

Palmer Ranch Master Property Owners Association, Inc.
Annual Meeting of the Members
MINUTES
March 24, 2016

The Annual Meeting of the Members of Palmer Ranch Master Property Owners Association, Inc. was held March 24, 2016 at Covenant Life Presbyterian Church, 8490 McIntosh Road, Sarasota, Florida 34238.

Member representatives present: Diane Alfano of Arielle, Stephen Engber of Botanica, Claudia Brooks of Deer Creek, Kamal Zaki of Hamptons, Chris Meyer of Huntington Pointe, Carol Auricchio of Mira Lago, Harvey Garver of Plaza de Flores, Bob Swan of Prestancia, Albert Mauri of Palmer Square West, Ronald Neri of Sliver Oak Estates, Robert Sherwood of Vineyards at Silver Oak, Elaine Cox of Stoneybrook Estates, William Altman of Stoneybrook Golf & Country Club, Curt Gilroy of Turtle Rock, Lee Katz of VillageWalk, Nicholas Spina of Wellington Chase, Bob Holzman of TPC Prestancia, Sue Ambrecht of Palmer Park of Commerce, and Steve Jeantet of Covenant Life Church.

Trustees present: Declarant Sue Ambrecht; Residential Trustees Lee Katz, Cathy Leetzow, Bob Mills, Rob O'Connor, Barbara Tierney, Peggy Wells, and Garry Wharton; Commercial / Industrial Trustee: Steve Jeantet; Recreational Trustee: Bob Holzman.

Trustees Unable to attend: Steve Anderson, Commercial/Industrial Trustee; Laura Gilbert, Recreational Trustee and Kathrin Harris, Residential Trustee.

Resident members attending were: Richard Beitel of Stoneybrook Golf & Country Club and Joel Schemmel of Prestancia.

Palmer Ranch Master Association staff attended: Tracy Smith and Carrie Agosto.

Convene/confirmation of Quorum. Garry Wharton, President, brought the meeting to order at 3:00pm following confirmation of quorum.

Minutes of the Previous Annual Meeting:

Motion to approve minutes of the March 26, 2015 Annual Meeting of Members, as distributed, was made by Cathy Leetzow, second by Lee Katz. Motion passed unanimously.

Elections:

Call for Ballots/Close of balloting: Garry Wharton called for final ballots. No additional ballots. There being no further ballots from the floor, Garry Wharton declared a close to the balloting. As members of their respective Nominating Committees, Curt Gilroy, Stephen Engber, Bob Holzman, and Steve Jeantet are already members of the Election Committee. **Motion by Sue Ambrecht, second by Lee Katz to appoint Tracy Smith and Carrie Agosto to the Election Committee. Motion passed unanimously.**

Tabulation of ballots by Election Committee:

The following individuals were excused to count ballots to present election results later in the meeting: Curt Gilroy, Stephen Engber, Bob Holzman, Steve Jeantet, Tracy Smith, and Carrie Agosto.

President's Report:

Garry Wharton stated that it was a privilege and an honor to serve on the Master Association Board and work with the community representatives. He also commented that the Committee reports were distributed to the Board and Community/Tract Representatives and give details in their specific areas. He also said that community representatives attending today's meeting would have time for questions during the meeting.

Financial Report: Treasurer: Rob O'Connor: Rob reported on the following:

- a. **2015 Audited Financial Statements:** 2015 Calendar Year audited financial statements were distributed to all of the Community/Tract representatives with a reminder about the Annual Meeting of 2016.

Motion by Peggy Wells, second by Bob Mills to approve the 2015 calendar year audited financial statements as amended and distributed and to be attached and made a part of the minutes of this meeting. Motion approved unanimously and passed. (Audited Financial Statements for the period ended December 31, 2015 attached to and made a part of these minutes).

b. February 2016 Financial Statements:

The financial statement as of February 29, 2016 was distributed to the Board and Community/Tract Representatives.

Management/Committee Reports: Garry Wharton introduced the Committee reports that were provided to the Board and Representatives as follows:

- A. Management Report – Garry stated that the management report distributed to the Board and Community/Tract Representatives was up to date.
- B. Grounds Report - Garry stated that the management report distributed to the Board and Community/Tract Representatives was up to date.
- C. Advisory Committee – Garry provided the report on behalf of the Advisory Committee.
- D. Parks Committee Report – Bob Mills provided the report on behalf of the Parks Committee.
- E. Office/Community Center Ad Hoc Team Report – Bob Mills provided the report on behalf of the Office / Community Center Ad Hoc Team
- F. Communications/ Website Ad Hoc Team Report – Cathy Leetzow provided the report on behalf of the Communications / Website Ad Hoc Team.
- G. Palmer Ranch Watershed/Natural Assets Team Report – Rob O'Connor provided the report on behalf of the Palmer Ranch Watershed / Natural Assets Team.

Community / Development Update:

- A. **Palmer Ranch Parcels A8 & A9 (southeast corner of McIntosh & Sawyer Loop roads)**
DR Horton development of 140 townhomes:
 - Approved by the SC Planning Commission on January 21, 2016
 - Approved by the Board of County Commissioners on March 22, 2016
- B. **Master Development Order Amendment**
There is proposed amendment being presented which, if approved, would add 2,650 dwelling units, 250,000 sq. ft. commercial space & 863.85 acres to the DRI. (This would add lands in the remaining 'South 900' Parcel as well as lands to the south of SR 681, along I-75, referred to as 'South 680'). There is a Public Hearing before the SC Planning Commission scheduled for May 19, 2016.
- C. Honore Avenue to Laurel Road expects to be opened May 1, 2016.
- D. The roundabout at Central Sarasota Parkway and Honore Ave was approved by the Sarasota County Commission and will start being built in the summer of 2016.

Report of Election Committee:

Tracy Smith, reporting on behalf of the Election Committee, announced the following members were elected as **Residential Trustees for a two-year term**: Richard Beitel, Lee Katz, Joel Schemmel, Nicholas Spina and Garry Wharton.

Residential Trustees for a one-year term: Claudia Brooks and Cathy Leetzow

Community Representative – Discussion:

There was discussion from community representatives on various topics.

- Elaine Cox from Stoneybrook Estates commended Palmer Ranch by saying it looks wonderful.
- Bob Swan, Prestancia Representative, announced that Prestancia is initiating refurbishment of its ponds and waterways over a period of years.
- Ronald Neri, Silver Oaks Estates, reported that Silver Oaks Estates is looking into its natural assets and planting Bee-Mats in its ponds.
- Robert Sherwood of the Vineyards is looking at their ponds for prevention of erosion.
- Bob Mills of Huntington Pointe, commented that Huntington Pointe is looking at cleaning the overgrowth of invasive plant species in its community utilizing experts from Sarasota County, and Rick Barth. Chris Moyer, Huntington Pointe, commented that it would be a good approach by bringing communities together to learn from each other regarding protecting and restoring the natural assets.

Other:

- At the end of the meeting, Garry Wharton commented that Kathrin Harris, Vice President, Turtle Rock, has retired from the Trustee Board, and was unable to attend today's meeting.

- Garry Wharton thanked Barbara Tierney for her service to the Board as Secretary as she is also retiring from the Board. Barbara commented that she felt honored to be on the Board for the past two years and highly valued the work of Trustees and their dedication to Palmer Ranch. This includes the administrative staff of Palmer Ranch as well.

- Tracy Smith presented embroidered Palmer Ranch jackets to Garry Wharton, retiring President, and to Barbara Tierney, retiring Secretary, and thanked them for their service to Palmer Ranch.

Adjournment:

Motion to adjourn was made by Cathy Leetzow, second by Lee Katz and passed unanimously.
The meeting adjourned at 4:02 pm.

Respectfully submitted,
Barbara Tierney,
Secretary, Trustee Board, Palmer Ranch Master Property Owners Association, Inc.
March 30, 2016

**Palmer Ranch Master Property
Owners Association, Inc.**

Financial Statements

December 31, 2015

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CAVANAUGH & CO, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Palmer Ranch Master Property Owners Association, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Palmer Ranch Master Property Owners Association, Inc., which comprise the balance sheet as of December 31, 2015, and the related statement of revenues, expenses and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Palmer Ranch Master Property Owners Association, Inc. as of December 31, 2015, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of replacement fund activity is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such

information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary information on future major repairs and replacements be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Sarasota, Florida
February 25, 2016

A handwritten signature in black ink that reads "Cavanaugh & Co. LLP". The signature is written in a cursive, flowing style with a large initial 'C'.

Palmer Ranch Master Property Owners Association, Inc.

Balance Sheet
December 31, 2015

ASSETS

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Total</u>
Current assets:			
Cash and cash equivalents	\$ 386,170	196,338	582,508
Certificates of deposit	200,000	802,186	1,002,186
Accounts receivable	8,803	-	8,803
Prepaid insurance	17,624	-	17,624
Prepaid rent	910	-	910
Due from other fund	-	3,306	3,306
Total current assets	<u>613,507</u>	<u>1,001,830</u>	<u>1,615,337</u>
Other assets:			
Furniture and equipment, net	5,478	-	5,478
Deposits	10,549	-	10,549
Total other assets	<u>16,027</u>	<u>-</u>	<u>16,027</u>
 Total assets	 <u>\$ 629,534</u>	 <u>1,001,830</u>	 <u>1,631,364</u>

LIABILITIES AND FUND BALANCE

Current liabilities:			
Accounts payable	\$ 106,136	-	106,136
Prepaid assessments	70,182	-	70,182
Due to other fund	3,306	-	3,306
Total current liabilities	<u>179,624</u>	<u>-</u>	<u>179,624</u>
 Fund balances	 <u>449,910</u>	 <u>1,001,830</u>	 <u>1,451,740</u>
 Total liabilities and fund balance	 <u>\$ 629,534</u>	 <u>1,001,830</u>	 <u>1,631,364</u>

See accompanying notes to financial statements.

Palmer Ranch Master Property Owners Association, Inc.

Statement of Revenues, Expenses and Changes in Fund Balance
Year Ended December 31, 2015

	Operating Fund	Replacement Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Member assessments	\$ 1,542,723	138,579	1,681,302
Sarasota County maintenance	356,976	-	356,976
Interest	332	5,775	6,107
Administrative late fees	1,580	-	1,580
Estoppel fees	6,000	-	6,000
Total revenues	<u>1,907,611</u>	<u>144,354</u>	<u>2,051,965</u>
 Expenses:			
Salary and benefits	214,699	-	214,699
Rent/Occupancy	23,041	-	23,041
Ornamental maintenance	292,235	-	292,235
Turf maintenance	435,143	-	435,143
Irrigation maintenance	122,584	-	122,584
Fertilization/pest control	172,643	-	172,643
Lake management	159,840	-	159,840
Utilities	34,371	-	34,371
Repairs and maintenance	24,474	-	24,474
Administrative	22,362	-	22,362
Insurance	24,755	-	24,755
Professional fees	24,929	-	24,929
Enhancement project	147,946	-	147,946
Miscellaneous	86	-	86
Depreciation	2,235	-	2,235
Replacement	-	64,427	64,427
Total expenses	<u>1,701,343</u>	<u>64,427</u>	<u>1,765,770</u>
 Excess of revenues over expenses	206,268	79,927	286,195
 Fund balance - beginning of year	<u>243,642</u>	<u>921,903</u>	<u>1,165,545</u>
 Fund balance - end of year	<u>\$ 449,910</u>	<u>1,001,830</u>	<u>1,451,740</u>

See accompanying notes to financial statements.

Palmer Ranch Master Property Owners Association, Inc.

Statement of Cash Flows
Year Ended December 31, 2015

	Operating Fund	Replacement Fund	Total
Cash flows from operating activities:			
Member assessments collected	\$ 1,516,791	138,579	1,655,370
Sarasota County Maintenance	356,976	-	356,976
Interest received	332	5,775	6,107
Other income received	7,580	-	7,580
Cash paid for operating expenses	<u>(1,715,588)</u>	<u>(65,800)</u>	<u>(1,781,388)</u>
Net cash flows from operating activities	<u>166,091</u>	<u>78,554</u>	<u>244,645</u>
Cash flows from investing activities:			
Purchase of property and equipment	(4,302)	-	(4,302)
Purchase of certificates of deposit	(200,000)	(802,186)	(1,002,186)
Redemption of certificates of deposit	<u>-</u>	<u>250,051</u>	<u>250,051</u>
Net cash flows from investing activities	<u>(204,302)</u>	<u>(552,135)</u>	<u>(756,437)</u>
Decrease in cash and cash equivalents	(38,211)	(473,581)	(511,792)
Cash and cash equivalents at beginning of year	<u>424,381</u>	<u>669,919</u>	<u>1,094,300</u>
Cash and cash equivalents at end of year	<u>\$ 386,170</u>	<u>196,338</u>	<u>582,508</u>
Reconciliation of excess of revenues over expenses to net cash flows from operating activities:			
Excess of revenues over expenses	\$ 206,268	79,927	286,195
Adjustments to reconcile excess of revenues over expenses to net cash flows from operating activities:			
Depreciation	2,235	-	2,235
(Increase) decrease in:			
Accounts receivable	(3,758)	-	(3,758)
Prepaid insurance	1,087	-	1,087
Deposits	533	-	533
Due (to) from other fund	1,373	(1,373)	-
Increase (decrease) in:			
Accounts payable	(18,100)	-	(18,100)
Prepaid assessments	<u>(23,547)</u>	<u>-</u>	<u>(23,547)</u>
Total adjustments	<u>(40,177)</u>	<u>(1,373)</u>	<u>(41,550)</u>
Net cash flows from operating activities	<u>\$ 166,091</u>	<u>78,554</u>	<u>244,645</u>

See accompanying notes to financial statements.

Palmer Ranch Master Property Owners Association, Inc.

Notes to Financial Statements

December 31, 2015

Note 1 – Nature of Operations:

Palmer Ranch Master Property Owners Association, Inc. (Association) is a not-for-profit corporation formed for the purpose of managing and maintaining areas common to the property owners within the development known as Palmer Ranch. Specifically, the Association is responsible for maintaining all landscape and hardscape within the roadways and medians, maintaining certain perimeter hedges and trees, which include mowing, irrigation, fertilization, and herbicides, as necessary. The roadways involved are specific portions of McIntosh Road, Sawyer Loop Road, Honore Avenue, Sarasota Square Boulevard, Palmer Ranch Parkway, and Extension, Central Sarasota Parkway and Northridge Road. The Association is also responsible for conservation of certain common waterways and landscape maintenance of the seven vehicular entrances to the Palmer Ranch Entity.

Note 2 – Summary of Significant Accounting Policies:

Fund Accounting

The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting, and prepares its financial statements on the accrual basis of accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose.

Operating Fund – This fund is used for financial resources available for the general operations of the Association. The excess, if any, of 2015 assessments over expenses are carried forward to be applied to 2016 expenses.

Replacement Fund – This fund is composed of assessments paid by members to fund future replacements, major repairs and purchases of additional commonly owned assets. Expenditures from this fund are restricted to those items for which assessments were levied.

Financial Statements

The financial statements and notes are representations of the Association's management, who is responsible for their integrity and objectivity. The accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Member Assessments

Association members are subject to yearly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessments are charged to the unit owners on a per assessable unit basis. Member assessments are determined annually by the Board of Trustees based upon the maintenance and other operating requirements of the Association. Any deficit or excess of revenue over expenses would, in effect, increase or decrease assessments required in future periods.

Revenue from assessments and late fees are recognized in the period to which it applies. Assessments received in advance are recorded as prepaid assessments when received and reclassified to revenue in the period to which they pertain.

Palmer Ranch Master Property Owners Association, Inc.

Notes to Financial Statements – Continued

December 31, 2015

Note 2 – Summary of Significant Accounting Policies – Continued:

Cash Equivalents

For the purposes of the statement of cash flows, the Association considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

The Association uses the allowance method to recognize bad debts. Management establishes an allowance for doubtful accounts based on amounts expected to be uncollectible at the balance sheet date. The Association's policy is to retain legal counsel and place liens on the properties of the members whose assessments are delinquent. Management believes an allowance for doubtful accounts was not deemed necessary for the year ended December 31, 2015.

Common Property

The Association's policy is to not capitalize and depreciate the commonly owned real property as ownership is vested directly or indirectly in the member property owners and these assets are not deemed to be severable.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Association is taxed as an association and files Form 1120H. The Association is taxed on its non-membership income, such as interest income, and any excess membership income which has been deferred for more than one year, at regular federal and state corporate rates. There is no income tax expense or income tax liability at December 31, 2015.

Management has evaluated the effect of accounting standards regarding accounting for uncertainty in income taxes. In that regard, management has evaluated all tax positions that could have a significant effect on the financial statements and determined the Association has no uncertain tax positions at December 31, 2015, that could materially affect the financial statements.

The income tax returns of the Association are subject to examination by the taxing authorities, generally for three years after they were filed.

Palmer Ranch Master Property Owners Association, Inc.

Notes to Financial Statements – Continued

December 31, 2015

Note 3 – Future Major Repairs and Replacements:

The Association's organizing documents require the Association to prepare its annual budget with estimates of costs for the repair and/or replacement of certain common property.

The Board is funding for major repairs and replacements over the remaining useful lives of the components based on estimates of current replacement costs. In 2015 the Association obtained an updated reserve study, prepared by a third party, to provide relevant information to budget for such costs. The table included in the required supplemental information on future major repairs and replacements is based on this study. The Association allocates interest earned on replacement funds to the individual components based on the component's relative balances. Amounts previously accumulated are considered in determining the annual funding requirement. The Association fully funds the reserves as estimated in that reserve study.

Actual expenditures may vary from the estimated replacement costs. These variances could be material. Consequently, the amounts accumulated in this fund may not be adequate to fund the major repair or replacement. If additional funds are needed, the Association may increase regular assessments, pass a special assessment or delay the repair or replacement.

Note 4 – Geographic Exposure to Catastrophe Loss:

The Association has possible exposure to catastrophe losses based on the location of the property. These catastrophes can be caused by various events, including hurricanes, windstorms, hail, and flood, and the incidence and severity of catastrophes are inherently unpredictable. The extent of losses from a catastrophe is a function of both the total amount of insured exposure by the type of event and the severity of the event. The Association generally seeks to reduce its exposure to catastrophes through individual risk selection, the purchase of catastrophe insurance and mandated reinsurance by certain insurance companies. In the event of such a catastrophe, assessments may be necessary to provide for deductibles consistent with insurance policy provisions.

Note 5 – Sarasota County Maintenance:

The Association has a signed agreement with Sarasota County for median and roadside maintenance services. The contract services include roadway mowing, litter removal, herbicide treatment, and sidewalk and curb edging. The compensation for this agreement amounted to \$356,976 for the year ended December 31, 2015.

Note 6 – Savings Plan:

The Declarant offers a tax-deferred savings plan (the Plan) which qualifies as a defined contribution plan under the Internal Revenue Code 401(k). Employees who are eligible may provide tax-deferred contributions to fully vested individual accounts up to 100% of before tax pay within Internal Revenue Code limits. The Plan covers substantially all employees with six months of service regardless of the number of hours of service or age. At the Plan's discretion, it may provide up to 100% of the first 4% of pay employees contribute to the plan through salary deferral. There were no employee matched contributions for the year ended December 31, 2015.

Palmer Ranch Master Property Owners Association, Inc.

Notes to Financial Statements – Continued

December 31, 2015

Note 7 – Concentrations of Economic and Credit Risk:

The Association maintains its cash balances at financial institutions located in Sarasota, Florida. Accounts at each financial institution are secured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times, balances may exceed this limit. Management considers the risk to be minimal.

Note 8 – Subsequent Events:

Subsequent events have been evaluated through February 25, 2016, which is the date the financial statements were available to be issued.

Palmer Ranch Master Property Owners Association, Inc.

Schedule of Replacement Fund Activity
Year Ended December 31, 2015

Components	Balance 12/31/2014	Revenues	Interest	Expenses	Balance 12/31/2015
Entry walls	\$ 208,307	8,830	754	-	217,891
PVC fencing	3,602	3,512	103	-	7,217
Entry landscape lighting	10,782	1,713	73	-	12,568
Street light resurfacing	344,809	47,681	2,131	-	394,621
Traffic signal resurfacing	52,572	12,448	463	-	65,483
Community identification signs - replacements	78,107	2,692	266	-	81,065
Community identification signs - capital repairs	10,643	8,202	174	-	19,019
Directional signs	43,135	1,841	156	-	45,132
Flagpoles	14,220	1,152	66	-	15,438
Entry pavers	103,366	6,657	288	(64,427)	45,884
Benches	5,092	687	31	-	5,810
Silt removal - restoration area F	15,054	11,750	351	-	27,155
Silt removal - restoration area D	10,112	9,861	289	-	20,262
Silt removal - restoration area C	11,885	11,590	339	-	23,814
Silt removal - restoration area G	7,924	7,726	226	-	15,876
Silt removal - restoration area H	2,293	2,237	65	-	4,595
Total	\$ 921,903	138,579	5,775	(64,427)	1,001,830

Palmer Ranch Master Property Owners Association, Inc.

Supplementary Information on Future Major Repairs and Replacements
Year Ended December 31, 2015
(Unaudited)

The following table is significant information on reserves:

	<u>Estimated Remaining Life</u>	<u>Estimated Replacement Cost</u>
Entry walls	10-19	\$ 366,800
PVC fencing	11	48,040
Entry landscape lighting	10	72,200
Street light resurfacing	2-6	537,750
Traffic signal resurfacing	2	119,690
Community identification signs - replacement	12	114,500
Community identification signs - capital repairs	1	21,000
Directional signs	5	89,500
Flagpoles	15	28,000
Entry pavers	12-25	251,329
Benches	12	8,250
Silt removal - restoration area F	3	50,000
Silt removal - restoration area D	2	29,585
Silt removal - restoration area C	5	69,540
Silt removal - restoration area G	5	46,360
Silt removal - restoration area H	5	13,420