



Association Reserve Consultants, Inc.

P.O. Box 367
St. George, Utah 84771-0367
Tel: 800.924.5009
Fax: 888.685.5011

Offices:
St. George, Utah
Salt Lake City, Utah
Victoria, Texas

Oct.07, 2010

Mr. William Noland, President
Silver Springs Master HOA
P.O. Box 980326
Park City, Utah 84060

Dear Mr. Noland

Enclosed is the completed reserve analysis study for Silver Springs Master for the fiscal year beginning 1/01/11. Your ARC report is presented in two parts:

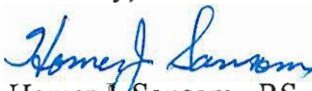
Part 1 offers an easy-to-understand introduction to reserve budgeting and terminology along with a Users' Guide to your reserve analysis study.

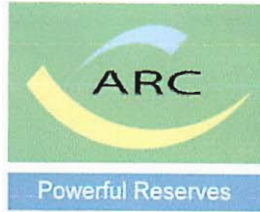
Part 2 is your reserve analysis study, including a report summary, a distribution of accumulated reserves, an asset listing-summary, detail reports for each asset, 30-year projections with an alphabetical detail report index.

We hope that you find our report format both informative and useful. Should you desire, any or all of the parameters and data used in your reserve study may be changed and a revised study prepared. All of us at ARC have enjoyed serving you and providing Silver Master Association with the most detailed, comprehensive and useful reserve analysis study available. If you have any additional questions or comments, please feel free to call us.

Thank you,

Sincerely,


Homer J. Sansom RS
Senior Consultant



Association Reserve Consultants, Inc.

Silver Springs Master Owner's Association

Park City, Utah

Account: 1182 Version: 001

Project Date: 10-05-2010



Association Reserve Consultants, Inc.

PO Box 367

St. George, UT 84771-0367

(800) 924-5009

PRELIMINARY

TABLE OF CONTENTS
Silver Springs Master Association

PART I • INFORMATION ABOUT YOUR RESERVE STUDY

Important Information	1-1
Introduction	1-2
Funding Options	1-2
Types of Reserve Studies	1-3
Developing a Component List	1-3
Operational Expenses	1-4
Reserve Expenses	1-4
Funding Methods	1-5
Funding Strategies	1-6
Distribution of Reserves	1-7
User's Guide to Your Reserve Study	1-8
Definitions	1-9
Your Reserve Study is a Multi-Purpose Tool	1-12
Association Reserve Consultants, Inc. Summary	1-13
Association Reserve Consultants, Inc. Commentary	1-14

PART II • RESERVE STUDY

Funding Model Summary	2-1
Funding Model Projection	2-2
Component Summary	2-3
Component Funding Model Assessment Summary	2-5
Annual Expenditure Detail	2-7
Asset Summary Report by Category	2-12
Detail Report by Category	2-16
Category Detail Index	2-38

Important Information

This document has been provided pursuant to an agreement containing restrictions on its use. No part of this document may be copied or distributed, in any form or by any means, nor disclosed to third parties without the expressed written permission of ARC - Association Reserve Consultants, Inc. The client shall have the right to reproduce and distribute copies of this report, or the information contained within, as may be required for compliance with all applicable regulations.

This reserve analysis study and the parameters under which it has been completed are based upon information provided to us in part by representatives of the association, its contractors, assorted vendors, specialist and independent contractors, the Community Association Institute, and various construction pricing and scheduling manuals including, but not limited to: Marshall & Swift Valuation Service, RS Means Facilities Maintenance & Repair Cost Data, RS Means Repair & Remodeling Cost Data, National Construction Estimator, National Repair & Remodel Estimator, Dodge Cost Manual and McGraw-Hill Professional. Additionally, costs are obtained from numerous vendor catalogues, actual quotations or historical costs, and our own experience in the field of property management and reserve study preparation.

It has been assumed, unless otherwise noted in this report, that all assets have been designed and constructed properly and that each estimated useful life will approximate that of the norm per industry standards and/or manufacturer's specifications. In some cases, estimates may have been used on assets, which have an indeterminable but potential liability to the association. The decision for the inclusion of these as well as all assets considered is left to the client.

We recommend that your reserve analysis study be updated on a regular basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the association and computations made subsequently in preparing this reserve analysis study are retained in our computer files. Therefore, annual updates may be completed quickly and inexpensively each year.

ARC - Association Reserve Consultants, Inc. would like to thank you for using our services. We invite you to call us at any time, should you have questions, comments or need assistance. In addition, any of the parameters and estimates used in this study may be changed at your request, after which we will provide a revised study.

This reserve analysis study is provided as an aid for planning purposes and not as an accounting tool. Since it deals with events yet to take place, there is no assurance that the results enumerated within it will, in fact, occur as described.

Part I

Introduction

Preparing the annual budget and overseeing the association's finances are perhaps the most important responsibilities of board members. The annual operating and reserve budgets reflect the planning and goals of the association and set the level and quality of service for all of the association's activities.

Funding Options

When a major repair or replacement is required in a community, an association has essentially four options available to address the expenditure:

The first, and only logical means that the Board of Directors has to ensure its ability to maintain the assets for which it is obligated, is by **assessing an adequate level of reserves** as part of the regular membership assessment, thereby distributing the cost of the replacements uniformly over the entire membership. The community is not only comprised of present members, but also future members. Any decision by the Board of Directors to adopt a calculation method or funding plan which would disproportionately burden future members in order to make up for past reserve deficits, would be a breach of its fiduciary responsibility to those future members. Unlike individuals determining their own course of action, the board is responsible to the "community" as a whole.

Whereas, if the association was setting aside reserves for this purpose, using the vehicle of the regularly assessed membership dues, it would have had the full term of the life of the roof, for example, to accumulate the necessary moneys. Additionally, those contributions would have been evenly distributed over the entire membership and would have earned interest as part of that contribution.

The second option is for the association to **acquire a loan** from a lending institution in order to effect the required repairs. In many cases, banks will lend to an association using "future homeowner assessments" as collateral for the loan. With this method, the current board is pledging the future assets of an association. They are also incurring the additional expense of interest fees along with the original principal amount. In the case of a \$150,000 roofing replacement, the association may be required to pay back the loan over a three to five year period, with interest.

The third option, too often used, is simply to **defer the required repair or replacement**. This option, which is not recommended, can create an environment of declining property values due to expanding lists of deferred maintenance items and the association's financial inability to keep pace with the normal aging process of the common area components. This, in turn, can have a seriously negative impact on sellers in the association by making it difficult, or even impossible, for potential buyers to obtain financing from lenders. Increasingly, lending institutions are requesting copies of the association's most recent reserve study before granting loans, either for the association itself, a prospective purchaser, or for an individual within such an association.

The fourth option is to pass a "**special assessment**" to the membership in an amount required to cover the expenditure. When a special assessment is passed, the association has the authority and responsibility to collect the assessments, even by means of foreclosure, if necessary. However, an association considering a special assessment cannot guarantee that an assessment, when needed, will be passed. Consequently, the association cannot guarantee its ability to perform the required repairs or replacements to those major

components for which it is obligated when the need arises. Additionally, while relatively new communities require very little in the way of major “reserve” expenditures, associations reaching 12 to 15 years of age and older, find many components reaching the end of their effective useful lives. These required expenditures, all accruing at the same time, could be devastating to an association’s overall budget.

Types of Reserve Studies

Most reserve studies fit into one of three categories:

Full Reserve Study;

Update with site inspection; and

Update without site inspection.

In a **Full Reserve Study**, the reserve provider conducts a component inventory, a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both a “fund status” and “funding plan”.

In an **Update with site inspection**, the reserve provider conducts a component inventory (verification only, not quantification unless new components have been added to the inventory), a condition assessment (based upon on-site visual observations), and life and valuation estimates to determine both the “fund status and “funding plan.”

In an **Update without site inspection**, the reserve provider conducts life and valuation estimates to determine the “fund status” and “funding plan.”

The Reserve Study: A Physical and a Financial Analysis

There are two components of a reserve study: a physical analysis and a financial analysis.

Physical Analysis

During the physical analysis, a reserve study provider evaluates information regarding the physical status and repair/replacement cost of the association’s major common area components. To do so, the provider conducts a component inventory, a condition assessment, and life and valuation estimates.

Developing a Component List

The budget process begins with full inventory of all the major components for which the association is responsible. The determination of whether an expense should be labeled as operational, reserve, or excluded altogether is sometimes subjective. Since this labeling may have a major impact on the financial plans of the association, subjective determinations should be minimized. We suggest the following considerations when labeling an expense.

Operational Expenses

Occur at least annually, no matter how large the expense, and can be budgeted for effectively each year. They are characterized as being reasonably predictable, both in terms of frequency and cost. Operational expenses include all minor expenses, which would not otherwise adversely affect an operational budget from one year to the next. Examples of **operational expenses** include:

Utilities:	Bank Service Charges	Accounting
Electricity	Dues & Publications	Reserve Study
Gas	Licenses, Permits & Fees	Repair Expenses:
Water	Insurance(s)	Tile Roof Repairs
Telephone	Services:	Equipment Repairs
Cable TV	Landscaping	Minor Concrete Repairs
Administrative:	Pool Maintenance	Operating Contingency
Supplies	Street Sweeping	

Reserve Expenses

These are major expenses that occur other than annually, and which must be budgeted for in advance in order to ensure the availability of the necessary funds in time for their use. Reserve expenses are reasonably predictable both in terms of frequency and cost. However, they may include significant assets that have an indeterminable but potential liability that may be demonstrated as a likely occurrence. They are expenses that, when incurred, would have a significant effect on the smooth operation of the budgetary process from one year to the next, if they were not reserved for in advance. Examples of reserve expenses include:

Roof Replacements	Park/Play Equipment
Painting	Pool/Spa Re-plastering
Deck Resurfacing	Pool Equipment Replacement
Fencing Replacement	Pool Furniture Replacement
Asphalt Seal Coating	Tennis Court Resurfacing
Asphalt Repairs	Lighting Replacement
Asphalt Overlays	Insurance(s)
Equipment Replacement	Reserve Study
Interior Furnishings	

Budgeting is Normally Excluded for:

Repairs or replacements of assets which are deemed to have an estimated useful life equal to or exceeding the estimated useful life of the facility or community itself, or exceeding the legal life of the community as defined in an association's governing documents. Examples include the complete replacement of elevators, tile roofs, wiring and plumbing. Also excluded are insignificant expenses that may be covered either by an operating or reserve contingency, or otherwise in a general maintenance fund. Expenses that are necessitated by acts of nature, accidents or other occurrences that are more properly insured for, rather than reserved for, are also excluded.

Financial Analysis

The financial analysis assesses the association's reserve balance or "fund status" (measured in cash or as percent fully funded) to determine a recommendation for the appropriate reserve contribution rate in the future, known as the "funding plan".

Preparing the Reserve Study

Once the reserve assets have been identified and quantified, their respective replacement costs, useful lives and remaining lives must be assigned so that a funding schedule can be constructed. Replacement costs and useful lives can be found in published manuals such as construction estimators, appraisal handbooks, and valuation guides. Remaining lives are calculated from the useful lives and ages of assets and adjusted according to conditions such as design, manufactured quality, usage, exposure to the elements and maintenance history.

By following the recommendations of an effective reserve study, the association should avoid any major shortfalls. However, to remain accurate, the report should be updated on an annual basis to reflect such changes as shifts in economic parameters, additions of phases or assets, or expenditures of reserve funds. The association can assist in simplifying the reserve analysis update process by keeping accurate records of these changes throughout the year.

Funding Methods

From the simplest to the most complex, reserve analysis providers use many different computational processes to calculate reserve requirements. However, there are two basic processes identified as industry standards: the cash flow method and the component method.

The cash flow method develops a reserve-funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the actual anticipated schedule of reserve expenses until the desired funding goal is achieved. This method sets up a "window" in which all future anticipated replacement costs are computed, based upon the individual lives of the components under consideration. The ARC - Association Reserve Consultants, Inc. Threshold and the ARC - Association Reserve Consultants, Inc. Current Assessment funding models are based upon the cash flow method.

The component method develops a reserve-funding plan where the total contribution is based upon the sum of contributions for individual components. The component method is the more conservative of the two funding options, and assures that the association will achieve and maintain an ideal level of reserve over time. This method also allows for computations on individual components in the analysis. The ARC - Association Reserve Consultants, Inc. Component Funding model is based upon the component methodology.

Funding Strategies

Once an association has established its funding goals, the association can select an appropriate funding plan. There are four basic strategies from which most associations select. It is recommended that associations consult professionals to determine the best strategy or combination of plans that best suit the association's need. Additionally, associations should consult with their financial advisor to determine the tax implications of selecting a particular plan. Further, consultation with the American Institute of Certified Public Accountants (AICPA) for their reporting requirements is advisable. The four funding plans and descriptions of each are detailed below. Associations will have to update their reserve studies more or less frequently depending on the funding strategy they select.

Full Funding—Given that the basis of funding for reserves is to distribute the costs of the replacements over the lives of the components in question, it follows that the ideal level of reserves would be proportionately related to those lives and costs. If an association has a component with an expected estimated useful life of ten years, it would set aside approximately one-tenth of the replacement cost each year. At the end of three years, one would expect three-tenths of the replacement cost to have accumulated, and if so, that component would be “fully-funded.” This model is important in that it is a measure of the adequacy of an association's reserves at any one point of time, and is independent of any particular method which may have been used for past funding or may be under consideration for future funding. This formula represents a snapshot in time and is based upon current replacement cost, independent of future inflationary or investment factors:

Fully Funded Reserves = Age divided by Useful Life the results multiplied by Current Replacement Cost

When an association's total accumulated reserves for all components meet this criterion, its reserves are considered “fully-funded.”

The ARC - Association Reserve Consultants, Inc. **Threshold Funding Model (Minimum Funding)**. The goal of this funding method is to keep the reserve cash balance above zero. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. An association using this funding method must understand that even a minor reduction in a component's remaining useful life can result in a deficit in the reserve cash balance.

The ARC - Association Reserve Consultants, Inc. **Threshold Funding Model**. This method is based upon the cash flow funding concept. The minimum reserve cash balance in threshold funding, however, is set at a predetermined dollar amount (other than \$0).

The ARC - Association Reserve Consultants, Inc. **Current Assessment Funding Model**. This method is also based upon the cash flow funding concept. The initial reserve assessment is set at the association's current fiscal year funding level and a 30-year projection is calculated to illustrate the adequacy of the current funding over time.

The ARC - Association Reserve Consultants, Inc. **Component Funding Model**. This is a straight-line funding model. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments, hence the name “Component Funding Model”. This is the most conservative funding model. It leads to or maintains the fully funded reserve position. The following details this calculation process.

Component Funding Model Distribution of Accumulated Reserves

The "Distribution of Accumulated Reserves Report" is a "Component Funding Model" calculation. This distribution **does not** apply to the cash flow funding models.

When calculating reserves based upon the component methodology, a beginning reserve balance must be allocated for each of the individual components considered in the analysis, before the individual calculations can be completed. When this distribution is not available, or of sufficient detail, the following method is suggested for allocating reserves:

The first step the program performs in this process is subtracting, from the total accumulated reserves, any amounts for assets that have predetermined (fixed) reserve balances. The user can "fix" the accumulated reserve balance within the program on the individual asset's detail page. If, by error, these amounts total more than the amount of funds available, then the remaining assets are adjusted accordingly. A provision for a contingency reserve is then deducted by the determined percentage used, and if there are sufficient remaining funds available.

The second step is to identify the ideal level of reserves for each asset. As indicated in the prior section, this is accomplished by evaluating the component's age proportionate to its estimated useful life and current replacement cost. Again, the equation used is as follows:

Fully Funded Reserves = (Age/Useful Life) x Current Replacement Cost

The ARC - Association Reserve Consultants, Inc. software program performs the above calculations to the actual month the component was placed-in-service. The program projects that the accumulation of necessary reserves for repairs or replacements will be available on the first day of the fiscal year in which they are scheduled to occur.

The next step the program performs is to arrange all of the assets used in the study in ascending order by remaining life, and alphabetically within each grouping of remaining life items. These assets are then assigned their respective ideal level of reserves until the amount of funds available is depleted, or until all assets are appropriately funded. If any assets are assigned a zero remaining life (scheduled for replacement in the current fiscal year), then the amount assigned equals the current replacement cost and funding begins for the next cycle of replacement. If there are insufficient funds available to accomplish this, then the software automatically adjusts the zero remaining life items to one year, and that asset assumes its new grouping position alphabetically in the final printed report.

If, at the completion of this task, there are additional moneys that have not been distributed, the remaining reserves are then assigned, in ascending order, to a level equal to, but not exceeding, the current replacement cost for each component. If there are sufficient moneys available to fund all assets at their current replacement cost levels, then any excess funds are designated as such and are not factored into any of the report computations. If, at the end of this assignment process there are designated excess funds, they can be used to offset the monthly contribution requirements recommended, or used in any other manner the client may desire.

Assigning the reserves in this manner defers the make-up period for any under-funding over the longest remaining life of all assets under consideration, thereby minimizing the impact of any deficiency. For example, if the report indicates an under funding of \$50,000, this under-funding will be assigned to components with the longest remaining lives in order to give more time to "replenish" the account. If the \$50,000 under-funding were to be assigned to short remaining life items, the impact would be felt immediately.

If the reserves are under-funded, the monthly contribution requirements, as outlined in this

report, can be expected to be higher than normal. In future years, as individual assets are replaced, the funding requirements will return to their normal levels. In the case of a large deficiency, a special assessment may be considered. The program can easily generate revised reports outlining how the monthly contributions would be affected by such an adjustment, or by any other changes that may be under consideration.

Funding Reserves

Three assessment and contribution figures are provided in the report, the "Monthly Reserve Assessment Required", the "Average Net Monthly Interest Earned" contribution and the "Total Monthly Allocation to Reserves." The association should allocate the "Monthly Reserve Assessment Required" amount to reserves each month when the interest earned on the reserves is left in the reserve accounts as part of the contribution. Any interest earned on reserve deposits, must be left in reserves and only amounts set aside for taxes should be removed.

The second alternative is to allocate the "Total Monthly Allocation" to reserves (this is the member assessment plus the anticipated interest earned for the fiscal year). This method assumes that all interest earned will be assigned directly as operating income. This allocation takes into consideration the anticipated interest earned on accumulated reserves regardless of whether or not it is actually earned. When taxes are paid, the amount due will be taken directly from the association's operating accounts as the reserve accounts are allocated only those moneys net of taxes.

Users' Guide to your Reserve Analysis Study

Part II of your ARC - Association Reserve Consultants, Inc. Report contains the reserve analysis study for your association. There are seven types of reports in the study as described below.

Report Summaries

The Report Summary for all funding models lists all of the parameters that were used in calculating the report as well as the summary of your reserve analysis study.

Index Reports

The **Distribution of Accumulated Reserves** report lists all assets in remaining life order. It also identifies the ideal level of reserves that should have accumulated for the association as well as the actual reserves available. This information is valid only for the "Component Funding Model" calculation.

The **Component Listing/Summary** lists all assets by category (i.e. roofing, painting, lighting, etc.) together with their remaining life, current cost, monthly reserve contribution, and net monthly allocation.

Detail Reports

The Detail Report itemizes each asset and lists all measurements, current and future costs, and calculations for that asset. Provisions for percentage replacements, salvage values, and one-time replacements can also be utilized. These reports can be sorted by category or group.

The numerical listings for each asset are enhanced by extensive narrative detailing factors such as design, manufactured quality, usage, exposure to elements and maintenance history.

The ARC - Association Reserve Consultants, Inc. Detail Index is an alphabetical listing of all assets, together with the page number of the asset's detail report, the projected replacement

year, and the asset number.

Projections

Thirty-year projections add to the usefulness of your reserve analysis study.

Definitions

Report I.D.

Includes the Report Date (example: November 15, 1992), Account Number (example: 9773), and Version (example: 1.0). Please use this information (displayed on the summary page) when referencing your report.

Budget Year Beginning/Ending

The budgetary year for which the report is prepared. For associations with fiscal years ending December 31st, the monthly contribution figures indicated are for the 12-month period beginning 1/1/20xx and ending 12/31/20xx.

Number of Units and/or Phases

If applicable, the number of units and/or phases included in this version of the report.

Inflation

This figure is used to approximate the future cost to repair or replace each component in the report. The current cost for each component is compounded on an annual basis by the number of remaining years to replacement, and the total is used in calculating the monthly reserve contribution that will be necessary to accumulate the required funds in time for replacement.

Annual Assessment Increase

This represents the percentage rate at which the association will increase its assessment to reserves at the end of each year. For example, in order to accumulate \$10,000 in 10 years, you could set aside \$1,000 per year. As an alternative, you could set aside \$795 the first year and increase that amount by 5% each year until the year of replacement. In either case you arrive at the same amount. The idea is that you start setting aside a lower amount and increase that number each year in accordance with the planned percentage. Ideally this figure should be equal to the rate of inflation. It can, however, be used to aide those associations that have not set aside appropriate reserves in the past, by making the initial year's allocation less formidable.

Investment Yield Before Taxes

The average interest rate anticipated by the association based upon its current investment practices.

Taxes on Interest Yield

The estimated percentage of interest income that will be set aside to pay income taxes on the interest earned.

Projected Reserve Balance

The anticipated reserve balance on the first day of the fiscal year for which this report has been prepared. This is based upon information provided and not audited.

Percent Fully Funded

The ratio, at the beginning of the fiscal year, of the actual (or projected) reserve balance to the calculated fully funded balance, expressed as a percentage.

Phase Increment Detail and/or Age

Comments regarding aging of the components on the basis of construction date or date of acceptance by the association.

Monthly Assessment

The assessment to reserves required by the association each month.

Interest Contribution (After Taxes)

The interest that should be earned on the reserves, net of taxes, based upon their beginning reserve balance and monthly contributions for one year. This figure is averaged for budgeting purposes.

Total Monthly Allocation

The sum of the monthly assessment and interest contribution figures.

Group and Category

The report may be prepared and sorted either by group (location, building, phase, etc.) or by category (roofing, painting, etc.). The standard report printing format is by category.

Percentage of Replacement or Repairs

In some cases, an asset may not be replaced in its entirety or the cost may be shared with a second party. Examples are budgeting for a percentage of replacement of streets over a period of time, or sharing the expense to replace a common wall with a neighboring party.

Placed-In-Service Date

The month and year that the asset was placed-in-service. This may be the construction date, the first escrow closure date in a given phase, or the date of the last servicing or replacement.

Estimated Useful Life

The estimated useful life of an asset based upon industry standards, manufacturer specifications, visual inspection, location, usage, association standards and prior history. All of these factors are taken into consideration when tailoring the estimated useful life to the particular asset. For example, the carpeting in a hallway or elevator (a heavy traffic area) will not have the same life as the identical carpeting in a seldom-used meeting room or office.

Adjustment to Useful Life

Once the useful life is determined, it may be adjusted, up or down, by this separate figure for the current cycle of replacement. This will allow for a current period adjustment without affecting the estimated replacement cycles for future replacements.

Estimated Remaining Life

This calculation is completed internally based upon the report's fiscal year date and the date the asset was placed-in-service.

Replacement Year

The year that the asset is scheduled to be replaced. The appropriate funds will be available by the first day of the fiscal year for which replacement is anticipated.

Annual Fixed Reserves

An optional figure which, if used, will override the normal process of allocating reserves to each asset.

Fixed Assessment

An optional figure which, if used, will override all calculations and set the assessment at this amount. This assessment can be set for monthly, quarterly or annually as necessary.

Salvage Value

The salvage value of the asset at the time of replacement, if applicable.

One-Time Replacement

Notation if the asset is to be replaced on a one-time basis.

Current Replacement Cost

The estimated replacement cost effective at the beginning of the fiscal year for which the report is being prepared

Future Replacement Cost

The estimated cost to repair or replace the asset at the end of its estimated useful life based upon the current replacement cost and inflation.

Component Inventory

The task of selecting and qualifying reserve components. This task can be accomplished through on-site visual, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s).

A Multi-Purpose Tool

Your ARC - Association Reserve Consultants, Inc. Report is an important part of your association's budgetary process. Following its recommendations should ensure the association's smooth budgetary transitions from one fiscal year to the next, and either decrease or eliminate the need for "special assessments".

In addition, your ARC - Association Reserve Consultants, Inc. reserve study serves a variety of useful purposes:

- Following the recommendations of a reserve study performed by a professional consultant can protect the Board of Directors in a community from personal liability concerning reserve components and reserve funding.
- A reserve analysis study is required by your accountant during the preparation of the association's annual audit.
- The ARC - Association Reserve Consultants, Inc. reserve study is often requested by lending institutions during the process of loan applications, both for the community and, in many cases, the individual owners.
- Your ARC - Association Reserve Consultants, Inc. Report is also a detailed inventory of the association's major assets and serves as a management tool for scheduling, coordinating and planning future repairs and replacements.
- Your ARC - Association Reserve Consultants, Inc. Report is a tool that can assist the Board in fulfilling its legal and fiduciary obligations for maintaining the community in a state of good repair. If a community is operating on a special assessment basis, it cannot guarantee that an assessment, when needed, will be passed. Therefore, it cannot guarantee its ability to perform the required repairs or replacements to those major components for which the association is obligated.
- Since the ARC - Association Reserve Consultants, Inc. reserve analysis study includes measurements and cost estimates of the client's assets, the detail reports may be used to evaluate the accuracy and price of contractor bids when assets are due to be repaired or replaced.
- The ARC - Association Reserve Consultants, Inc. reserve study is an annual disclosure to the membership concerning the financial condition of the association, and may be used as a "consumers' guide" by prospective purchasers.
- The ARC - Association Reserve Consultants, Inc. Owners' Summary meets the disclosure requirements of the California Civil Code and also the recently adopted ECHO standards.
- Your ARC - Association Reserve Consultants, Inc. Report provides a record of the time, cost, and quantities of past reserve replacements. At times the association's management company and board of directors are transitory which may result in the loss of these important records.

**Silver Springs Master Association
ARC Association Reserve Consultants, Inc. Summary**

ARC RESERVE STUDY SUMMARY	
Association: Silver Springs Master Association	No. 1182-001
Location: Park City Utah	
No. of Units: 504	
Report Period: 1/01/2011	

Results

Projected Starting Reserve Balance	\$44,858.00
Fully Funded Reserve Balance	\$83,058.00
Percent Funded	68%
Recommended 2011 Annual Reserve Contribution	\$20,000
Recommended Special Assessment this year	\$ -0-
Most Recent Reserve Contribution Rate	\$88,200

Description

The property consists of lakes, tennis courts, entry monuments, street lights, parks, and common area landscaping.	PRELIMINARY

Economic Assumptions

Net Annual "After Tax" Interest Earnings Accruing to Reserves	1.5%
Annual Inflation Rate	2.0%

- The information in this reserve study is based on our site inspection on Sept. 16, 2010.
- Because your reserve fund is at 6809% funded, this represents a good reserve position.
- Based on this starting point, your anticipated future expenses, and your historical reserve contribution rate, our recommendation is to decrease and maintain your annual reserve contributions.
-

**Silver Springs Master Association
ARC Association Reserve Consultants, Inc. Commentary**

SILVER SPRINGS MASTER HOMEOWNERS ASSOCIATION

Responsibility for Maintenance

The Board of Directors is responsible to ensure that the association assets are inspected on a regular schedule as recommended by manufacturers or installers, or as dictated by conditions. Good management dictates that a regular inspection be performed for the association property with an eye on changing conditions that may require maintenance or a change in the maintenance plan.

Note: The Board of Directors is responsible for reviewing the draft reserve report and all assumptions and listed Common Area Components.

Included Components and Comments

Additions – Reserve funds are only to be used for the long term repair, replacement and restoration of existing common elements. Any assets that do not already exist and are to be added, must be provided for out of non-reserve funds. Once the expenditures are approved and the item is added to the common element inventory, the item can be placed in the reserve budget for long term maintenance funding.

Items of low cost – Even though their life expectancy may be longer than one year and less than thirty, some items will not be included in the reserve budget. Items typically under \$100-\$500 dollars fall into this category unless there is sufficient quantity of the item to cause a larger expenditure and the life expectancies are the same. It is expected that the cost of these items, not included in the reserve budget, will be covered in the operating contingency or maintenance line items.

Condition Statements – Where no “Condition” state is made, it should be assumed that the condition of the component is good at the time of the ARC inspection. A condition of “Good” means that the component is either at the beginning of its life or is in a normal condition state considering its estimated remaining life and shows no obvious or apparent signs of expedited aging or deterioration. No operational checks or intrusive inspections are performed on any items. No condition statements will be made on items that are aging “normally” according to conditions and expected life expectancies. Condition statements will only be made on common area elements that appear to be lacking in maintenance and/or appear to be aging prematurely according to normal condition and life expectancies.

As stated in earlier disclosures, it is assume, for the purposes of this report, that all components have been installed properly, that no construction defects exist and all components are operational.

Reserve Study Updates

Your Reserve Study should be updated on a regular basis in order to ensure that condition changes in common elements, replacements and financial variations are updated. Waiting no more than three to four years to update the study is advised, particularly for larger associations.

**Silver Springs Master Association
ARC Association Reserve Consultants, Inc. Commentary**

Disclosure Information

The Consultant certifies that:

- 1) Consultant has no other involvement with association which could result in actual or perceived conflicts of interest.
- 2) Component inventories were developed by actual field inventory and representative sampling. Component conditional assessments were developed by actual field observation. No invasive or destructive investigation is performed to determine condition.
- 3) The Consultant is not obligated to perform any in depth inspection or investigation to determine hidden defects or problems that may exist beyond the scope of this report. Should the client feel that problems of this nature exist in any component, it is the obligation and duty of the client to secure the services of an expert in that field to determine the extent of any deficiency that may exist.
- 4) Consultant does rely on the Board of Directors and other professionals for gathering certain information not available to Consultant or more readily acquired from another source.
- 5) Component costing is obtained from the most current National Data Base, from actual contractor quotations and from experiential data. No guarantees, implied or otherwise, are given regarding present costs, future costs or life expectancy predictions.
- 6) This report is not reliant upon the data from any previous reserve studies unless the study is an update of a previous study.
- 7) There are not material issues known to consultant at this time that would cause a distortion of the association's situation.
- 8) Information provided by the official representative of the association regarding financial, physical, quantity, or historical issues will be deemed reliable by the consultant. The reserve study will be a reflection of information provided to the consultant and assembled for the association's use, not for the purpose of performing an audit, quality/forensic analysis, or background checks of historical records.
- 9) The actual or projected total reserve balance presented in the reserve study is based upon information provided.
- 10) For reserve study updated w/site visit and reserve study updates w/o site levels of service, the client is considered to have deemed previously developed component quantities as accurate and reliable.

Information provided about reserve projects will be considered reliable. Any on-site inspection should not be considered a project quality inspection.

**Silver Springs Master Association
ARC Association Reserve Consultants, Inc. Commentary**

Preparer Qualifications

Association Reserve Consultants, Inc., provides over three (3) decades of combined reserve consulting and other related experience which has well equipped ARC to provide superior analysis and quality service to our clients through a network of resident consultants in Utah, Texas and Nevada. This strength and experience has enabled ARC to serve hundreds of unique clients throughout North America.

Association Reserve Consultants, Inc. serves all types of common interest real estate developments and a wide variety of other for-profit entities. ARC Reserve Studies meet and exceed statute requirements.

ARC business is strictly Reserve Studies. We are not involved in other unrelated fields such as the business of construction defect investigation or consulting. We believe that providing Reserve Studies is a demanding specialty in itself and requires focus and purpose. As a result of that belief, we are certain that you will find the ARC Reserve Study to be the leading product in the industry that provides the client with a clear, concise and easy to understand picture of the development's component and funding needs.

The preparer has a bachelor's degree in Civil Engineering from Texas A&M University. He has over 40 years of diversified experience in construction, operations and maintenance of structures, buildings, grounds and roadways. He has many years experience in supervising and preparing operations and capital budgets for extensive building complexes. He is a member of the Community Associations Institute and has been designated as a Reserve Specialist (RS) and has been permitted as a Reserve Study Specialist (RSS) in the state of Nevada.. He has been preparing reserve studies and budgets for Homeowner Associations since 2000, including large and complex projects in Park City, Utah and Las Vegas, Nevada. He is also a certified Home Inspector.

Silver Springs Master Association
 Park City, Utah
ARC Funding Model Summary

Report Date	October 07, 2010
Account Number	1182
Version	001
Budget Year Beginning	January 01, 2011
Budget Year Ending	December 31, 2011
Total Units	504

Report Parameters	
Inflation	2.00%
Annual Assessment Increase	0.00%
Interest Rate on Reserve Deposit	1.50%
Tax Rate on Interest	30.00%
Contingency	1.00%
2011 Beginning Balance	\$44,858.00

- We have used the year 1979 for the aging of assets unless noted otherwise.
- The client has informed us that they will have \$44,858.00 in reserves on 12/31/2010.
- The last ARC field inspection was on 9/16/2010.

PRELIMINARY

Current Assessment Funding Model Summary of Calculations	
Required Annual Contribution	\$20,000.00
<i>\$39.68 per unit annually</i>	
Average Net Annual Interest Earned	<u>\$598.18</u>
Total Annual Allocation to Reserves	\$20,598.18
<i>\$40.87 per unit annually</i>	

**Silver Springs Master Association
ARC Funding Model Projection**

Beginning Balance: \$44,858

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2011	97,824	20,000	598	7,888	57,568	83,168	69%
2012	99,780	20,000	567	23,531	54,604	74,051	73%
2013	101,776	20,000	614	16,085	59,134	72,694	81%
2014	103,811	20,000	600	22,012	57,722	65,477	88%
2015	105,887	20,000	405	39,145	38,983	40,743	95%
2016	108,005	20,000	573	4,416	55,139	51,582	106%
2017	110,165	20,000	534	24,291	51,382	42,451	121%
2018	112,369	20,000	701	4,595	67,489	53,729	125%
2019	114,616	20,000	715	19,368	68,836	50,315	136%
2020	116,908	20,000	826	10,158	79,504	56,630	140%
2021	119,246	20,000	925	11,444	88,985	62,062	143%
2022	121,631	20,000	863	26,819	83,028	52,084	159%
2023	124,064	20,000	1,049	3,171	100,906	66,600	151%
2024	126,545	20,000	1,201	6,559	115,548	78,250	147%
2025	129,076	20,000	1,209	20,399	116,358	76,214	152%
2026	131,658	20,000	1,375	5,383	132,350	89,957	147%
2027	134,291	20,000	1,267	31,670	121,947	77,247	157%
2028	136,977	20,000	1,454	3,501	139,900	93,669	149%
2029	139,716	20,000	1,625	5,099	156,427	109,141	143%
2030	142,510	20,000	1,299	52,684	125,043	76,274	163%
2031	145,361	20,000	1,198	30,979	115,261	65,496	175%
2032	148,268	20,000	1,077	32,693	103,646	53,129	195%
2033	151,233	20,000	1,233	6,184	118,695	68,227	173%
2034	154,258	20,000	1,397	5,630	134,463	84,606	158%
2035	157,343	20,000	1,580	4,021	152,021	103,387	147%
2036	160,490	20,000	1,711	9,023	164,709	117,813	139%
2037	163,700	20,000	1,333	57,783	128,259	82,725	155%
2038	166,974	20,000	1,512	4,267	145,504	102,513	141%
2039	170,313	20,000	1,645	8,827	158,322	118,450	133%
2040	173,719	20,000	1,714	15,095	164,941	128,708	128%

PRELIMINARY

Silver Springs Master Association
Park City, Utah
ARC Component Summary

Description	Date in Service	Replacement Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
Asphalt								
Parking Lot-Asphalt Sealing	1999	2011	10	2	0	2,160 sq.ft.	1.80	<u>3,888</u>
Asphalt - Total								\$3,888
Roofing								
Roofs-Park Gazebos, Repair	2009	2014	5	0	3	1 total	4,280.00	1,070
Roofs-Park Gazebos, Repl	2000	2015	15	0	4	1 total	4,280.00	<u>4,280</u>
Roofing - Total								\$5,350
Painting								
Paint-Gates, Access Rd.	2000	2011	5	6	0	2 gates	750.00	1,500
Paint-Tennis Court, Fence Posts and R..		<i>unfunded</i>						
Painting - Total								<u>\$1,500</u>
Fencing								
Fencing-Chain Link, Vinyl Coated, Repl..	1979	2014	35	0	3	1 total	17,172.10	17,172
Fencing-Gates, Rpl.	2000	2020	20	0	9	2 gates	3,000.00	<u>6,000</u>
Fencing - Total								\$23,172
Lighting								
Lighting - Street, Maintenance/Rpl.	2010	2011	1	0	0	1 total	2,500.00	<u>2,500</u>
Lighting - Total								\$2,500
Recreation								
Tennis Courts - Resurfacing	2007	2013	6	0	2	12,960 sq.ft.	1.00	<u>12,960</u>
Recreation - Total								\$12,960
Grounds Components								
Concrete-Repair	2007	2012	5	0	1	478 sq.ft.	8.50	4,070
Entry Monuments-Maintenance	2009	2012	3	0	1	1 total	1,500.00	<u>1,500</u>
Grounds Components - Total								\$5,570
Lakes								
Dam-Repair, Large Lake		<i>unfunded</i>						
Dam-Repair, Small Lake		<i>unfunded</i>						
Drains-Bebuild, Large Lake		<i>unfunded</i>						
Drains-Bebuild, Small Lake		<i>unfunded</i>						
Lakes-Maintenance/Repairs	2007	2012	5	0	1	1 lot	15,000.00	15,000
Pump-Large Lake, Rpl	2000	2015	15	0	4	1 pump	6,350.00	<u>6,350</u>
Lakes - Total								\$21,350
Park								
Park Equipment-BBQ, Charcoal Pedes..	2000	2015	15	0	4	1 ea.	520.00	520
Park Equipment-Basketball Backboard,..	2000	2015	15	0	4	2 ea.	715.49	1,431
Park Equipment-Benches, 6', Repl	2000	2015	15	0	4	5 benches	805.00	4,025

Silver Springs Master Association
Park City, Utah
ARC Component Summary

Description	Date in Service	Replacemen. Year	Useful	Adjustment	Remaining	Units	Unit Cost	Current Cost
<i>Park continued...</i>								
Park Equipment-Picnic Table, 8', Repl	2000	2015	15	0	4	4 tables	1,100.18	4,401
Park Equipment-Trash Receptacles, R..	2000	2015	15	0	4	1 ea.	635.00	635
Playground Equipment-Play Platform, ..	2000	2015	15	0	4	1 total	8,893.00	8,893
Playground Equipment-Swing Set, Repl	2000	2015	15	0	4	4 swings	407.24	1,629
Park - Total								<u>\$21,534</u>
Landscape								
Landscape-Common Area Maintenance								
Landscape-Irrigation ,Back flow Device..								
Landscape-Irrigation Controllers, Repl								
Total Asset Summary								<u>\$97,824</u>

Silver Springs Master Association
Park City, Utah
ARC Component Funding Model Assessment Summary

Report Date October 07, 2010
 Beginning Fiscal Year January 01, 2011
 Account Number 1182

Version Number 001

Description	Replacemen. Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Asphalt							
Parking Lot-Asphalt Sealing	2011	10	2	0	3,888	3,888	3,888
Asphalt - Total					<u>\$3,888</u>	<u>\$3,888</u>	<u>\$3,888</u>
Roofing							
Roofs-Park Gazebos, Repair	2014	5	0	3	1,070	0	428
Roofs-Park Gazebos, Rpl	2015	15	0	4	4,280	0	3,139
Roofing - Total					<u>\$5,350</u>		<u>\$3,567</u>
Painting							
Paint-Gates, Access Rd.	2011	5	6	0	1,500	1,500	1,500
Paint-Tennis Court, Fence Posts and Rai..	<i>unfunded</i>						
Painting - Total					<u>\$1,500</u>	<u>\$1,500</u>	<u>\$1,500</u>
Fencing							
Fencing-Chain Link, Vinyl Coated, Rpl, ..	2014	35	0	3	17,172	11,626	15,700
Fencing-Gates, Rpl.	2020	20	0	9	6,000	0	3,300
Fencing - Total					<u>\$23,172</u>	<u>\$11,626</u>	<u>\$19,000</u>
Lighting							
Lighting - Street, Maintenance/Rpl.	2011	1	0	0	2,500	2,500	2,500
Lighting - Total					<u>\$2,500</u>	<u>\$2,500</u>	<u>\$2,500</u>
Recreation							
Tennis Courts - Resurfacing	2013	6	0	2	12,960	8,640	8,640
Recreation - Total					<u>\$12,960</u>	<u>\$8,640</u>	<u>\$8,640</u>
Grounds Components							
Concrete-Repair	2012	5	0	1	4,070	3,256	3,256
Entry Monuments-Maintenance	2012	3	0	1	1,500	1,000	1,000
Grounds Components - Total					<u>\$5,570</u>	<u>\$4,256</u>	<u>\$4,256</u>
Lakes							
Dam-Repair, Large Lake	<i>unfunded</i>						
Dam-Repair, Small Lake	<i>unfunded</i>						
Drains-Bebuild, Large Lake	<i>unfunded</i>						
Drains-Bebuild, Small Lake	<i>unfunded</i>						
Lakes-Maintenance/Repairs	2012	5	0	1	15,000	12,000	12,000
Pump-Large Lake, Rpl	2015	15	0	4	6,350	0	4,657
Lakes - Total					<u>\$21,350</u>	<u>\$12,000</u>	<u>\$16,657</u>

Silver Springs Master Association
Park City, Utah
ARC Component Funding Model Assessment Summary

Description	Replacement Year	Useful Life	Adjustment	Remaining Life	Current Cost	Assigned Reserves	Fully Funded
Park							
Park Equipment-BBQ, Charcoal Pedesta..	2015	15	0	4	520	0	381
Park Equipment-Basketball Backboard, ..	2015	15	0	4	1,431	0	1,049
Park Equipment-Benches, 6', Repl	2015	15	0	4	4,025	0	2,952
Park Equipment-Picnic Table, 8', Repl	2015	15	0	4	4,401	0	3,227
Park Equipment-Trash Receptacles, Repl	2015	15	0	4	635	0	466
Playground Equipment-Play Platform, Re..	2015	15	0	4	8,893	0	6,522
Playground Equipment-Swing Set, Repl	2015	15	0	4	1,629	0	1,195
Park - Total					<u>\$21,534</u>		<u>\$15,791</u>
Landscape							
Landscape-Common Area Maintenance						<i>unfunded</i>	
Landscape-Irrigation ,Back flow Devices,..						<i>unfunded</i>	
Landscape-Irrigation Controllers, Repl						<i>unfunded</i>	
Total Asset Summary					<u>\$97,824</u>	<u>\$44,409</u>	<u>\$75,799</u>
Contingency at 1.00%						<u>\$449</u>	<u>\$766</u>
Summary Total						<u>\$44,858</u>	<u>\$76,564</u>
Fully Funded Level						59%	
Current Average Liability per Unit (Total Units: 504)						-\$63	

**Silver Springs Master Association
ARC Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2011	
Lighting - Street, Maintenance/Rpl.	2,500
Paint-Gates, Access Rd.	1,500
Parking Lot-Asphalt Sealing	3,888
Total for 2011	\$7,888
Replacement Year 2012	
Concrete-Repair	4,151
Entry Monuments-Maintenance	1,530
Lakes-Maintenance/Repairs	15,300
Lighting - Street, Maintenance/Rpl.	2,550
Total for 2012	\$23,531
Replacement Year 2013	
Lighting - Street, Maintenance/Rpl.	2,601
Tennis Courts - Resurfacing	13,484
Total for 2013	\$16,085
Replacement Year 2014	
Fencing-Chain Link, Vinyl Coated, Repl, Tennis Crt.	18,223
Lighting - Street, Maintenance/Rpl.	2,653
Roofs-Park Gazebos, Repair	1,135
Total for 2014	\$22,012
Replacement Year 2015	
Entry Monuments-Maintenance	1,624
Lighting - Street, Maintenance/Rpl.	2,706
Park Equipment-Basketball Backboard, Repl	1,549
Park Equipment-BBQ, Charcoal Pedestal, Repl	563
Park Equipment-Benches, 6', Repl	4,357
Park Equipment-Picnic Table, 8', Repl	4,763
Park Equipment-Trash Receptacles, Repl	687
Playground Equipment-Play Platform, Repl	9,626
Playground Equipment-Swing Set, Repl	1,763
Pump-Large Lake, Rpl	6,873
Roofs-Park Gazebos, Repl	4,633
Total for 2015	\$39,145
Replacement Year 2016	
Lighting - Street, Maintenance/Rpl.	2,760

**Silver Springs Master Association
ARC Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2016 continued...	
Paint-Gates, Access Rd.	1,656
Total for 2016	\$4,416
Replacement Year 2017	
Concrete-Repair	4,583
Lakes-Maintenance/Repairs	16,892
Lighting - Street, Maintenance/Rpl.	2,815
Total for 2017	\$24,291
Replacement Year 2018	
Entry Monuments-Maintenance	1,723
Lighting - Street, Maintenance/Rpl.	2,872
Total for 2018	\$4,595
Replacement Year 2019	
Lighting - Street, Maintenance/Rpl.	2,929
Roofs-Park Gazebos, Repair	1,254
Tennis Courts - Resurfacing	15,185
Total for 2019	\$19,368
Replacement Year 2020	
Fencing-Gates, Rpl.	7,171
Lighting - Street, Maintenance/Rpl.	2,988
Total for 2020	\$10,158
Replacement Year 2021	
Entry Monuments-Maintenance	1,828
Lighting - Street, Maintenance/Rpl.	3,047
Paint-Gates, Access Rd.	1,828
Parking Lot-Asphalt Sealing	4,739
Total for 2021	\$11,444
Replacement Year 2022	
Concrete-Repair	5,060
Lakes-Maintenance/Repairs	18,651
Lighting - Street, Maintenance/Rpl.	3,108
Total for 2022	\$26,819

**Silver Springs Master Association
ARC Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2023	
Lighting - Street, Maintenance/Rpl.	3,171
Total for 2023	<u>\$3,171</u>
Replacement Year 2024	
Entry Monuments-Maintenance	1,940
Lighting - Street, Maintenance/Rpl.	3,234
Roofs-Park Gazebos, Repair	1,384
Total for 2024	<u>\$6,559</u>
Replacement Year 2025	
Lighting - Street, Maintenance/Rpl.	3,299
Tennis Courts - Resurfacing	17,100
Total for 2025	<u>\$20,399</u>
Replacement Year 2026	
Lighting - Street, Maintenance/Rpl.	3,365
Paint-Gates, Access Rd.	2,019
Total for 2026	<u>\$5,383</u>
Replacement Year 2027	
Concrete-Repair	5,587
Entry Monuments-Maintenance	2,059
Lakes-Maintenance/Repairs	20,592
Lighting - Street, Maintenance/Rpl.	3,432
Total for 2027	<u>\$31,670</u>
Replacement Year 2028	
Lighting - Street, Maintenance/Rpl.	3,501
Total for 2028	<u>\$3,501</u>
Replacement Year 2029	
Lighting - Street, Maintenance/Rpl.	3,571
Roofs-Park Gazebos, Repair	1,528
Total for 2029	<u>\$5,099</u>
Replacement Year 2030	
Entry Monuments-Maintenance	2,185

**Silver Springs Master Association
ARC Annual Expenditure Detail**

Description	Expenditures
<i>Replacement Year 2030 continued...</i>	
Lighting - Street, Maintenance/Rpl.	3,642
Park Equipment-Basketball Backboard, Repl	2,085
Park Equipment-BBQ, Charcoal Pedestal, Repl	758
Park Equipment-Benches, 6', Repl	5,864
Park Equipment-Picnic Table, 8', Repl	6,411
Park Equipment-Trash Receptacles, Repl	925
Playground Equipment-Play Platform, Repl	12,955
Playground Equipment-Swing Set, Repl	2,373
Pump-Large Lake, Rpl	9,251
Roofs-Park Gazebos, Repl	6,235
Total for 2030	<u>\$52,684</u>
Replacement Year 2031	
Lighting - Street, Maintenance/Rpl.	3,715
Paint-Gates, Access Rd.	2,229
Parking Lot-Asphalt Sealing	5,777
Tennis Courts - Resurfacing	19,258
Total for 2031	<u>\$30,979</u>
Replacement Year 2032	
Concrete-Repair	6,168
Lakes-Maintenance/Repairs	22,735
Lighting - Street, Maintenance/Rpl.	3,789
Total for 2032	<u>\$32,693</u>
Replacement Year 2033	
Entry Monuments-Maintenance	2,319
Lighting - Street, Maintenance/Rpl.	3,865
Total for 2033	<u>\$6,184</u>
Replacement Year 2034	
Lighting - Street, Maintenance/Rpl.	3,942
Roofs-Park Gazebos, Repair	1,687
Total for 2034	<u>\$5,630</u>
Replacement Year 2035	
Lighting - Street, Maintenance/Rpl.	4,021
Total for 2035	<u>\$4,021</u>

**Silver Springs Master Association
ARC Annual Expenditure Detail**

Description	Expenditures
Replacement Year 2036	
Entry Monuments-Maintenance	2,461
Lighting - Street, Maintenance/Rpl.	4,102
Paint-Gates, Access Rd.	2,461
Total for 2036	<u>\$9,023</u>
Replacement Year 2037	
Concrete-Repair	6,810
Lakes-Maintenance/Repairs	25,101
Lighting - Street, Maintenance/Rpl.	4,184
Tennis Courts - Resurfacing	21,687
Total for 2037	<u>\$57,783</u>
Replacement Year 2038	
Lighting - Street, Maintenance/Rpl.	4,267
Total for 2038	<u>\$4,267</u>
Replacement Year 2039	
Entry Monuments-Maintenance	2,612
Lighting - Street, Maintenance/Rpl.	4,353
Roofs-Park Gazebos, Repair	1,863
Total for 2039	<u>\$8,827</u>
Replacement Year 2040	
Fencing-Gates, Rpl.	10,655
Lighting - Street, Maintenance/Rpl.	4,440
Total for 2040	<u>\$15,095</u>

**Silver Springs Master Association
ARC Asset Summary Report by Category**

Description	Asset ID	Date In Service	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
-------------	----------	-----------------	--------------	-------------	------------	-----------	-------------	----------	-----------

Asphalt

Parking Lot-Asphalt Sealing	1009	01/01/99	3,888	10	2	0	3,888	2160 @	1.80
------------------------------------	------	----------	-------	----	---	---	-------	--------	------

Asphalt contractors don't recommend slurry sealing for small parking areas, it easily delaminates. For parking lots that are not suitable for overlay there is a method called "Pulverization" \$1.80 sq. ft. Contact the asphalt contractors for resurfacing costs, as this is an estimate only.
This is located at Big Lake Park.

Roofing

Roofs-Park Gazebos, Repair	1025	01/01/09	1,070	5	0	3	1,135	1 @	4,280.00
400 - sq.ft. wood shake shingle roof			@	\$7.55 =			\$3,020.00		
200 - sq.ft. asphalt shingle roof			@	6.30 =			<u>1,260.00</u>		
				Total =			\$4,280.00		

We have budgeted for a percentage of repair to the roofs over a 5 year period. The condition of the roofs should be monitored and the budget adjusted accordingly.

The actual date this item was "placed in service" was not available. For budgeting purposes, we have estimated this date based upon its present condition.

Roofs-Park Gazebos, Repl	1008	01/01/00	4,280	15	0	4	4,633	1 @	4,280.00
400 - sq.ft. wood shake shingle roof			@	\$7.55 =			\$3,020.00		
200 - sq.ft. asphalt shingle roof			@	6.30 =			<u>1,260.00</u>		
				Total =			\$4,280.00		

The actual date this item was "placed in service" was not available. For budgeting purposes, we have estimated this date based upon its present condition.

Painting

Paint-Gates, Access Rd.	1018	01/01/00	1,500	5	6	0	1,500	2 @	750.00
--------------------------------	------	----------	-------	---	---	---	-------	-----	--------

2-2'x6' metal pipe gates located on the pump house access road on Big Lake. It was noted at the time of inspection the condition of the gates requires cleaning of rust and painting.

Paint-Tennis Court, Fence Posts .. 1004 Unfunded

There are 45 posts 10' and approximately 444 lin.ft. railing
This is a rough estimate for cleaning and painting the metal and rails.
At the time of inspection rusting was evident in many areas.
It is assumed that the posts will be replaced in 2014 with the fabric and the painted regularly thereafter.

Fencing

Fencing-Chain Link, Vinyl Coated..	1003	01/01/79	17,172	35	0	3	18,223	1 @	17,172.10
445 - lin.ft. of 10'H fencing			@	\$34.78 =			\$15,477.10		

**Silver Springs Master Association
ARC Asset Summary Report by Category**

Description	Asset ID	Date In Service	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
-------------	----------	-----------------	--------------	-------------	------------	-----------	-------------	----------	-----------

Fencing continued...

Fencing-Chain Link, Vinyl Coated, Repl, Tennis Crt. continued...

3 - gates 3'x7'	@	565.00 =	<u>1,695.00</u>
		Total =	\$17,172.10

The fence fabric is in fair condition, but the metal posts and rails need painting, and will be installed with new fence and painted thereafter.

Fencing

Fencing-Gates, Rpl.	1017	01/01/00	6,000	20	0	9	7,171	2 @	3,000.00
2-2'x6' metal pipe gates located on the pump house access road on Big Lake									

Lighting

Lighting - Street, Maintenance/Rpl.	1027	01/01/10	2,500	1	0	0	2,500	1 @	2,500.00
--	------	----------	-------	---	---	---	-------	-----	----------

Replacement cost is based on a mercury vapor fixture cobra style head, anodized aluminum reflector, glass, lens, die cast aluminum housing with photoelectric control, and excluding mounting arm, and excluding metal pole. The costs range is \$600.00 - 700.00 per fixture.

There are 23 street lights that the Master Association is responsible for and they are different age due to the different phases of installation. History indicates that money is spent on annually. The useful life of these light fixtures is 15-22 years normally.

Recreation

Tennis Courts - Resurfacing	1002	01/01/07	12,960	6	0	2	13,484	12960 @	1.00
These courts were totally rebuilt, including foundation repair/replacement in 2007 for \$76,500.00									

Grounds Components

Concrete-Repair	1006	01/01/07	4,070	5	0	1	4,151	15960 @	8.50
Tennis Court Slab									
			-				12,960		
TC Park Gazebo Slab									
			-				200		
Big Lake Park Gazebo Slab									
			-				400		
Big Lake Park BB Slab									
			-				<u>2,400</u>		
			Total =				15,960		

It was noted at the time of inspection the TC Park Gazebo Slab has a large crack across it and should be sealed to prevent moisture invasion. We have budgeted for a percentage of repair/replacement to the concrete over a 5 year period. The condition of the concrete should be monitored and the budget adjusted accordingly.

Entry Monuments-Maintenance	1026	01/01/09	1,500	3	0	1	1,530	1 @	1,500.00
This is for the cleaning of the monuments and replacement of accent lights for the 2 entry monuments.									

Lakes

Dam-Repair, Large Lake	1022	Unfunded							
-------------------------------	------	----------	--	--	--	--	--	--	--

The cost and useful life estimates on this asset have been provided by the client, and the cost

**Silver Springs Master Association
ARC Asset Summary Report by Category**

Description	Asset ID	Date In Service	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
-------------	----------	-----------------	--------------	-------------	------------	-----------	-------------	----------	-----------

Lakes continued...

Dam-Repair, Large Lake continued...
adjusted for inflation when applicable.

Lakes

Dam-Repair, Small Lake 1019 *Unfunded*

Funded by special assessment.

The cost and useful life estimates on this asset have been provided by the client , and the cost adjusted for inflation when applicable.

Drains-Bebuild, Large Lake 1021 *Unfunded*

This is estimated to be a lifetime fix and was funded by special assessment.

The cost and useful life estimates on this asset have been provided by the client , and the cost adjusted for inflation when applicable.

Drains-Bebuild, Small Lake 1020 *Unfunded*

This is estimated to be a lifetime fix and is funded by special assessment and not from reserves.

The cost and useful life estimates on this asset have been provided by the client , and the cost adjusted for inflation when applicable.

Lakes-Maintenance/Repairs 1024 01/01/07 15,000 5 0 1 15,300 1 @ 15,000.00

This is for unscheduled miscellaneous repairs to the lakes, and is a rough estimate. The condition of facilities should be monitored and the budget adjusted accordingly.

Pump-Large Lake, Rpl 1023 01/01/00 6,350 15 0 4 6,873 1 @ 6,350.00

It is estimated that the pump and motor ar 10 hpand have been in service about 10 years as information was not available or inspection available at time of site visit. This is located at the vault by the BB court on Big Lake Park.

Park

Park Equipment-BBQ, Charcoal P..	1011	01/01/00	520	15	0	4	563	1 @	520.00
Park Equipment-Basketball Back..	1010	01/01/00	1,431	15	0	4	1,549	2 @	715.49
Park Equipment-Benches, 6', Repl	1012	01/01/00	4,025	15	0	4	4,357	5 @	805.00
Park Equipment-Picnic Table, 8', ..	1013	01/01/00	4,401	15	0	4	4,763	4 @	1,100.18
Park Equipment-Trash Receptacl..	1014	01/01/00	635	15	0	4	687	1 @	635.00
Playground Equipment-Play Platf..	1016	01/01/00	8,893	15	0	4	9,626	1 @	8,893.00

1 - set, wood, metal	@	\$3,226.00 =	\$3,226.00
1 - set, pvc, alum.	@	5,667.00 =	<u>5,667.00</u>
		Total =	\$8,893.00

**Silver Springs Master Association
ARC Asset Summary Report by Category**

Description	Asset ID	Date In Service	Current Cost	Useful Life	Adjustment	Remaining	Future Cost	Quantity	Unit Cost
Park continued...									
Playground Equipment-Swing Se..	1015	01/01/00	1,629	15	0	4	1,763	4 @	407.24

Landscape

Landscape-Common Area Mainte.. 1030 Unfunded

Due to the nature and size of this expense, we have excluded funding for this component. We anticipate any expenditures will be covered by the operational budget and have listed this component for inventory purposes only.

Landscape-Irrigation ,Back flow .. 1029 Unfunded

These devices require an annual inspection and should be repaired " as needed."

Landscape-Irrigation Controller.. 1028 Unfunded

Due to the nature and size of this expense, we have excluded funding for this component. We anticipate any expenditures will be covered by the operational budget and have listed this component for inventory purposes only.

**Silver Springs Master Association
ARC Detail Report by Category**

Roofs-Park Gazebos, Repair - 2014

Asset ID	1025	1 total	@ \$4,280.00
		Asset Cost	\$1,070.00
		Percent Replacement	25%
		Future Cost	\$1,135.49
Placed in Service	Roofing January 2009		
Useful Life	5		
Replacement Year	2014		
Remaining Life	3		



400 - sq.ft. wood shake shingle roof	@	\$7.55 =	\$3,020.00
200 - sq.ft. asphalt shingle roof	@	6.30 =	<u>1,260.00</u>
		Total =	\$4,280.00

We have budgeted for a percentage of repair to the roofs over a 5 year period. The condition of the roofs should be monitored and the budget adjusted accordingly.

The actual date this item was "placed in service" was not available. For budgeting purposes, we have estimated this date based upon its present condition.

Roofs-Park Gazebos, Repl - 2015

Asset ID	1008	1 total	@ \$4,280.00
		Asset Cost	\$4,280.00
		Percent Replacement	100%
		Future Cost	\$4,632.81
Placed in Service	Roofing January 2000		
Useful Life	15		
Replacement Year	2015		
Remaining Life	4		

**Silver Springs Master Association
ARC Detail Report by Category**

Paint-Gates, Access Rd. - 2011

Asset ID	1018	2 gates	@ \$750.00
		Asset Cost	\$1,500.00
		Percent Replacement	100%
		Future Cost	\$1,500.00
Placed in Service	Painting January 2000		
Useful Life	5		
Adjustment	6		
Replacement Year	2011		
Remaining Life	0		



2-2'x6' metal pipe gates located on the pump house access road on Big Lake. It was noted at the time of inspection the condition of the gates requires cleaning of rust and painting.

Paint-Tennis Court, Fence Posts and Rails

Asset ID	1004	1 total	@ \$6,700.00
		Asset Cost	\$6,700.00
		Percent Replacement	100%
		Future Cost	\$7,110.09
Placed in Service	Painting January 2014		
Useful Life	10		
Replacement Year	2014		
Remaining Life	3		

**Silver Springs Master Association
ARC Detail Report by Category**

Paint-Tennis Court, Fence Posts and Rails continued...



There are 45 posts 10'

and approximately 444 lin.ft. railing

This is a rough estimate for cleaning and painting the metal and rails.

At the time of inspection rusting was evident in many areas.

It is assumed that the posts will be replaced in 2014 with the fabric and the painted regularly thereafter.

Painting - Total Current Cost

\$1,500

**Silver Springs Master Association
ARC Detail Report by Category**

Fencing-Chain Link, Vinyl Coated, Repl, Tennis Crt. - 2014

Asset ID	1003	1 total	@ \$17,172.10
		Asset Cost	\$17,172.10
		Percent Replacement	100%
		Future Cost	\$18,223.17
Placed in Service	Fencing January 1979		
Useful Life	35		
Replacement Year	2014		
Remaining Life	3		



445 - lin.ft. of 10'H fencing	@	\$34.78 =	\$15,477.10
3 - gates 3'x7'	@	565.00 =	<u>1,695.00</u>
		Total =	\$17,172.10

The fence fabric is in fair condition, but the metal posts and rails need painting, and will be installed with new fence and painted thereafter.

Fencing-Gates, Rpl. - 2020

Asset ID	1017	2 gates	@ \$3,000.00
		Asset Cost	\$6,000.00
		Percent Replacement	100%
		Future Cost	\$7,170.55
Placed in Service	Fencing January 2000		
Useful Life	20		
Replacement Year	2020		
Remaining Life	9		

**Silver Springs Master Association
ARC Detail Report by Category**

Fencing-Gates, Rpl. continued...



2-2'x6' metal pipe gates located on the pump house access road on Big Lake

Fencing - Total Current Cost	\$23,172
-------------------------------------	-----------------

**Silver Springs Master Association
ARC Detail Report by Category**

Concrete-Repair - 2012

		15,960 sq.ft.	@ \$8.50
Asset ID	1006	Asset Cost	\$4,069.80
		Percent Replacement	3%
	Grounds Components	Future Cost	\$4,151.20
Placed in Service	January 2007		
Useful Life	5		
Replacement Year	2012		
Remaining Life	1		



Tennis Court Slab	-	12,960
TC Park Gazebo Slab	-	200
Big Lake Park Gazebo Slab	-	400
Big Lake Park BB Slab	-	<u>2,400</u>
Total	=	15,960

It was noted at the time of inspection the TC Park Gazebo Slab has a large crack across it and should be sealed to prevent moisture invasion. We have budgeted for a percentage of repair/replacement to the concrete over a 5 year period. The condition of the concrete should be monitored and the budget adjusted accordingly.

**Silver Springs Master Association
ARC Detail Report by Category**

Dam-Repair, Large Lake		1 total @ \$20,000.00
Asset ID	1022	Asset Cost \$20,000.00
		Percent Replacement 100%
	Lakes	Future Cost \$22,081.62
Placed in Service	January 2006	
Useful Life	10	
Replacement Year	2016	
Remaining Life	5	

The cost and useful life estimates on this asset have been provided by the client , and the cost adjusted for inflation when applicable.

Dam-Repair, Small Lake		1 total @ \$20,000.00
Asset ID	1019	Asset Cost \$20,000.00
		Percent Replacement 100%
	Lakes	Future Cost \$20,000.00
Placed in Service	January 2000	
Useful Life	10	
Adjustment	1	
Replacement Year	2011	
Remaining Life	0	

Funded by special assessment.

The cost and useful life estimates on this asset have been provided by the client , and the cost adjusted for inflation when applicable.

Drains-Bebuild, Large Lake		1 total @ \$140,000.00
Asset ID	1021	Asset Cost \$140,000.00
		Percent Replacement 100%
	Lakes	Future Cost \$341,299.59
Placed in Service	January 2006	
Useful Life	50	
Replacement Year	2056	
Remaining Life	45	

This is estimated to be a lifetime fix and was funded by special assessment.

**Silver Springs Master Association
ARC Detail Report by Category**

Drains-Bebuild, Large Lake continued...

The cost and useful life estimates on this asset have been provided by the client , and the cost adjusted for inflation when applicable.

Drains-Bebuild, Small Lake		1 total @ \$115,000.00
Asset ID	1020	Asset Cost \$115,000.00
		Percent Replacement 100%
	Lakes	Future Cost \$115,000.00
Placed in Service	January 1979	
Useful Life	50	
Adjustment	-18	
Replacement Year	2011	
Remaining Life	0	



This is estimated to be a lifetime fix and is funded by special assessment and not from reserves.

The cost and useful life estimates on this asset have been provided by the client , and the cost adjusted for inflation when applicable.

**Silver Springs Master Association
ARC Detail Report by Category**

Lakes-Maintenance/Repairs - 2012

Asset ID	1024	1 lot @ \$15,000.00
		Asset Cost \$15,000.00
		Percent Replacement 100%
		Future Cost \$15,300.00
Placed in Service	Lakes January 2007	
Useful Life	5	
Replacement Year	2012	
Remaining Life	1	



This is for unscheduled miscellaneous repairs to the lakes, and is a rough estimate. The condition of facilities should be monitored and the budget adjusted accordingly.

Pump-Large Lake, Rpl - 2015

Asset ID	1023	1 pump @ \$6,350.00
		Asset Cost \$6,350.00
		Percent Replacement 100%
		Future Cost \$6,873.44
Placed in Service	Lakes January 2000	
Useful Life	15	
Replacement Year	2015	
Remaining Life	4	

**Silver Springs Master Association
ARC Detail Report by Category**

Pump-Large Lake, Rpl continued...



It is estimated that the pump and motor ar 10 hpand have been in service about 10 years as information was not available or inspection available at time of site visit. This is located at the vault by the BB court on Big Lake Park.

Lakes - Total Current Cost

\$21,350

**Silver Springs Master Association
ARC Detail Report by Category**

Park Equipment-BBQ, Charcoal Pedestal, Repl - 2015

			1 ea.	@ \$520.00
Asset ID	1011		Asset Cost	\$520.00
		Park	Percent Replacement	100%
Placed in Service	January 2000		Future Cost	\$562.86
Useful Life	15			
Replacement Year	2015			
Remaining Life	4			

Park Equipment-Basketball Backboard, Repl - 2015

			2 ea.	@ \$715.49
Asset ID	1010		Asset Cost	\$1,430.98
		Park	Percent Replacement	100%
Placed in Service	January 2000		Future Cost	\$1,548.94
Useful Life	15			
Replacement Year	2015			
Remaining Life	4			



**Silver Springs Master Association
ARC Detail Report by Category**

Park Equipment-Benches, 6', Repl - 2015

Asset ID	1012	5 benches	@ \$805.00
		Asset Cost	\$4,025.00
		Percent Replacement	100%
		Future Cost	\$4,356.79
Placed in Service	Park January 2000		
Useful Life	15		
Replacement Year	2015		
Remaining Life	4		



Park Equipment-Picnic Table, 8', Repl - 2015

Asset ID	1013	4 tables	@ \$1,100.18
		Asset Cost	\$4,400.72
		Percent Replacement	100%
		Future Cost	\$4,763.48
Placed in Service	Park January 2000		
Useful Life	15		
Replacement Year	2015		
Remaining Life	4		

**Silver Springs Master Association
ARC Detail Report by Category**

Park Equipment-Picnic Table, 8', Repl continued...



Park Equipment-Trash Receptacles, Repl - 2015

			1 ea.	@ \$635.00
Asset ID	1014		Asset Cost	\$635.00
		Park	Percent Replacement	100%
Placed in Service	January 2000		Future Cost	\$687.34
Useful Life	15			
Replacement Year	2015			
Remaining Life	4			

Playground Equipment-Play Platform, Repl - 2015

			1 total	@ \$8,893.00
Asset ID	1016		Asset Cost	\$8,893.00
		Park	Percent Replacement	100%
Placed in Service	January 2000		Future Cost	\$9,626.07
Useful Life	15			
Replacement Year	2015			
Remaining Life	4			

**Silver Springs Master Association
ARC Detail Report by Category**

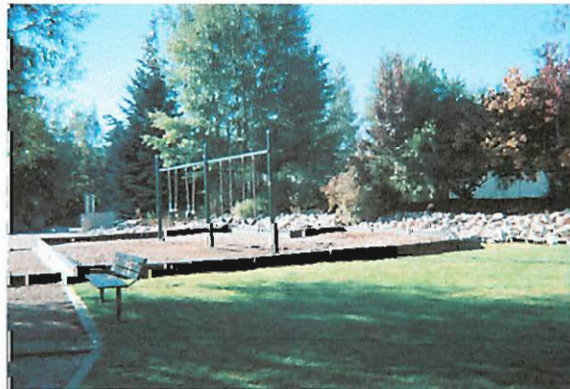
Playground Equipment-Play Platform, Repl continued...



1 - set, wood, metal	@ \$3,226.00 =	\$3,226.00
1 - set, pvc, alum.	@ 5,667.00 =	<u>5,667.00</u>
	Total =	\$8,893.00

Playground Equipment-Swing Set, Repl - 2015

Asset ID	1015	4 swings	@ \$407.24
		Asset Cost	\$1,628.96
	Park	Percent Replacement	100%
Placed in Service	January 2000	Future Cost	\$1,763.24
Useful Life	15		
Replacement Year	2015		
Remaining Life	4		



**Silver Springs Master Association
ARC Detail Report by Category**

Park - Total Current Cost	\$21,534
----------------------------------	-----------------

**Silver Springs Master Association
ARC Detail Report by Category**

Landscape-Common Area Maintenance

Asset ID	1030	1 comment	@ \$1.00
		Asset Cost	\$1.00
		Percent Replacement	100%
		Future Cost	\$3.76
Placed in Service	Landscape January 1979		
Useful Life	99		
Replacement Year	2078		
Remaining Life	67		

Due to the nature and size of this expense, we have excluded funding for this component. We anticipate any expenditures will be covered by the operational budget and have listed this component for inventory purposes only.

Landscape-Irrigation ,Back flow Devices, Repl

Asset ID	1029	1 comment	@ \$1.00
		Asset Cost	\$1.00
		Percent Replacement	100%
		Future Cost	\$3.76
Placed in Service	Landscape January 1979		
Useful Life	99		
Replacement Year	2078		
Remaining Life	67		

These devices require an annual inspection and should be repaired " as needed."

Landscape-Irrigation Controllers, Repl

Asset ID	1028	1 comment	@ \$1.00
		Asset Cost	\$1.00
		Percent Replacement	100%
		Future Cost	\$6.95
Placed in Service	Landscape January 2010		
Useful Life	99		
Replacement Year	2109		
Remaining Life	98		

Due to the nature and size of this expense, we have excluded funding for this component. We

**Silver Springs Master Association
ARC Detail Report by Category**

Landscape-Irrigation Controllers, Repl continued...

anticipate any expenditures will be covered by the operational budget and have listed this component for inventory purposes only.

Landscape - Total Current Cost **\$0**

**Silver Springs Master Association
ARC Category Detail Index**

Asset ID	Description	Replacement	Page
1006	Concrete-Repair	2012	2-25
1022	Dam-Repair, Large Lake	unfunded	2-27
1019	Dam-Repair, Small Lake	unfunded	2-27
1021	Drains-Bebuild, Large Lake	unfunded	2-27
1020	Drains-Bebuild, Small Lake	unfunded	2-28
1026	Entry Monuments-Maintenance	2012	2-26
1003	Fencing-Chain Link, Vinyl Coated, Repl, Tenn..	2014	2-21
1017	Fencing-Gates, Rpl.	2020	2-21
1024	Lakes-Maintenance/Repairs	2012	2-29
1030	Landscape-Common Area Maintenance	unfunded	2-36
1029	Landscape-Irrigation ,Back flow Devices, Repl	unfunded	2-36
1028	Landsdcape-Irrigation Controllers, Repl	unfunded	2-36
1027	Lighting - Street, Maintenance/Rpl.	2011	2-23
1018	Paint-Gates, Access Rd.	2011	2-19
1004	Paint-Tennis Court, Fence Posts and Rails	unfunded	2-19
1011	Park Equipment-BBQ, Charcoal Pedestal, Repl	2015	2-31
1010	Park Equipment-Basketball Backboard, Repl	2015	2-31
1012	Park Equipment-Benches, 6', Repl	2015	2-32
1013	Park Equipment-Picnic Table, 8', Repl	2015	2-32
1014	Park Equipment-Trash Receptacles, Repl	2015	2-33
1009	Parking Lot-Asphalt Sealing	2011	2-16
1016	Playground Equipment-Play Platform, Repl	2015	2-33
1015	Playground Equipment-Swing Set, Repl	2015	2-34
1023	Pump-Large Lake, Rpl	2015	2-29
1025	Roofs-Park Gazebos, Repair	2014	2-17
1008	Roofs-Park Gazebos, Repl	2015	2-17
1002	Tennis Courts - Resurfacing	2013	2-24
	Total Funded Assets	19	
	Total Unfunded Assets	<u>8</u>	
	Total Assets	27	

**Silver Springs Master Association
ARC Annual Expenditure Spreadsheet**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Beginning Balance	44,858	57,568	54,604	59,134	58,870	40,142	56,311	52,566	68,685	71,312
Annual Assessment	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Interest Earned	598	567	614	612	417	585	546	714	741	839
Expenditures	7,888	23,531	16,085	20,876	39,145	4,416	24,291	4,595	18,114	11,437
Fully Funded Reserves	82,948	73,827	72,464	66,413	40,505	51,338	42,203	53,476	51,348	56,366
Percent Fully Funded	69%	73%	81%	88%	99%	109%	124%	128%	138%	143%
Ending Balance	57,568	54,604	59,134	58,870	40,142	56,311	52,566	68,685	71,312	80,714
Description										
Asphalt										
Parking Lot-Asphalt Sealing	3,888									
Asphalt Total:	3,888									
Roofing										
Roofs-Park Gazebos, Repair										1,279
Roofs-Park Gazebos, Repl					4,633					
Roofing Total:					4,633					1,279
Painting										
Paint-Gates, Access Rd.	1,500					1,656				
Paint-Tennis Court, Fence Posts and R..	<i>unfunded</i>									
Painting Total:	1,500					1,656				
Fencing										
Fencing-Chain Link, Vinyl Coated, Repl..				18,223						
Fencing-Gates, Rpl.										7,171
Fencing Total:				18,223						7,171
Lighting										
Lighting - Street, Maintenance/Rpl.	2,500	2,550	2,601	2,653	2,706	2,760	2,815	2,872	2,929	2,988
Lighting Total:	2,500	2,550	2,601	2,653	2,706	2,760	2,815	2,872	2,929	2,988
Recreation										
Tennis Courts - Resurfacing			13,484						15,185	
Recreation Total:			13,484						15,185	

**Silver Springs Master Association
ARC Annual Expenditure Spreadsheet**

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Grounds Components										
Concrete-Repair		4,151					4,583			
Entry Monuments-Maintenance		1,530			1,624			1,723		
Grounds Components Total:		5,681			1,624		4,583	1,723		
Lakes										
Dam-Repair, Large Lake		<i>unfunded</i>								
Dam-Repair, Small Lake		<i>unfunded</i>								
Drains-Bebuild, Large Lake		<i>unfunded</i>								
Drains-Bebuild, Small Lake		<i>unfunded</i>								
Lakes-Maintenance/Repairs		15,300					16,892			
Pump-Large Lake, Rpl					6,873					
Lakes Total:		15,300			6,873		16,892			
Park										
Park Equipment-BBQ, Charcoal Pedes..					563					
Park Equipment-Basketball Backboard,..					1,549					
Park Equipment-Benches, 6', Repl					4,357					
Park Equipment-Picnic Table, 8', Repl					4,763					
Park Equipment-Trash Receptacles, R..					687					
Playground Equipment-Play Platform, ..					9,626					
Playground Equipment-Swing Set, Repl					1,763					
Park Total:					23,309					
Landscape										
Landscape-Common Area Maintenance		<i>unfunded</i>								
Landscape-Irrigation ,Back flow Device..		<i>unfunded</i>								
Landscape-Irrigation Controllers, Repl		<i>unfunded</i>								
Year Total:	7,888	23,531	16,085	20,876	39,145	4,416	24,291	4,595	18,114	11,437

**Silver Springs Master Association
ARC Annual Expenditure Spreadsheet**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Beginning Balance	80,714	90,207	84,263	102,154	118,208	117,619	133,624	123,235	141,202	159,286
Annual Assessment	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Interest Earned	937	876	1,061	1,228	1,222	1,388	1,281	1,467	1,655	1,329
Expenditures	11,444	26,819	3,171	5,174	21,811	5,383	31,670	3,501	3,571	52,684
Fully Funded Reserves	61,794	51,810	66,320	79,391	75,923	89,661	76,945	93,360	110,401	75,953
Percent Fully Funded	145%	162%	154%	148%	154%	149%	160%	151%	144%	168%
Ending Balance	90,207	84,263	102,154	118,208	117,619	133,624	123,235	141,202	159,286	127,932
Description										
Asphalt										
Parking Lot-Asphalt Sealing	4,739									
Asphalt Total:	4,739									
Roofing										
Roofs-Park Gazebos, Repair					1,412					
Roofs-Park Gazebos, Repl										6,235
Roofing Total:					1,412					6,235
Painting										
Paint-Gates, Access Rd.	1,828					2,019				
Paint-Tennis Court, Fence Posts and R..	<i>unfunded</i>									
Painting Total:	1,828					2,019				
Fencing										
Fencing-Chain Link, Vinyl Coated, Repl..										
Fencing-Gates, Rpl.										
Fencing Total:										
Lighting										
Lighting - Street, Maintenance/Rpl.	3,047	3,108	3,171	3,234	3,299	3,365	3,432	3,501	3,571	3,642
Lighting Total:	3,047	3,108	3,171	3,234	3,299	3,365	3,432	3,501	3,571	3,642
Recreation										
Tennis Courts - Resurfacing					17,100					
Recreation Total:					17,100					

**Silver Springs Master Association
ARC Annual Expenditure Spreadsheet**

Description	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Grounds Components										
Concrete-Repair		5,060					5,587			
Entry Monuments-Maintenance	1,828			1,940			2,059			2,185
Grounds Components Total:	1,828	5,060		1,940			7,646			2,185
Lakes										
Dam-Repair, Large Lake	<i>unfunded</i>									
Dam-Repair, Small Lake	<i>unfunded</i>									
Drains-Bebuild, Large Lake	<i>unfunded</i>									
Drains-Bebuild, Small Lake	<i>unfunded</i>									
Lakes-Maintenance/Repairs		18,651					20,592			
Pump-Large Lake, Rpl										9,251
Lakes Total:		18,651					20,592			9,251
Park										
Park Equipment-BBQ, Charcoal Pedes..										758
Park Equipment-Basketball Backboard,..										2,085
Park Equipment-Benches, 6', Repl										5,864
Park Equipment-Picnic Table, 8', Repl										6,411
Park Equipment-Trash Receptacles, R..										925
Playground Equipment-Play Platform, ..										12,955
Playground Equipment-Swing Set, Repl										2,373
Park Total:										31,370
Landscape										
Landscape-Common Area Maintenance	<i>unfunded</i>									
Landscape-Irrigation ,Back flow Device..	<i>unfunded</i>									
Landscape-Irrigation Controllers, Repl	<i>unfunded</i>									
Year Total:	11,444	26,819	3,171	5,174	21,811	5,383	31,670	3,501	3,571	52,684

**Silver Springs Master Association
ARC Annual Expenditure Spreadsheet**

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Beginning Balance	127,932	118,181	106,596	121,676	139,180	155,049	167,769	131,351	148,628	163,362
Annual Assessment	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Interest Earned	1,228	1,108	1,264	1,446	1,611	1,743	1,365	1,544	1,697	1,747
Expenditures	30,979	32,693	6,184	3,942	5,742	9,023	57,783	4,267	6,964	16,995
Fully Funded Reserves	65,168	52,795	67,886	85,997	103,032	117,452	82,356	102,137	119,986	128,317
Percent Fully Funded	181%	201%	179%	161%	150%	142%	159%	145%	136%	131%
Ending Balance	118,181	106,596	121,676	139,180	155,049	167,769	131,351	148,628	163,362	168,114
Description										
Asphalt										
Parking Lot-Asphalt Sealing	5,777									
Asphalt Total:	5,777									
Roofing										
Roofs-Park Gazebos, Repair					1,721					1,900
Roofs-Park Gazebos, Repl										
Roofing Total:					1,721					1,900
Painting										
Paint-Gates, Access Rd.	2,229					2,461				
Paint-Tennis Court, Fence Posts and R..	<i>unfunded</i>									
Painting Total:	2,229					2,461				
Fencing										
Fencing-Chain Link, Vinyl Coated, Repl..										10,655
Fencing-Gates, Rpl.										
Fencing Total:										10,655
Lighting										
Lighting - Street, Maintenance/Rpl.	3,715	3,789	3,865	3,942	4,021	4,102	4,184	4,267	4,353	4,440
Lighting Total:	3,715	3,789	3,865	3,942	4,021	4,102	4,184	4,267	4,353	4,440
Recreation										
Tennis Courts - Resurfacing	19,258						21,687			
Recreation Total:	19,258						21,687			

**Silver Springs Master Association
ARC Annual Expenditure Spreadsheet**

Description	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Grounds Components										
Concrete-Repair		6,168					6,810			
Entry Monuments-Maintenance			2,319			2,461			2,612	
Grounds Components Total:		6,168	2,319			2,461	6,810		2,612	
Lakes										
Dam-Repair, Large Lake			<i>unfunded</i>							
Dam-Repair, Small Lake			<i>unfunded</i>							
Drains-Bebuild, Large Lake			<i>unfunded</i>							
Drains-Bebuild, Small Lake			<i>unfunded</i>							
Lakes-Maintenance/Repairs		22,735					25,101			
Pump-Large Lake, Rpl										
Lakes Total:		22,735					25,101			
Park										
Park Equipment-BBQ, Charcoal Pedes..										
Park Equipment-Basketball Backboard,..										
Park Equipment-Benches, 6', Repl										
Park Equipment-Picnic Table, 8', Repl										
Park Equipment-Trash Receptacles, R..										
Playground Equipment-Play Platform, ..										
Playground Equipment-Swing Set, Repl										
Park Total:										
Landscape										
Landscape-Common Area Maintenance			<i>unfunded</i>							
Landscape-Irrigation ,Back flow Device..			<i>unfunded</i>							
Landscape-Irrigation Controllers, Repl			<i>unfunded</i>							
Year Total:	30,979	32,693	6,184	3,942	5,742	9,023	57,783	4,267	6,964	16,995

**Silver Springs Master Association
ARC Funding Model Projection**

Beginning Balance: \$44,858

EXISTING

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2011	97,824	88,200	1,314	7,888	126,484	82,948	152%
2012	99,780	88,200	2,007	23,531	193,160	73,827	261%
2013	101,776	88,200	2,785	16,085	268,061	72,464	369%
2014	103,811	88,200	3,522	20,876	338,906	66,413	510%
2015	105,887	88,200	4,074	39,145	392,035	40,505	967%
2016	108,005	88,200	4,996	4,416	480,815	51,338	936%
2017	110,165	88,200	5,720	24,291	550,444	42,203	1304%
2018	112,369	88,200	6,658	4,595	640,706	53,476	1198%
2019	114,616	88,200	7,463	18,114	718,256	51,348	1398%
2020	116,908	88,200	8,348	11,437	803,366	56,366	1425%
2021	119,246	88,200	9,241	11,444	889,364	61,794	1439%
2022	121,631	88,200	9,983	26,819	960,727	51,810	1854%
2023	124,064	88,200	10,980	3,171	1,056,737	66,320	1593%
2024	126,545	88,200	11,968	5,174	1,151,730	79,391	1450%
2025	129,076	88,200	12,790	21,811	1,230,909	75,923	1621%
2026	131,658	88,200	13,794	5,383	1,327,520	89,661	1480%
2027	134,291	88,200	14,533	31,670	1,398,583	76,945	1817%
2028	136,977	88,200	15,574	3,501	1,498,857	93,360	1605%
2029	139,716	88,200	16,627	3,571	1,600,113	110,401	1449%
2030	142,510	88,200	17,174	52,684	1,652,803	75,953	2176%
2031	145,361	88,200	17,955	30,979	1,727,979	65,168	2651%
2032	148,268	88,200	18,727	32,693	1,802,213	52,795	3413%
2033	151,233	88,200	19,784	6,184	1,904,014	67,886	2804%
2034	154,258	88,200	20,877	3,942	2,009,148	85,997	2336%
2035	157,343	88,200	21,962	5,742	2,113,568	103,032	2051%
2036	160,490	88,200	23,024	9,023	2,215,769	117,452	1886%
2037	163,700	88,200	23,585	57,783	2,269,771	82,356	2756%
2038	166,974	88,200	24,714	4,267	2,378,417	102,137	2328%
2039	170,313	88,200	25,826	6,964	2,485,480	119,986	2071%
2040	173,719	88,200	26,845	16,995	2,583,530	128,317	2013%

**Silver Springs Master Association
ARC Funding Model Projection**

PROPOSED

Beginning Balance: \$44,858

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2011	97,824	20,000	598	7,888	57,568	83,168	69%
2012	99,780	20,000	567	23,531	54,604	74,051	73%
2013	101,776	20,000	614	16,085	59,134	72,694	81%
2014	103,811	20,000	600	22,012	57,722	65,477	88%
2015	105,887	20,000	405	39,145	38,983	40,743	95%
2016	108,005	20,000	573	4,416	55,139	51,582	106%
2017	110,165	20,000	534	24,291	51,382	42,451	121%
2018	112,369	20,000	701	4,595	67,489	53,729	125%
2019	114,616	20,000	715	19,368	68,836	50,315	136%
2020	116,908	20,000	826	10,158	79,504	56,630	140%
2021	119,246	20,000	925	11,444	88,985	62,062	143%
2022	121,631	20,000	863	26,819	83,028	52,084	159%
2023	124,064	20,000	1,049	3,171	100,906	66,600	151%
2024	126,545	20,000	1,201	6,559	115,548	78,250	147%
2025	129,076	20,000	1,209	20,399	116,358	76,214	152%
2026	131,658	20,000	1,375	5,383	132,350	89,957	147%
2027	134,291	20,000	1,267	31,670	121,947	77,247	157%
2028	136,977	20,000	1,454	3,501	139,900	93,669	149%
2029	139,716	20,000	1,625	5,099	156,427	109,141	143%
2030	142,510	20,000	1,299	52,684	125,043	76,274	163%
2031	145,361	20,000	1,198	30,979	115,261	65,496	175%
2032	148,268	20,000	1,077	32,693	103,646	53,129	195%
2033	151,233	20,000	1,233	6,184	118,695	68,227	173%
2034	154,258	20,000	1,397	5,630	134,463	84,606	158%
2035	157,343	20,000	1,580	4,021	152,021	103,387	147%
2036	160,490	20,000	1,711	9,023	164,709	117,813	139%
2037	163,700	20,000	1,333	57,783	128,259	82,725	155%
2038	166,974	20,000	1,512	4,267	145,504	102,513	141%
2039	170,313	20,000	1,645	8,827	158,322	118,450	133%
2040	173,719	20,000	1,714	15,095	164,941	128,708	128%