

RESERVE FUNDING PLAN

CASH FLOW ANALYSIS

Thornhill

Community Association, Inc.

Charlotte, North Carolina

Individual Reserve Budgets & Cash Flows for the Next 3

	FY 2004	2005	2006	2007	2008
Reserves at Beginning of Year (Note 1)	N/A	66,463	12,922	8,657	42,005
Total Recommended Reserve Contributions (Note 2)	N/A	38,800	39,800	40,800	41,800
Plus Estimated Interest Earned, During Year (Note 3)	N/A	980	266	625	959
Less Anticipated Expenditures, By Year	N/A	(93,321)	(44,331)	(8,077)	(49,120)
Anticipated Reserves at Year End	<u>\$66,463</u>	<u>12,922</u>	<u>8,657</u>	<u>42,005</u>	<u>35,644</u>
Predicted Reserves based on 2004 funding level of: \$35,071	66,463	9,000	0	27,000	13,000

(continued)

Individual Reserve Budgets & Cash Flows for the Next 3

	2020	2021	2022	2023
Reserves at Beginning of Year	255,038	257,789	298,101	347,501
Total Recommended Reserve Contributions	56,200	57,600	59,000	60,500
Plus Estimated Interest Earned, During Year	6,331	6,863	7,970	8,844
Less Anticipated Expenditures, By Year	(59,780)	(24,151)	(17,570)	(47,960)
Anticipated Reserves at Year End	<u>257,789</u>	<u>298,101</u>	<u>347,501</u>	<u>368,885</u>

Explanatory Notes:

- 1) Year 2004 ending reserves are as of December 31; FY starts January 1 and ends December 31.
- 2) Reserve Contributions for 2004 are the remaining budgeted 10 months; 2005 is the first year of recommended contributions.
- 3) 2.5% is the estimated annual rate of return on invested reserves; 2004 is a partial year of interest earned.
- 4) Accumulated year 2034 ending reserves consider the age, size, overall condition and complexity of the property.

30 Years

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
35,644	33,933	52,400	30,352	58,499	76,051	114,324	150,339	127,350	178,920	237,562
42,800	43,900	45,000	46,100	47,300	48,500	49,700	50,900	52,200	53,500	54,800
859	1,066	1,022	1,097	1,661	2,350	3,267	3,428	3,781	5,142	6,081
(45,370)	(26,499)	(68,070)	(19,050)	(31,409)	(12,577)	(16,952)	(77,317)	(4,411)	0	(43,405)
<u>33,933</u>	<u>52,400</u>	<u>30,352</u>	<u>58,499</u>	<u>76,051</u>	<u>114,324</u>	<u>150,339</u>	<u>127,350</u>	<u>178,920</u>	<u>237,562</u>	<u>255,038</u>
3,000	12,000	(21,000)	(5,000)	(1,000)						

30 Years, Continued

2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
368,885	269,590	316,407	331,523	387,613	402,627	425,580	476,316	413,830	480,304	522,834
62,000	63,600	65,200	66,800	68,500	70,200	72,000	73,800	75,600	77,500	79,400
7,882	7,235	7,999	8,878	9,756	10,225	11,135	10,989	11,039	12,384	13,106
(169,177)	(24,018)	(58,083)	(19,588)	(63,242)	(57,472)	(32,399)	(147,275)	(20,165)	(47,354)	(76,551)
<u>269,590</u>	<u>316,407</u>	<u>331,523</u>	<u>387,613</u>	<u>402,627</u>	<u>425,580</u>	<u>476,316</u>	<u>413,830</u>	<u>480,304</u>	<u>522,834</u>	<u>538,789</u>

(NOTE 4)