<td>(796.56)</td>
<td>53.44</td>
</tr>
<tr>
<td>Sewer Maintenance</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trees</td>
<td>2,247.90</td>
<td>5,800.00</td>
<td>8,047.90</td>
<td>(8,520.00)</td>
<td>(472.10)</td>
</tr>
<tr>
<td>Water</td>
<td>210.57</td>
<td>7,800.00</td>
<td>8,010.57</td>
<td>(8,502.48)</td>
<td>(491.91)</td>
</tr>
<tr>
<td>Snow Removal</td>
<td>527.76</td>
<td>1,100.00</td>
<td>1,627.76</td>
<td>(1,065.00)</td>
<td>562.76</td>
</tr>
<tr>
<td>Roads</td>
<td>0.00</td>
<td>500.00</td>
<td>500.00</td>
<td>(27.67)</td>
<td>472.33</td>
</tr>
<tr>
<td>Refuse Collection</td>
<td>851.24</td>
<td>1,300.00</td>
<td>2,151.24</td>
<td>(2,004.69)</td>
<td>146.55</td>
</tr>
<tr>
<td>Communication</td>
<td>0.00</td>
<td>600.00</td>
<td>600.00</td>
<td>(454.65)</td>
<td>146.35</td>
</tr>
<tr>
<td>Postage, office supplies, etc.</td>
<td>(120.08)</td>
<td>350.00</td>
<td>229.92</td>
<td>(141.98)</td>
<td>87.94</td>
</tr>
<tr>
<td>Insurance</td>
<td>135.00</td>
<td>1,600.00</td>
<td>1,735.00</td>
<td>(1,585.00)</td>
<td>150.00</td>
</tr>
<tr>
<td>Services</td>
<td>14.42</td>
<td>0.00</td>
<td>14.42</td>
<td>0.00</td>
<td>14.42</td>
</tr>
<tr>
<td>Membership Goodwill</td>
<td>96.26</td>
<td>100.00</td>
<td>196.26</td>
<td>(38.14)</td>
<td>158.12</td>
</tr>
<tr>
<td>Prior year income taxes</td>
<td>0.00</td>
<td>510.00</td>
<td>510.00</td>
<td>(529.99)</td>
<td>(19.99)</td>
</tr>
<tr>
<td>Common Property RE Tax</td>
<td>59.54</td>
<td>4,000.00</td>
<td>4,059.54</td>
<td>(4,031.00)</td>
<td>28.54</td>
</tr>
<tr>
<td>Creek Maintenance</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Beach Maintenance</td>
<td>1,223.86</td>
<td>1,000.00</td>
<td>2,223.86</td>
<td>(2,253.17)</td>
<td>(29.31)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,129.74</td>
<td>39,185.00</td>
<td>46,314.74</td>
<td>(45,021.59)</td>
<td>1,293.15</td>
</tr>
</tbody>
</table>

---

The above table outlines the budget surplus or deficit, approved community assessment, total funds available for disbursement, and actual expenses through June 30, 2010, for various categories under the HEIDELBERG BEACH ASSOCIATION for the period July 1, 2009 through June 30, 2010.
Footnote # 1
Schedule of Certificates of Deposit and Reserve Accounts

<table>
<thead>
<tr>
<th></th>
<th>Creek</th>
<th>Playground</th>
<th>Roads</th>
<th>General</th>
<th>Total</th>
<th>Sewer Maintenance</th>
<th>Sewer Improvements</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of deposit balance at June 30, 2009</td>
<td>3,684.50</td>
<td>519.83</td>
<td>5,657.62</td>
<td>6,068.30</td>
<td>15,930.25</td>
<td>0.00</td>
<td>26,772.86</td>
<td>26,772.86</td>
</tr>
<tr>
<td>Interest earned:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aug '09</td>
<td>31.99</td>
<td>4.51</td>
<td>49.13</td>
<td>52.69</td>
<td>138.33</td>
<td></td>
<td>232.48</td>
<td>232.48</td>
</tr>
<tr>
<td>Nov '09</td>
<td>31.92</td>
<td>4.50</td>
<td>49.02</td>
<td>52.57</td>
<td>138.01</td>
<td></td>
<td>231.95</td>
<td>231.95</td>
</tr>
<tr>
<td>Reserves collected '08 - '09 fiscal year</td>
<td>0.00</td>
<td>0.00</td>
<td>1,770.77</td>
<td>1,899.23</td>
<td>3,670.00</td>
<td></td>
<td>2,475.00</td>
<td>2,475.00</td>
</tr>
<tr>
<td>Transfer from Budget Surplus</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,054.79</td>
<td>5,054.79</td>
</tr>
<tr>
<td>Balance after additional deposits</td>
<td>3,748.41</td>
<td>528.84</td>
<td>7,526.74</td>
<td>8,072.80</td>
<td>19,876.59</td>
<td></td>
<td>29,712.29</td>
<td>34,767.08</td>
</tr>
<tr>
<td>Interest earned:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feb '10</td>
<td>11.46</td>
<td>1.62</td>
<td>23.01</td>
<td>24.68</td>
<td>60.77</td>
<td></td>
<td>15.44</td>
<td>90.78</td>
</tr>
<tr>
<td>May '10</td>
<td>11.80</td>
<td>1.56</td>
<td>23.69</td>
<td>25.41</td>
<td>62.57</td>
<td></td>
<td>15.91</td>
<td>93.53</td>
</tr>
<tr>
<td>Certificate of deposit balance at June 30, 2010</td>
<td>3,771.67</td>
<td>531.92</td>
<td>7,573.44</td>
<td>8,122.89</td>
<td>19,999.93</td>
<td></td>
<td>5,086.14</td>
<td>29,886.60</td>
</tr>
</tbody>
</table>
Footnote # 2

Schedule of County Appraised Land Valuations

<table>
<thead>
<tr>
<th>Parcel</th>
<th>06/30/10</th>
<th>06/30/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-01530</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buffer Zone East</td>
<td>1.62 acres</td>
<td>5,675.00</td>
</tr>
<tr>
<td>Beach and Promenade</td>
<td>3.25 acres</td>
<td>162,500.00</td>
</tr>
<tr>
<td>Woods</td>
<td>5.45 acres</td>
<td>19,075.00</td>
</tr>
<tr>
<td>Pavilion</td>
<td></td>
<td>10,470.00</td>
</tr>
<tr>
<td>Total parcel 12-01530</td>
<td></td>
<td>197,720.00</td>
</tr>
<tr>
<td>12-01609 (Block B and Barn)</td>
<td>110' x 75'</td>
<td>33,830.00</td>
</tr>
<tr>
<td>12-01610 (Block C)</td>
<td>160' x 100'</td>
<td>32,400.00</td>
</tr>
<tr>
<td>12-01571 (Lot 55)</td>
<td>45' x 75'</td>
<td>7,990.00</td>
</tr>
<tr>
<td>12-01587 (Lot 72)</td>
<td>50' x 65'</td>
<td>8,250.00</td>
</tr>
<tr>
<td>Total county appraised land values</td>
<td></td>
<td>280,190.00</td>
</tr>
</tbody>
</table>

Footnote # 3

Schedule of Fixed Assets - Road

In 2006, the Association used reserve funds totaling $36,700.00 to pay for the new road. Of this amount, $17,707.70 was taken from the Road Reserve account and $18,992.30 was taken from a General Reserve account. These reserves are being replenished over a 10 year period through assessments and are summarized below:

<table>
<thead>
<tr>
<th></th>
<th>06/30/10</th>
<th>06/30/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of road work</td>
<td>36,700.00</td>
<td>36,700.00</td>
</tr>
<tr>
<td>Depreciation (assessments collected and reserves replenished)</td>
<td>(14,680.00)</td>
<td>(11,010.00)</td>
</tr>
<tr>
<td>Book value of road</td>
<td>22,020.00</td>
<td>25,590.00</td>
</tr>
</tbody>
</table>
Heideberg Beach Association  
2009 Summer Church

Cash Balance 6/30/09 $4,585.00

<table>
<thead>
<tr>
<th>Offerings</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>07/05</td>
<td>157.79</td>
</tr>
<tr>
<td>07/12</td>
<td>111.00</td>
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<tr>
<td>07/19</td>
<td>170.00</td>
</tr>
<tr>
<td>07/26</td>
<td>177.00</td>
</tr>
<tr>
<td>08/02</td>
<td>194.00</td>
</tr>
<tr>
<td>08/08</td>
<td>169.00</td>
</tr>
<tr>
<td>08/16</td>
<td>109.71</td>
</tr>
<tr>
<td>08/23</td>
<td>174.00</td>
</tr>
<tr>
<td>08/30</td>
<td>143.00</td>
</tr>
<tr>
<td>09/06</td>
<td>362.00</td>
</tr>
</tbody>
</table>

Total collections 1,767.50

<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministers (8)</td>
<td>(1,000.00)</td>
</tr>
<tr>
<td>Electricity</td>
<td>(101.64)</td>
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<td>Social Hour</td>
<td>(293.02)</td>
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<tr>
<td>Second Harvest Tithe</td>
<td>(200.00)</td>
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Total expenses (1,594.66)

Net Collections over expenses 172.84

Cash Balance 6/30/10 $4,757.84

<table>
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<tr>
<th>Attendance</th>
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<tr>
<td>Springer</td>
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<td>Margard</td>
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<td>Nichell</td>
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<td>Chidester</td>
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<td>Deppen</td>
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</tbody>
</table>

Attendance:
2005 707
2006 649
2007 641
2008 631
2009 630

* returned honorarium