RDA EXAMPLE HOA
Directed Cash Flow Model - for Fiscal Year 2011
Report Preparation Date: June 30, 2010
Report Version: 005
Cost Inflation: 4%
Taxes on Yield: 25%
EXPENDITURE DETAIL:

Means by Which Funding is Provided

Maintenance, repair & replacement is direct unit owner responsibility.	Funding to be included in annual Operating Budget.	Funding by other means: Specified below.	Expense Special Assessed among all units when incurred.	Expense charged to benefited unit(s) when incurred.	Reserve Funding assessed only to benefited unit(s).	Reserve Funding to begin when remaining life is 30 years or less.	Funding to accrue in Reserve Budget.	Component Description	Asset ID	Placed in Service	Useful Life	Adjust +/-	Remain Life
				? End Patios ?			X	Concrete - Replace Patios & Walks	1026	8/1994	30	2	15
							X	Concrete Curbs - Replace	1025	8/1994	40	0	23
							X	Streets - Asphalt Overlay	1001	8/1994	40	-22	1
							X	Streets - Asphalt Repairs	1002	7/2007	20	-5	11
							X	Streets - Asphalt Slurry Sealing	1003	8/2009	3	1	2
							X	Streets - Reconstruction	1027	8/1994	40	-1	22
							X	Roofs - Composition Shingle	1018	7/2007	20	0	16
							X	Paint	1024	7/2008	4	0	1
							X	Lighting - Street	1013	8/1994	22	0	5
							X	Lighting - Wall mounted, carriage	1011	5/2009	18	0	16
							X	Garage Doors - Metal	1009	5/2005	20	0	14
							X	Gutters & Downspouts	1005	8/1994	25	0	8
							X	Privacy Walls	1012	8/1994	25	0	8
							X	Siding - Facades at garage doors	1006	3/2008	30	0	26
							X	Siding - Textured Hardboard & Board	1008	8/1994	30	-5	8
							X	Siding - Vinyl	1007	8/1994	25	0	8
							X	Soffit & Fascia - Prefinished Metal	1010	8/1994	25	0	8
X				?				Windows & Doors - Excluded	1019	8/1994	30	0	13
	X							Irrigation - Backflow Device	1017	8/1999	5	0	0
							X	Irrigation Controller	1016	8/2009	8	0	6
							X	Landscaping	1023	8/2008	10	0	7
							X	Mailboxes - Pedestal Sets (newer)	1015	8/2004	15	0	8
							X	Mailboxes - Pedestal Sets (older)	1028	8/1994	15	0	0
				?			X	Retaining wall - North Building	1020	8/2009	20	0	18
				?			X	Retaining Wall - West Building	1021	8/2008	20	0	17
							X	Sewer Lines - Replace/Reline - 50% of est. replaceme	1022	8/1994	45	0	28
							X	Signs - Wood, Sandblasted & Painted	1014	8/1994	15	3	1

Fiscal Year:

Component Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Concrete - Replace Patios & Walks										
Concrete Curbs - Replace										
Streets - Asphalt Overlay		$86,857.68								
Streets - Asphalt Repairs										
Streets - Asphalt Slurry Sealing			$5,228.76			$5,881.64			$6,616.05	
Streets - Reconstruction										
Roofs - Composition Shingle										
Paint		$17,328.48				$20,271.87				$23,715.22
Lighting - Street						$4,372.65				
Lighting - Wall mounted, carriage										
Garage Doors - Metal										
Gutters & Downspouts									$26,802.22	
Privacy Walls									$7,928.20	
Siding - Facades at garage doors										
Siding - Textured Hardboard & Board									$96,721.43	
Siding - Vinyl									$143,482.97	
Soffit & Fascia - Prefinished Metal									$93,489.69	
Windows & Doors - Excluded										
Irrigation - Backflow Device	$0.00					$0.00				
Irrigation Controller							$1,717.04			
Landscaping								$35,009.05		
Mailboxes - Pedestal Sets (newer)									$5,279.94	
Mailboxes - Pedestal Sets (older)	$4,176.00									
Retaining wall - North Building										
Retaining Wall - West Building										
Sewer Lines - Replace/Reline - 50% of est. replaceme										
Signs - Wood, Sandblasted & Painted		$3,144.96								

Component Description	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Concrete - Replace Patios & Walks						$66,100.03				
Concrete Curbs - Replace										
Streets - Asphalt Overlay										
Streets - Asphalt Repairs		$28,010.32								
Streets - Asphalt Slurry Sealing		$7,442.15			$8,371.41			$9,416.70		
Streets - Reconstruction										
Roofs - Composition Shingle							$263,208.07			
Paint				$27,743.45				$32,455.92		
Lighting - Street										
Lighting - Wall mounted, carriage							$11,125.51			
Garage Doors - Metal					$47,461.79					
Gutters & Downspouts										
Privacy Walls										
Siding - Facades at garage doors										
Siding - Textured Hardboard & Board										
Siding - Vinyl										
Soffit & Fascia - Prefinished Metal										
Windows & Doors - Excluded				$0.00						
Irrigation - Backflow Device	$0.00					$0.00				
Irrigation Controller					$2,349.88					
Landscaping								$51,821.94		
Mailboxes - Pedestal Sets (newer)										
Mailboxes - Pedestal Sets (older)						$7,520.74				
Retaining wall - North Building									$6,968.81	
Retaining Wall - West Building								$3,350.39		
Sewer Lines - Replace/Reline - 50% of est. replaceme										
Signs - Wood, Sandblasted & Painted							$5,663.90			

Component Description	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Concrete - Replace Patios & Walks										
Concrete Curbs - Replace				$162,907.84						
Streets - Asphalt Overlay										
Streets - Asphalt Repairs										
Streets - Asphalt Slurry Sealing	$10,592.50			$11,915.13			$13,402.90			$15,076.43
Streets - Reconstruction			$781,603.96							
Roofs - Composition Shingle										
Paint		$37,968.83				$44,418.17				$51,962.97
Lighting - Street								$10,362.83		
Lighting - Wall mounted, carriage										
Garage Doors - Metal										
Gutters & Downspouts										
Privacy Walls										
Siding - Facades at garage doors							$51,102.16			
Siding - Textured Hardboard & Board										
Siding - Vinyl										
Soffit & Fascia - Prefinished Metal										
Windows & Doors - Excluded										
Irrigation - Backflow Device	$0.00					$0.00				
Irrigation Controller			$3,215.98							
Landscaping								$76,709.14		
Mailboxes - Pedestal Sets (newer)				$9,508.87						
Mailboxes - Pedestal Sets (older)										
Retaining wall - North Building										
Retaining Wall - West Building										
Sewer Lines - Replace/Reline - 50% of est. replaceme									$404,298.68	
Signs - Wood, Sandblasted & Painted										

Specific disclosures regarding reserves and other funding means are required by Minnesota Statute 515B.4-107. Detailed funding policies and publication of a funding matrix will help the association satisfy disclosure requirements and manage owner expectations. Reserve funding policies must satisfy both statutory and governing document requirements. To ensure the validity of your policies we urge the client to obtain verification from a real estate attorney specializing in community association law. A written legal opinion is preferred. A formal reserve funding policy resolution should be drafted, adopted by the board and permanently preserved, together with the legal opinion.

Fiscal Year beginning January 1 >>>>>>>>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
BEGINNING RESERVE BALANCE	$136,755.22	$165,380.35	$93,142.85	$126,787.75	$169,887.21	$217,638.84	$239,642.14	$296,068.64	$325,010.08	$11,503.25
Expenditures (detailed above)	$4,176.00	$107,331.12	$5,228.76	$0.00	$0.00	$30,526.16	$1,717.04	$35,009.05	$380,320.50	$23,715.22
Ending Balance without interest or member contributions	132,579.22	58,049.23	87,914.09	126,787.75	169,887.21	187,112.68	237,925.10	261,059.59	(55,310.42)	(12,211.97)
Member Contributions	$31,140.00	$34,254.00	$37,679.40	$41,447.34	$45,592.07	$50,151.28	$55,166.41	$60,683.05	$66,751.36	$73,426.49
Net Interest Contribution (1.5% yield minus 25% tax on earnings)	$1,661.13	$839.63	$1,194.26	$1,652.11	$2,159.56	$2,378.18	$2,977.13	$3,267.44	$62.32	$333.42
Fiscal Year ENDING RESERVE BALANCE	$165,380.35	$93,142.85	$126,787.75	$169,887.21	$217,638.84	$239,642.14	$296,068.64	$325,010.08	$11,503.25	$61,547.94
									Critical Point	
Average per unit monthly contribution	$72.08	$79.29	$87.22	$95.94	$105.54	$116.09	$127.70	$140.47	$154.52	$169.97
Member Contribution Dollar Amount Increase from previous year	$10.00	$7.21	$7.93	$8.72	$9.59	$10.55	$11.61	$12.77	$14.05	$15.45
Member Contribution Percentage Increase from previous year	16.11%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

Fiscal Year beginning January 1 >>>>>>>>	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
BEGINNING RESERVE BALANCE	$61,547.94	$140,496.36	$189,177.01	$279,233.70	$347,523.67	$391,392.08	$426,070.43	$258,723.92	$281,165.96	$402,010.05
Expenditures (detailed above)	$0.00	$35,452.47	$0.00	$27,743.45	$58,183.08	$73,620.77	$279,997.48	$97,044.95	$6,968.81	$0.00
Ending Balance without interest or member contributions	61,547.94	105,043.89	189,177.01	251,490.25	289,340.59	317,771.31	146,072.95	161,678.97	274,197.15	402,010.05
Member Contributions	$77,832.08	$82,502.01	$87,452.13	$92,699.25	$98,261.21	$104,156.88	$110,406.29	$117,030.67	$124,052.51	$131,495.66
Net Interest Contribution (1.5% yield minus 25% tax on earnings)	$1,116.34	$1,631.11	$2,604.57	$3,334.17	$3,790.28	$4,142.24	$2,244.67	$2,456.32	$3,760.39	$5,238.83
Fiscal Year ENDING RESERVE BALANCE	$140,496.36	$189,177.01	$279,233.70	$347,523.67	$391,392.08	$426,070.43	$258,723.92	$281,165.96	$402,010.05	$538,744.55
Average per unit monthly contribution	$180.17	$190.98	$202.44	$214.58	$227.46	$241.10	$255.57	$270.90	$287.16	$304.39
Member Contribution Dollar Amount Increase from previous year	$10.20	$10.81	$11.46	$12.15	$12.87	$13.65	$14.47	$15.33	$16.25	$17.23
Member Contribution Percentage Increase from previous year	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%

Fiscal Year beginning January 1 >>>>>>>>	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
BEGINNING RESERVE BALANCE	$538,744.55	$674,238.35	$791,980.82	$164,707.90	$144,141.19	$316,078.50	$451,844.87	$575,910.87	$685,920.37	$484,035.25
Expenditures (detailed above)	$10,592.50	$37,968.83	$784,819.94	$184,331.84	$0.00	$44,418.17	$64,505.06	$87,071.97	$404,298.68	$67,039.40
Ending Balance without interest or member contributions	528,152.05	636,269.52	7,160.88	(19,623.94)	144,141.19	271,660.33	387,339.81	488,838.90	281,621.69	416,995.85
Member Contributions	$139,385.40	$147,748.53	$156,613.44	$162,877.98	$169,393.09	$176,168.82	$183,215.57	$190,544.19	$198,165.96	$206,092.60
Net Interest Contribution (1.5% yield minus 25% tax on earnings)	$6,700.90	$7,962.77	$933.59	$887.15	$2,544.22	$4,015.72	$5,355.49	$6,537.27	$4,247.59	$5,813.73
Fiscal Year ENDING RESERVE BALANCE	$674,238.35	$791,980.82	$164,707.90	$144,141.19	$316,078.50	$451,844.87	$575,910.87	$685,920.37	$484,035.25	$628,902.17
			Critical Point	Critical Point						
Average per unit monthly contribution	$322.65	$342.01	$362.53	$377.03	$392.11	$407.80	$424.11	$441.07	$458.72	$477.07
Member Contribution Dollar Amount Increase from previous year	$18.26	$19.36	$20.52	$14.50	$15.08	$15.68	$16.31	$16.96	$17.64	$18.35
Member Contribution Percentage Increase from previous year	6.00%	6.00%	6.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

30 Yr Total Expenditures
$2,852,081.25

Member Contributions
$3,252,385.68

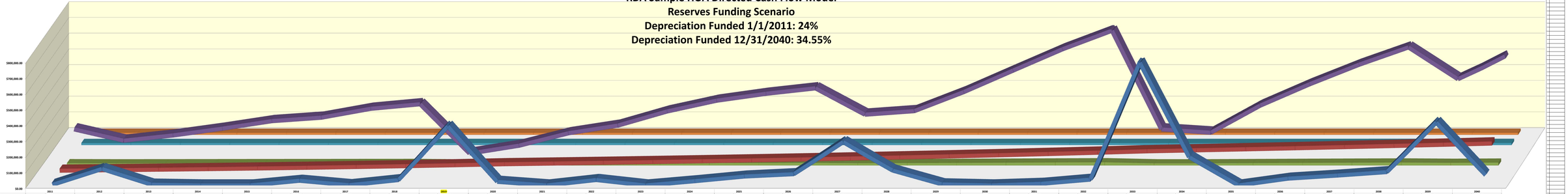
Total Net Interest
$91,842.53 2.75%

Total Depreciation 12/31/2040
$1,820,196.00

Depreciation Funded 12/31/2040
34.55%

Expenditures Thru 2019:	$564,308.63
Contributions Thru 2019:	$422,864.91
Interest Earings Thru 2019:	$16,191.75

RDA Sample HOA Directed Cash Flow Model
Reserves Funding Scenario
Depreciation Funded 1/1/2011: 24%
Depreciation Funded 12/31/2040: 34.55%



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenditures	$4,176.00	$107,151.12	$1,226.76	$0.00	$0.00	$30,626.16	$1,717.64	$35,009.05	$388,533.50	$23,715.22	$0.00	$35,452.47	$0.00
Member Contributions	$51,140.00	$34,254.00	$37,275.40	$41,447.34	$43,592.07	$50,151.28	$53,166.45	$60,685.05	$66,741.36	$73,426.49	$77,852.08	$82,592.65	$87,452.13
Interest Earnings	$1,661.13	$839.63	$1,194.26	$1,652.11	$2,159.56	$2,978.10	$2,977.13	$3,267.44	$43.52	$333.42	$1,116.34	$1,631.11	$2,606.57
Year End Balance	$165,380.35	$91,142.45	$126,787.75	$169,807.21	$217,638.84	$239,642.14	$296,068.64	$325,030.08	$41,869.39	$41,547.94	$140,496.36	$189,177.91	$279,226.70
Average Monthly Unit Contribution	$71.08	$79.29	$87.22	$95.94	$105.54	$116.09	$127.70	$140.47	$154.52	$169.97	$180.17	$190.98	$202.44
Increase From Previous Year	$10.00	$7.21	$7.93	$8.72	$9.59	$10.55	$11.02	$12.77	$14.05	$15.45	$10.20	$10.81	$11.46

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Expenditures	$27,743.45	$58,183.08	$73,620.77	$279,997.48	$117,084.97	$6,968.61	$0.00	$10,192.50	$37,968.83	$762.77	$93.59	$87.15	$1,544.22
Member Contributions	$92,299.25	$96,241.21	$106,124.68	$110,496.29	$51,084.31	$53,960.39	$111,495.66	$119,281.40	$147,748.13	$74,863.97	$162,877.98	$162,877.98	$163,955.09
Interest Earnings	$3,394.17	$3,790.28	$4,142.24	$2,244.67	$2,456.32	$1,760.39	$1,226.83	$1,090.92	$1,962.77	$1,960.11	$2,544.22	$4,055.72	$5,355.48
Year End Balance	$347,123.67	$391,392.88	$426,070.43	$354,715.53	$291,165.96	$402,010.05	$318,744.55	$474,238.35	$391,980.62	$466,195.49	$164,707.90	$144,141.19	$316,279.50
Average Monthly Unit Contribution	$214.58	$227.46	$241.10	$255.57	$270.90	$287.16	$304.39	$322.65	$342.01	$362.53	$377.03	$392.11	$407.80
Increase From Previous Year	$12.15	$12.87	$13.65	$14.47	$15.33	$16.25	$17.23	$18.26	$19.36	$20.52	$14.50	$15.08	$15.68

	2037	2038	2039	2040
Expenditures	$64,305.66	$87,071.97	$404,298.68	$67,039.40
Member Contributions	$165,215.57	$190,144.19	$198,143.96	$206,092.68
Interest Earnings	$5,355.48	$6,537.27	$4,247.59	$5,813.73
Year End Balance	$575,910.87	$605,920.37	$404,010.25	$628,902.17
Average Monthly Unit Contribution	$424.11	$441.07	$458.72	$477.07
Increase From Previous Year	$16.31	$16.96	$17.64	$18.35