

**FIVE YEAR FORECAST INCLUDES 2019 BUDGET**

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SOURCES AND USES OF CASH --- UNRESTRICTED CASH BALANCES

	<u>BASE CASE</u>				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>SOURCES</u>					
Assessments and other	\$ 458,032	\$ 490,752	\$ 524,650	\$ 559,729	\$ 595,987
Real estate related revenue	<u>117,000</u>	<u>117,000</u>	<u>117,000</u>	<u>117,000</u>	<u>117,000</u>
Total	<u>\$ 575,032</u>	<u>\$ 607,752</u>	<u>\$ 641,650</u>	<u>\$ 676,729</u>	<u>\$ 712,987</u>
<u>USES</u>					
Operating expenses	\$ 329,806	\$ 381,054	\$ 406,597	\$ 436,358	\$ 464,557
Projects	<u>323,345</u>	<u>141,140</u>	<u>195,694</u>	<u>216,417</u>	<u>332,764</u>
Total	<u>\$ 653,151</u>	<u>\$ 522,195</u>	<u>\$ 602,291</u>	<u>\$ 652,775</u>	<u>\$ 797,321</u>
NET CHANGE IN CASH	\$ (78,119)	\$ 85,557	\$ 39,359	\$ 23,954	\$ (84,335)
<u>CASH BALANCE PROJECTIONS</u>					
Beginning Cash	\$ 173,000	\$ 94,881	\$ 180,438	\$ 219,797	\$ 243,751
Net change in cash flow	<u>(78,119)</u>	<u>85,557</u>	<u>39,359</u>	<u>23,954</u>	<u>(84,335)</u>
Ending cash	<u>\$ 94,881</u>	<u>\$ 180,438</u>	<u>\$ 219,797</u>	<u>\$ 243,751</u>	<u>\$ 159,417</u>
<u>ASSESSMENTS</u>					
Houses	\$ 125.00	\$ 130.00	\$ 135.00	\$ 140.00	\$ 145.00
Lots	\$ 72.50	\$ 75.00	\$ 77.50	\$ 80.00	\$ 82.50

SOURCES AND USES OF CASH --- UNRESTRICTED CASH BALANCES

	<u>DOWNSIDE CASE</u>				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>SOURCES</u>					
Assessments and other	\$ 458,032	\$ 485,222	\$ 516,369	\$ 541,740	\$ 570,281
Real estate related revenue	<u>117,000</u>	<u>97,000</u>	<u>77,000</u>	<u>57,000</u>	<u>37,000</u>
Total	<u>\$ 575,032</u>	<u>\$ 582,222</u>	<u>\$ 593,369</u>	<u>\$ 598,740</u>	<u>\$ 607,281</u>
<u>USES</u>					
Operating expenses	\$ 329,806	\$ 381,054	\$ 406,597	\$ 436,358	\$ 464,557
Projects	<u>323,345</u>	<u>141,140</u>	<u>195,694</u>	<u>216,417</u>	<u>332,764</u>
Total	<u>\$ 653,151</u>	<u>\$ 522,195</u>	<u>\$ 602,291</u>	<u>\$ 652,775</u>	<u>\$ 797,321</u>
NET CHANGE IN CASH	<u>\$ (78,119)</u>	<u>\$ 60,027</u>	<u>\$ (8,923)</u>	<u>\$ (54,035)</u>	<u>\$ (190,040)</u>
<u>CASH PROJECTION</u>					
Beginning Cash	\$ 173,000	\$ 94,881	\$ 154,909	\$ 145,986	\$ 91,951
Net change in cash flow	<u>(78,119)</u>	<u>60,027</u>	<u>(8,923)</u>	<u>(54,035)</u>	<u>(190,040)</u>
Ending cash	<u>\$ 94,881</u>	<u>\$ 154,909</u>	<u>\$ 145,986</u>	<u>\$ 91,951</u>	<u>\$ (98,089)</u>
<u>ASSESSMENTS</u>					
Houses	\$ 125.00	\$ 130.00	\$ 135.00	\$ 140.00	\$ 145.00
Lots	\$ 72.50	\$ 75.00	\$ 77.50	\$ 80.00	\$ 82.50

**PRIMARY REVENUES**

Base Case	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assessments					
Houses	\$ 414,000	\$ 446,160	\$ 479,520	\$ 514,080	\$ 549,840
Lots	32,625	33,750	34,875	36,000	37,125
Less uncollected	<u>(7,593)</u>	<u>(8,158)</u>	<u>(8,745)</u>	<u>(9,351)</u>	<u>(9,978)</u>
Total	\$ 439,032	\$ 471,752	\$ 505,650	\$ 540,729	\$ 576,987
Unit billing	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>
Contributions, late fees, other	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>
Total	<u>\$ 458,032</u>	<u>\$ 490,752</u>	<u>\$ 524,650</u>	<u>\$ 559,729</u>	<u>\$ 595,987</u>

Downside Case	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assessments					
Houses	\$ 414,000	\$ 446,160	\$ 478,845	\$ 507,780	\$ 536,065
Lots	32,625	28,125	27,125	24,000	24,750
Less uncollected fees	<u>(7,593)</u>	<u>(8,063)</u>	<u>(8,601)</u>	<u>(9,040)</u>	<u>(9,534)</u>
Total	\$ 439,032	\$ 466,222	\$ 497,369	\$ 522,740	\$ 551,281
Unit billing	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>
Contributions, late fees, other	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>
Total	<u>\$ 458,032</u>	<u>\$ 485,222</u>	<u>\$ 516,369</u>	<u>\$ 541,740</u>	<u>\$ 570,281</u>

**REAL ESTATE TRANSACTIONS REVENUES ASSUMPTIONS**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>BASE CASE</b>					
Real Estate Transactions					
Transfer fees	\$ 93,600	\$ 93,600	\$ 93,600	\$ 93,600	\$ 93,600
Resale certificates	<u>23,400</u>	<u>23,400</u>	<u>23,400</u>	<u>23,400</u>	<u>23,400</u>
Total	\$ 117,000	\$ 117,000	\$ 117,000	\$ 117,000	\$ 117,000

**DOWNSIDE CASE**

Real Estate Transactions					
Transfer fees	\$ 93,600	\$ 76,600	\$ 59,600	\$ 42,600	\$ 25,000
Resale certificates	<u>23,400</u>	<u>20,400</u>	<u>17,400</u>	<u>14,400</u>	<u>12,000</u>
Total	\$ 117,000	\$ 97,000	\$ 77,000	\$ 57,000	\$ 37,000

(Note)

Note: The projected \$37,000 in year 2023 is identical to the amount collected in 2010. An upward adjustment was made to the 2010 revenue to reflect the fee increases implemented in 2018.

PROJECTIONS OF NEW HOUSES ADDED AND LOTS ASSUMED IN FORECAST

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>BASE CASE</b>					
New houses added	120	120	120	120	120
Number of lots	450	450	450	450	450
<b>CONSERVATIVE</b>					
New houses added	120	115	80	70	60
Number of lots	450	375	350	300	300
<b>At the end of 2018, estimated</b>		<b>3,312 houses</b>			
		<b>400 lots</b>			

**SUMMARY OF OPERATING EXPENSES**

	<u>2019</u>		<u>2020</u>		<u>2021</u>		<u>2022</u>		<u>2023</u>
Office	\$ 174,386	\$	186,010	\$	198,174	\$	210,900	\$	224,212
Legal	30,000		32,000		34,092		36,282		38,572
Insurance	30,300		32,320		34,433		36,644		38,957
Community	7,882		8,407		8,957		9,532		10,134
Parks and trails	62,828		97,908		106,531		118,589		128,272
Replacement fund	24,410		24,410		24,410		24,410		24,410
	<u>\$ 329,806</u>	<u>\$</u>	<u>381,054</u>	<u>\$</u>	<u>406,597</u>	<u>\$</u>	<u>436,358</u>	<u>\$</u>	<u>464,557</u>

Per average member

Office	\$ 51.72	\$	53.27	\$	54.87	\$	56.51	\$	58.21
Legal	8.90		9.16		9.44		9.72		10.01
Insurance	8.99		9.26		9.53		9.82		10.11
Community	2.34		2.41		2.48		2.55		2.63
Parks and trails	18.63		28.04		29.49		31.78		33.30
Replacement fund	7.24		6.99		6.76		6.54		6.34
Total	<u>\$ 97.81</u>	<u>\$</u>	<u>109.12</u>	<u>\$</u>	<u>112.57</u>	<u>\$</u>	<u>116.92</u>	<u>\$</u>	<u>120.60</u>

Avg Number of Members	3,372		3,492		3,612		3,732		3,852
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Change in cost per member		\$	11.31	\$	3.45	\$	4.35	\$	3.68
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Average change per member		\$	5.70						
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**FORECAST SUPPORTING DETAIL**

**COMMUNITY AND COMMUNICATIONS**

	2019	2020	2021	2022	2023
Adopt A Highway	\$ 515				
Meet the candidates	500				
Shred day	3,000				
Visit with Santa	567				
Peace tree	600				
New residence welcome	700				
City / volunteer appreciation	<u>2,000</u>				
<b>Total</b>	<u>\$ 7,882</u>	<u>\$ 8,407</u>	<u>\$ 8,957</u>	<u>\$ 9,532</u>	<u>\$ 10,134</u>
Average number of members	3,372	3,492	3,612	3,732	3,852
Cost per member	\$ 2.34	\$ 2.41	\$ 2.48	\$ 2.55	\$ 2.63
Escalation		<b>3.00%</b>	<b>3.00%</b>	<b>3.00%</b>	<b>3.00%</b>



**FORECAST SUPPORTIGN DETAIL**

**PARKS AND TRAILS OPERATIONS**

Parks and trails programs	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Grounds maintenance	\$ 29,000	\$ 31,000	\$ 33,000	\$ 35,000	\$ 35,000
P&T Maintenance & inspect	14,400	16,000	17,000	18,000	19,000
P&T Trimming	8,000	10,000	10,000	10,000	10,000
Personnel (park)		25,000	27,000	29,000	31,000
Preserve	<u>6,000</u>	<u>6,000</u>	<u>7,000</u>	<u>8,000</u>	<u>9,000</u>
Subtotal	\$ 57,400	\$ 88,000	\$ 94,000	\$ 100,000	\$ 104,000
Annual water bills					
Vestal park phase 1	5,428	3,828	3,943	4,061	4,183
Boots phase 1		3,580	1,980	2,039	2,101
Vestal park phase 2			1,608	1,656	1,656
Boots phase 2				4,832	4,832
Vestal park phase 3	-	-	-	-	4,500
Total water	<u>5,428</u>	<u>7,408</u>	<u>7,531</u>	<u>12,589</u>	<u>17,272</u>
Irrigation maintenance	<u>-</u>	<u>2,500</u>	<u>5,000</u>	<u>6,000</u>	<u>7,000</u>
Subtotal	\$ 62,828	\$ 97,908	\$ 106,531	\$ 118,589	\$ 128,272

**FORECAST SUPPORTING DETAIL**

**PROJECT DETAIL -- CURRENT DOLLARS**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>PARKS AND TRAILS</b>					
Vestal phase 1	\$ 311,345				
Boots phase 1		135,712			
Vestal phase 2			180,930		
Boots phase 2				192,394	
Vestal Phase 3	-	-	-	-	284,448
Subtotal	\$ 311,345	\$ 135,712	\$ 180,930	\$ 192,394	\$ 284,448
Durectories / maps	12,000	-	-	-	-
Other	-	-	-	-	-
Total	\$ 323,345	\$ 135,712	\$ 180,930	\$ 192,394	\$ 284,448

**PROJECT DETAIL -- INFLATED DOLLARS**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>PARKS AND TRAILS</b>					
Vestal phase 1	\$ 311,345	\$ -	\$ -	\$ -	\$ -
Boots phase 1	-	141,140	-	-	-
Vestal phase 2	-	-	195,694	-	-
Boots phase 2	-	-	-	216,417	-
Vesatl Phase 3	-	-	-	-	332,764
Subtotal	\$ 311,345	\$ 141,140	\$ 195,694	\$ 216,417	\$ 332,764
Durectories / maps	12,000	-	-	-	-
Other	-	-	-	-	-
Total	\$ 323,345	\$ 141,140	\$ 195,694	\$ 216,417	\$ 332,764
* Assumed inflation rates		<u>4.00%</u>	<u>4.00%</u>	<u>4.00%</u>	<u>4.00%</u>