

# RESERVE FUNDING PLAN

## COMBINED 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
<b>Reserves at Beginning of Year (Note 1)</b>	\$262,200	\$884,766	\$1,588,179	\$2,280,364	\$2,750,310	\$3,589,456	\$4,546,251	\$4,473,761	\$4,544,671	\$4,331,974	\$4,332,630	\$4,503,604	\$4,195,551	\$3,706,450	\$3,319,719	\$4,688,563
Plus Recommended Reserve Contributions	291,000	1,382,000	1,423,500	1,466,300	1,510,300	1,555,600	1,602,300	1,650,400	1,700,000	1,750,900	1,803,400	1,857,400	1,913,100	1,970,500	2,029,600	2,090,400
Plus Additional Reserve Contributions		190,000	190,000	190,000	190,000											
<b>Total Recommended Reserve Contributions (Note 2)</b>	<b>291,000</b>	<b>1,572,000</b>	<b>1,613,500</b>	<b>1,656,300</b>	<b>1,700,300</b>	<b>1,555,600</b>	<b>1,602,300</b>	<b>1,650,400</b>	<b>1,700,000</b>	<b>1,750,900</b>	<b>1,803,400</b>	<b>1,857,400</b>	<b>1,913,100</b>	<b>1,970,500</b>	<b>2,029,600</b>	<b>2,090,400</b>
Plus Estimated Interest Earned, During Year (Note 3)	10,193	30,530	47,760	62,107	78,269	100,441	111,358	111,338	109,588	106,970	109,090	107,397	97,556	86,742	98,867	118,425
Less Anticipated Expenditures, By Year	0	(899,117)	(969,075)	(1,248,461)	(939,423)	(699,246)	(1,786,148)	(1,690,828)	(2,022,285)	(1,857,214)	(1,741,516)	(2,272,850)	(2,499,757)	(2,443,973)	(759,623)	(1,993,617)
<b>Anticipated Reserves at Year End</b>	<u><b>\$884,766</b></u>	<u><b>1,588,179</b></u>	<u><b>2,280,364</b></u>	<u><b>2,750,310</b></u>	<u><b>3,589,456</b></u>	<u><b>4,546,251</b></u>	<u><b>4,473,761</b></u>	<u><b>4,544,671</b></u>	<u><b>4,331,974</b></u>	<u><b>4,332,630</b></u>	<u><b>4,503,604</b></u>	<u><b>4,195,551</b></u>	<u><b>3,706,450</b></u>	<u><b>3,319,719</b></u>	<u><b>4,688,563</b></u>	<u><b>4,903,771</b></u>

(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
<b>Reserves at Beginning of Year</b>	4,903,771	6,448,228	7,847,380	8,564,192	10,105,148	12,014,461	14,010,647	16,178,086	17,572,317	18,182,294	16,937,311	15,791,453	14,584,633	12,580,583	10,825,156
<b>Total Recommended Reserve Contributions</b>	<b>2,153,100</b>	<b>2,217,700</b>	<b>2,284,300</b>	<b>2,352,800</b>	<b>2,423,400</b>	<b>2,496,100</b>	<b>2,571,000</b>	<b>2,648,200</b>	<b>2,727,700</b>	<b>2,809,600</b>	<b>2,893,900</b>	<b>2,980,700</b>	<b>3,070,100</b>	<b>3,162,200</b>	<b>3,257,100</b>
Plus Estimated Interest Earned, During Year	140,148	176,489	202,612	230,486	273,081	321,298	372,700	416,672	441,414	433,575	404,059	375,013	335,373	288,960	247,124
Less Anticipated Expenditures, By Year	(748,791)	(995,037)	(1,770,100)	(1,042,330)	(787,168)	(821,212)	(776,261)	(1,670,641)	(2,559,137)	(4,488,158)	(4,443,817)	(4,562,533)	(5,409,523)	(5,206,587)	(5,137,547)
<b>Anticipated Reserves at Year End</b>	<u><b>6,448,228</b></u>	<u><b>7,847,380</b></u>	<u><b>8,564,192</b></u>	<u><b>10,105,148</b></u>	<u><b>12,014,461</b></u>	<u><b>14,010,647</b></u>	<u><b>16,178,086</b></u>	<u><b>17,572,317</b></u>	<u><b>18,182,294</b></u>	<u><b>16,937,311</b></u>	<u><b>15,791,453</b></u>	<u><b>14,584,633</b></u>	<u><b>12,580,583</b></u>	<u><b>10,825,156</b></u>	<u><b>9,191,833</b></u>

(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 age, size, overall condition and complexity of the property.