

RESERVE SCHEDULE - STRAND MASTER ASSOCIATION

Asset	Total Replacement Cost	Est. Cost - Master Share	Total per Account	Useful Life (years)	For 2017		Reserve Balance @12/31/2017	NOTES for Reserve Items for 2017
					Remaining # of Years	Annual Requirement		
Well Pumps (incl. electrical)(Note 9)			19,500					
Sandstone SS-1, SS-2	11,500	11,500		6	1	1,916.67	9,583	
Water Table, WT-1, WT-2	8,000	8,000		6	1	1,333.33	6,667	
Water meters- Irrigation (16) (Note 8)	16,000	16,000		6	1	2,666.67	13,333	
Wells - 4 Cased wells	60,000	60,000		20	13	3,000.00	21,000	
Repaving Strand Blvd. (Note 1)			530,490					
Front Gate to Club	370,800	296,640		25	6	11,865.60	225,446	3% incr. for 2017
Club to Back Gate	237,312	189,850		25	10	7,593.98	113,910	3% incr. for 2017
Street Signs - Strand Blvd.	30,000	24,000		15	12	1,600.00	4,800	
Road Stripes - Stencils-Strand Blvd	25,000	20,000		7	0	2,857.14	20,000	
Repaving Ashford Lane (Note 10)	115,200	115,200		25	10	4,608.00	69,120	
Sidewalks - Strand Blvd (Note 2)			246,000					
Front Gate to Club	187,500	150,000		40	22	3,750.00	67,500	
Club to Back Gate	120,000	96,000		40	26	2,400.00	33,600	
Ashford Lane (Note 10)	105,678	105,678		40	26	2,641.95	36,987	Added in 2015 - 3% cost increase 2017
Water Management System (Note 7)	25,000	11,250		5	1	2,250.00	9,000	Added in 2015
Guardhouse roof (Note 3)	7,000	5,600		25	6	224.00	4,256	
Property Perimeter			147,000					
Perimeter Wall (Note 6)	160,000	112,000		40	18	2,800.00	61,600	Added in 2015 - Initial Start 15 K - for 2016 per formula
Perimeter Fence (Note 6)	50,000	35,000		20	8	1,750.00	21,000	Added in 2015 - Initial Start 10 K - for 2016 per formula
Gate House Access Control			16,380					
Barcode readers Back (Note 4)	7,000	7,000		10	0	700.00	7,000	
Barcode readers Front (Note 4)	7,000	6,300		10	8	630.00	1,260	(reset 2015 new Reader installed)
Gate Arms controls (4) Front (Note 5)	7,200	6,480		7	1	925.71	5,554	
Gate Arm controls (2) -Back (Note 5)	3,600	3,600		7	1	1,290.00	7,740	
Total		1,280,098				56,803	739,357	Total 2017 Balance Required

Monthly =	4,734
Yearly =	56,803

0 2017 - Contribution from Capital Fund
 96,000 Funding 2017
 517,605 Est EOY 2016
613,605 Est EOY 2017

Difference EOY 2017 vs Balance Req'd = -125,752
 Years to fully fund at current level assuming roadway repaving done in sections and not all in same year. = 3.2

Budget Value = 8,000.00 Monthly
 Total to Reserve = 96,000.00

RESERVE SCHEDULE - STRAND MASTER ASSOCIATION

For 2017

Notes to Reserve Schedule:

Note 1: The total is 10,250 linear feet gate to gate shared with the Club. Assumed repavement cost for 2" layer on good base, based on recent front gate repair. 2015 Incr. cost for inflation to \$1.6 - was \$0.9. Separated gate to Club and Club to north gate based on usage and when completed. Road signs New for 2015; Striping shown separate - was in road costs Shared 20% Club, 80% Master. See note 9 for Ashford Lane.

Note 2: Cost based on 2014 cost = \$6. per sq. ft. Shared 20% Club, 80% Master Concrete Curb repair considered minor cost as req. from operating account Useful Life was 50 years and remaining life was 34 years

Note 3: Total cost increased to \$ 8 K (2015), was \$5 K, shared 10% Club, 90% Master

Note 4: The reader at the main gate cost shared with 10% Club, 90% Master 2015 Revised cost due to Maintenance Contract - was \$ 30.4 K and revised remain life - was 2 yr.

Note 5: The four units at the main gate cost shared with Club 10%. Back gate not shared. Cost each unit \$ 2.1 K. 2015 Rev. life remaining-was 2 years, due to Maintenance Contract

Note 6: Perimeter Walls and Fence New for 2015 Adjusted Requirement to reflect start 2015 with accumulation of funds.

Note 7: Water Management grates, drainage system Total costs of \$25 K assumed 2 repairs every 5 years Shared 45% Club, 10% Commercial, 45% Master

Note 8: New for 2015 - Cost of irrigation meter replacements within communities/wells.

Note 9: 2015 Rev. usefull life (was 8) based on current performance

Note 10: New for 2015 - Agreed to include Ashford Lane in Reserve Fund due to transfer of ownership from Club to Master Association mid 2011. Repair - Maintenance not shared

Reserve Monies Spent To-date

-28,378	Striping of Strand Blvd 7/2010
-1,996	Sidewalk Repairs 7/2012
-6,120	Front Gate Road Repair 2013-2014
-7,225	2014 Spent, wells, utility boxes and sidewalks
-850	Well Meter 2015
-10,703	Perimeter Fence Repairs 2015 net
-5265	New Bar Code Reader 2015 net
-1750	Sidewalk Repairs Ashford lane 2015
-1260	Spraying of Wall with fungicide 8-2015
-8,498	Perimeter wall and fence repairs 5-2016 net
-854.25	Perimeter wall and fence repairs 10-2016 net
-2100	Sidewalk repair Ashford Lane 8-2016

-75,000 Total from Reserve Accounts spent over years
When monies spent, Life Remaining values for those items are reset to account for new unit

	Per Financial Reports	
Capital Account (sales of units)		Reserve Fund Balance
End 2010	17,504	243,049 Actual End 2010
End 2011	40,723	301,564 Actual End 2011
End 2012	77,470	331,587 Actual End 2012
End 2013	106,669	356,605 Actual End 2013
End 2014	100,036	355,341 Actual End 2014
End 2015	11,002 Est. After Charge for new Medians	439,991 Actual End 2015
		535,991 Est. End of 2016

The components' actual replacement cost, useful lives, and investment income may vary from estimated amounts and the variation may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association, through its' Board, has the power to increase regular assessments, pass special assessments, or delay major repairs and replacement until funds are available.