

RESERVE FUNDING PLAN

Roads

CASH FLOW ANALYSIS

Lake Monticello

Property Owners Association

Palmyra, Virginia

Individual Reserve Budgets & Cash Flows for the Next 30 Years

	FY2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Reserves at Beginning of Year (Note 1)	\$66,700	219,230	1,004,336	1,832,458	2,430,443	3,316,255	4,276,594	4,107,001	3,924,896	3,380,748	3,163,152	2,931,092	2,683,854	2,153,366	1,497,653	2,679,928
Total Recommended Reserve Contributions (Note 2)	149,000	770,000	793,100	816,900	841,400	866,600	892,600	919,400	947,000	975,400	1,004,700	1,034,800	1,065,800	1,097,800	1,130,700	1,164,600
Plus Estimated Interest Earned, During Year (Note 3)	3,530	15,106	35,022	52,628	70,947	93,739	103,501	99,159	90,193	80,789	75,238	69,320	59,719	45,074	51,575	81,556
Less Anticipated Expenditures, By Year	0	0	0	(271,543)	(26,535)	0	(1,165,694)	(1,200,664)	(1,581,341)	(1,273,785)	(1,311,998)	(1,351,358)	(1,656,007)	(1,798,587)	0	0
Anticipated Reserves at Year End	\$219,230	1,004,336	1,832,458	2,430,443	3,316,255	4,276,594	4,107,001	3,924,896	3,380,748	3,163,152	2,931,092	2,683,854	2,153,366	1,497,653	2,679,928	3,926,084

(continued)

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

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Reserves at Beginning of Year	3,926,084	5,200,424	6,581,378	7,606,077	9,123,414	10,675,362	12,350,229	14,109,188	15,459,093	17,335,641	16,083,774	14,750,097	13,331,039	11,192,582	9,575,677
Total Recommended Reserve Contributions	1,199,500	1,235,500	1,272,600	1,310,800	1,350,100	1,390,600	1,432,300	1,475,300	1,519,600	1,565,200	1,612,200	1,660,600	1,710,400	1,761,700	1,814,600
Plus Estimated Interest Earned, During Year	112,673	145,454	175,154	206,537	244,429	284,267	326,659	365,041	404,873	412,585	380,665	346,681	302,761	256,398	215,274
Less Anticipated Expenditures, By Year	(37,833)	0	(423,055)	0	(42,581)	0	0	(490,436)	(47,925)	(3,229,652)	(3,326,542)	(3,426,339)	(4,151,618)	(3,635,003)	(3,744,053)
Anticipated Reserves at Year End	5,200,424	6,581,378	7,606,077	9,123,414	10,675,362	12,350,229	14,109,188	15,459,093	17,335,641	16,083,774	14,750,097	13,331,039	11,192,582	9,575,677	7,861,498

(NOTE 4)

Explanatory Notes:

- 1) Year 2009 ending reserves are as of December 31, 2009; FY 2009 starts January 1 and ends December 31.
- 2) 2010 is the first year of recommended contributions.
- 3) 2.5% is the estimated annual rate of return on invested reserves.
- 4) Accumulated year 2039 ending reserves consider the need for total replacement of the remaining asphalt pavement shortly after 2039 and the age, size, overall condition and complexity of the property.