

FIVE YEAR FORECAST

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NOTE MODEL INPUTS ARE INDICATED IB BLACK

SOURCES AND USES OF CASH --- UNRESTRICTED CASH BALANCES

	<u>BASE CASE</u>				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>SOURCES</u>					
Assessments and other	\$ 465,321	\$ 498,145	\$ 532,128	\$ 567,268	\$ 603,567
Variable real estate revenue	116,000	116,000	116,000	116,000	116,000
Total	<u>\$ 581,321</u>	<u>\$ 614,145</u>	<u>\$ 648,128</u>	<u>\$ 683,268</u>	<u>\$ 719,567</u>
<u>USES</u>					
Operating expenses	\$ 366,527	\$ 393,450	\$ 435,449	\$ 461,577	\$ 488,891
Projects	204,750	204,360	251,472	184,478	208,820
Total	<u>\$ 571,277</u>	<u>\$ 597,810</u>	<u>\$ 686,921</u>	<u>\$ 646,054</u>	<u>\$ 697,711</u>
NET CHANGE IN CASH	\$ 10,044	\$ 16,335	\$ (38,793)	\$ 37,214	\$ 21,856
CASH BALANCE PROJECTIONS					
Beginning Cash	\$ 80,664	\$ 90,708	\$ 107,043	\$ 68,250	\$ 105,464
Net change in cash flow	10,044	16,335	(38,793)	37,214	21,856
Ending cash*	<u>\$ 90,708</u>	<u>\$ 107,043</u>	<u>\$ 68,250</u>	<u>\$ 105,464</u>	<u>\$ 127,321</u>

* Days of operating cash 90 99 57 83 95

Goal is to keep a balance a minimum balance of \$80,000 at year end or 80 days of operating cash

ASSESSMENTS

Houses	\$ 130.00	\$ 135.00	\$ 140.00	\$ 145.00	\$ 150.00
Lots	\$ 75.00	\$ 77.50	\$ 80.00	\$ 82.50	\$ 85.00
Current rate - prior year	\$ 125.00	\$ 130.00	\$ 135.00	\$ 140.00	\$ 145.00
Annual change	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Memo percent change	4.00%	3.85%	3.70%	3.57%	3.45%

SOURCES AND USES OF CASH --- UNRESTRICTED CASH BALANCES

	<u>DOWNSIDE CASE</u>				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>SOURCES</u>					
Assessments and other	\$ 461,808	\$ 483,280	\$ 508,659	\$ 534,618	\$ 561,155
Variable real estate revenue	58,000	58,000	58,000	58,000	58,000
Total	<u>\$ 519,808</u>	<u>\$ 541,280</u>	<u>\$ 566,659</u>	<u>\$ 592,618</u>	<u>\$ 619,155</u>
<u>USES</u>					
Operating expenses	\$ 366,527	\$ 393,450	\$ 435,449	\$ 461,577	\$ 488,891
Projects	204,750	204,360	251,472	184,478	208,820
Total	<u>\$ 571,277</u>	<u>\$ 597,810</u>	<u>\$ 686,921</u>	<u>\$ 646,054</u>	<u>\$ 697,711</u>
NET CHANGE IN CASH	<u>\$ (51,469)</u>	<u>\$ (56,531)</u>	<u>\$ (120,262)</u>	<u>\$ (53,437)</u>	<u>\$ (78,556)</u>
CASH PROJECTION					
Beginning Cash	\$ 80,664	\$ 29,195	\$ (27,335)	\$ (147,597)	\$ (201,034)
Net change in cash flow	(51,469)	(56,531)	(120,262)	(53,437)	(78,556)
Ending cash	<u>\$ 29,195</u>	<u>\$ (27,335)</u>	<u>\$ (147,597)</u>	<u>\$ (201,034)</u>	<u>\$ (279,589)</u>

ASSESSMENTS

Houses	\$ 130.00	\$ 135.00	\$ 140.00	\$ 145.00	\$ 150.00
Lots	\$ 75.00	\$ 77.50	\$ 80.00	\$ 82.50	\$ 85.00

PRIMARY REVENUES

Base Case	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Assessments					
Houses	\$ 433,940	\$ 466,830	\$ 500,920	\$ 536,210	\$ 572,700
Lots	33,750	34,875	36,000	37,125	38,250
Less uncollected *	<u>(16,369)</u>	<u>(17,560)</u>	<u>(18,792)</u>	<u>(20,067)</u>	<u>(21,383)</u>
Total	\$ 451,321	\$ 484,145	\$ 518,128	\$ 553,268	\$ 589,567
Unit billing	12,000	12,000	12,000	12,000	12,000
Contributions, late fees, other	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Total	<u>\$ 465,321</u>	<u>\$ 498,145</u>	<u>\$ 532,128</u>	<u>\$ 567,268</u>	<u>\$ 603,567</u>

Downside Case	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Assessments					
Houses	\$ 430,300	\$ 463,050	\$ 488,600	\$ 514,750	\$ 541,500
Lots	33,750	23,250	24,000	24,750	25,500
Less uncollected fees*	<u>(16,242)</u>	<u>(17,021)</u>	<u>(17,941)</u>	<u>(18,883)</u>	<u>(19,845)</u>
Total	\$ 447,808	\$ 469,280	\$ 494,659	\$ 520,618	\$ 547,155
Unit billing	12,000	12,000	12,000	12,000	12,000
Contributions, late fees, other	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Total	<u>\$ 461,808</u>	<u>\$ 483,280</u>	<u>\$ 508,659</u>	<u>\$ 534,618</u>	<u>\$ 561,155</u>

* Assumes an uncollected rate of **3.5%**

VARIABLE REAL ESTATE REVENUES ASSUMPTIONS

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>BASE CASE</u>					
Real Estate Transactions					
Transfer fees	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000
Resale certificates	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
Total	\$ 116,000	\$ 116,000	\$ 116,000	\$ 116,000	\$ 116,000

DOWNSIDE CASE

Real Estate Transactions					
Transfer fees	\$ 43,000	\$ 43,000	\$ 43,000	\$ 43,000	\$ 43,000
Resale certificates	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
Total	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000

PROJECTIONS OF NEW HOUSES ADDED AND LOTS ASSUMED IN FORECAST

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>OPTIMISTIC VIEW</u>					
New houses added	120	120	120	120	120
Number of lots	450	450	450	450	450
<u>EXPECTED CASE</u>					
New houses added	120	60	60	60	60
Number of lots	450	300	300	300	300
Yr end houses current estimate	3,338				
Yr end lots current estimate					

COMPARISON OF YR ONE FORECAST VERSUS ESTIMATE PRIOR YR OPERATING EXPENSES

		2020	2019	Change
Office	\$	197,422	\$ 179,216	\$ 18,206
Legal		36,175	30,360	5,815
Insurance		33,180	30,164	3,016
Community		11,750	17,099	(5,349)
Parks and trails		67,000	62,478	4,522
Replacement fund		<u>21,000</u>	<u>15,000 ?</u>	<u>6,000</u>
Total	\$	366,527	\$ 334,317	\$ 32,210
 Per average member				
Office	\$	58.10	\$ 49.02	\$ 9.08
Legal		10.65	8.30	2.34
Insurance		9.76	8.25	1.51
Community		3.46	4.68	(1.22)
Parks and trails		19.72	17.09	2.63
Replacement fund		<u>6.18</u>	<u>4.10</u>	<u>2.08</u>
Total	\$	107.87	\$ 91.44	\$ 16.42
 Avg Number of Members		 3,398	 3,656	 (258)

FORECAST SUPPORTING DETAIL

COMMUNITY AND COMMUNICATIONS

		2020	2021	2022	2023	2024
Adopt A Highway	\$	550	567	583	601	619
Meet the candidates		500	515	530	546	563
Shred day		3,000	3,090	3,183	3,278	3,377
Visit with Santa		600	618	637	656	675
Peace tree		600	618	637	656	675
New residence welcome		1,000	1,030	1,061	1,093	1,126
City / volunteer appreciation		2,500	2,575	2,652	2,732	2,814
Community activities		3,000	3,090	3,183	3,278	3,377
		-				
Total	\$	<u>11,750</u>	<u>\$ 12,530</u>	<u>\$ 13,346</u>	<u>\$ 14,200</u>	<u>\$ 15,093</u>
Average number of members		3,398	3,518	3,638	3,758	3,878
Cost per member	\$	3.46	\$ 3.56	\$ 3.67	\$ 3.78	\$ 3.89
Escalation			3.00%	3.00%	3.00%	3.00%

FORECAST SUPPORTING DETAIL

PARKS AND TRAILS OPERATIONS

Parks and trails programs	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Grounds maintenance	\$ 32,000	\$ 35,000	\$ 38,000	\$ 39,000	\$ 40,000
P&T Maintenance & inspect	16,000	17,000	18,000	19,000	20,000
P&T Trimming	11,000	11,000	12,000	13,000	14,000
Other					
Water and other utilities	5,500	6,000	11,000	11,000	11,000
Irrigation maintenance	2,500	5,000	6,000	7,000	8,000
Other	-	-	-	-	-
Total	\$ 67,000	\$ 74,000	\$ 85,000	\$ 89,000	\$ 93,000

Comparison Prior Year	2020	2019	
Grounds maintenance	\$ 32,000	\$ 30,800	36000
P&T Maintenance & inspect	16,000	15,475	16000
P&T Trimming	11,000	10,775	10000
Personnel (park)	-	-	
Water and other utilities	5,500	5,428	3000
Irrigation maintenance	2,500	-	1000
Other	-	-	
Total	\$ 67,000	\$ 62,478	

FORECAST SUPPORTING DETAIL

PROJECT DETAIL -- CURRENT DOLLARS

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
PARKS AND TRAILS					
Vestal IPark Phase 2	\$ 196,000				
Boots Park Phase 1		195,000			
Boots Park Phase 2			231,000		
Boots Park Phase 3				159,000	
Vestal Park Phase 3					177,000
Other					
Other					
Subtotal	\$ 196,000	\$ 195,000	\$ 231,000	\$ 159,000	\$ 177,000
Office	8,750	1,500	1,500	5,000	1,500
Other					
Total	\$ 204,750	\$ 196,500	\$ 232,500	\$ 164,000	\$ 178,500
Memo: days oper expense	90	99	57	83	95

PROJECT DETAIL -- INFLATED DOLLARS

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
PARKS AND TRAILS					
Vestal IPark Phase 2	\$ 196,000	\$ -	\$ -	\$ -	\$ -
Boots Park Phase 1	-	202,800	-	-	-
Boots Park Phase 2	-	-	249,850	-	-
Boots Park Phase 3	-	-	-	178,853	-
Vestal Park Phase 3	-	-	-	-	207,065
Other	-	-	-	-	-
Other	-	-	-	-	-
Subtotal	\$ 196,000	\$ 202,800	\$ 249,850	\$ 178,853	\$ 207,065
Office	8,750	1,560	1,622	5,624	1,755
Other	-	-	-	-	-
Total	\$ 204,750	\$ 204,360	\$ 251,472	\$ 184,478	\$ 208,820
* Assumed inflation rates		<u>4.00%</u>	<u>4.00%</u>	<u>4.00%</u>	<u>4.00%</u>
Memo: replacement fund cont	<u>21,000</u>	<u>21,000</u>	<u>31,000</u>	<u>31,000</u>	<u>31,000</u>