

LAND HOLDING COMPANY - PROPOSED BUDGET FY2011 - FY2015

	<u>Pro-Forma</u> <u>FY11</u>	<u>Pro-Forma</u> <u>FY12</u>	<u>Pro-Forma</u> <u>FY13</u>	<u>Pro-Forma</u> <u>FY14</u>	<u>Pro-Forma</u> <u>FY15</u>	12 Inflator	13 Inflator	14 Inflator	15 Inflator
REVENUES									
Net Timbering Proceeds	8,300	8,383	8,467	8,551	8,637	1.00%	1.00%	1.00%	1.00%
TOTAL LAND HOLDING COMPANY REVENUES	8,300	8,383	8,467	8,551	8,637				
<i>Year to Year % Increase in Total Revenues</i>		1.00%	1.00%	1.00%	1.00%				
EXPENDITURES									
Liability Insurance (D&O, property)	1,500	1,575	1,654	1,736	1,823	5.00%	5.00%	5.00%	5.00%
Other Administrative Expenses	1,500	1,575	1,654	1,736	1,823	5.00%	5.00%	5.00%	5.00%
Professional Services (tax services, bookkeeping)	2,600	2,652	2,705	2,759	2,814	2.00%	2.00%	2.00%	2.00%
Property Tax on Land Holdings (all in Current Use)	1,180	1,215	1,252	1,289	1,328	3.00%	3.00%	3.00%	3.00%
TOTAL LAND HOLDING COMPANY COSTS	6,780	7,017	7,264	7,521	7,789				
<i>Year to Year % Increase in Total Expenditures</i>		3.50%	3.52%	3.54%	3.56%				
(OVER)/UNDER SPENT	1,520	1,366	1,202	1,030	848				

Assumptions

The Land Holding Company will be a holding company for the remaining HWWC land assets not transferred over to the Town of Hanover - the activity is projected to consist of timber management as authorized by the Company Directors and nominal administrative costs. Net timbering proceeds