

RESERVE FUNDING PLAN

CASH FLOW ANALYSIS

Thornhill

Community Association, Inc.

Charlotte, North Carolina

Individual Reserve Budgets & Cash Flows for the Next 30 Years

	FY2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Reserves at Beginning of Year (Note 1)	N/A	110,000	84,212	88,770	66,534	76,323	50,626	47,707	53,024	47,228	68,748	127,496	110,354	146,589	205,148	252,116
Total Recommended Reserve Contributions (Note 2)	N/A	42,000	43,300	44,600	45,900	47,300	48,700	50,200	51,700	53,300	54,900	56,500	58,200	59,900	61,700	63,600
Plus Estimated Interest Earned, During Year (Note 3)	N/A	3,808	3,392	3,045	2,801	2,489	1,928	1,975	1,966	2,274	3,848	4,664	5,038	6,897	8,966	9,366
Less Anticipated Expenditures, By Year	N/A	(71,596)	(42,134)	(69,881)	(38,912)	(75,486)	(53,547)	(46,858)	(59,462)	(34,054)	0	(78,306)	(27,003)	(8,238)	(23,698)	(99,553)
Anticipated Reserves at Year End	<u>\$110,000</u>	<u>84,212</u>	<u>88,770</u>	<u>66,534</u>	<u>76,323</u>	<u>50,626</u>	<u>47,707</u>	<u>53,024</u>	<u>47,228</u>	<u>68,748</u>	<u>127,496</u>	<u>110,354</u>	<u>146,589</u>	<u>205,148</u>	<u>252,116</u>	<u>225,529</u>

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Reserves at Beginning of Year	225,529	185,724	193,712	273,370	200,342	99,426	54,241	23,236	47,708	123,973	119,970	19,375	42,746	145,742	248,640
Total Recommended Reserve Contributions	65,800	68,100	70,500	73,000	75,600	78,200	80,900	83,700	86,600	89,600	92,700	95,900	99,300	102,800	106,400
Plus Estimated Interest Earned, During Year	8,064	7,440	9,158	9,288	5,878	3,013	1,519	1,391	3,366	4,783	2,732	1,218	3,696	7,733	11,642
Less Anticipated Expenditures, By Year	(113,669)	(67,552)	0	(155,316)	(182,394)	(126,398)	(113,424)	(60,619)	(13,701)	(98,386)	(196,027)	(73,747)	0	(7,635)	(21,602)
Anticipated Reserves at Year End	<u>185,724</u>	<u>193,712</u>	<u>273,370</u>	<u>200,342</u>	<u>99,426</u>	<u>54,241</u>	<u>23,236</u>	<u>47,708</u>	<u>123,973</u>	<u>119,970</u>	<u>19,375</u>	<u>42,746</u>	<u>145,742</u>	<u>248,640</u>	<u>345,080</u>

(NOTE 4)

(NOTE 5)

Explanatory Notes:

- 1) Year 2008 starting reserves are as of December 31, 2008; FY 2008 starts January 1 and ends December 31.
- 2) Reserve Contributions for 2008 are the remaining budgeted 11 months; 2009 is the first year of recommended contributions.
- 3) 4.0% is the estimated annual rate of return on invested reserves.
- 4) Threshold Funding Year (reserve balance at critical point).
- 5) Accumulated year 2038 ending reserves consider the need to fund for replacement of partial landscaping shortly after 2038, and the age, size, overall condition and complexity of the property.