



Maintenance Reserve Policy Resolution

The following is the policy of the First Hyland Greens Association concerning planning, funding, and use of the Maintenance Reserve Fund.

1. The Maintenance Reserve Fund is established and exists to allow the Board to plan for and manage the costs for major renewal and replacement of Association assets. The fund may also be used to build new assets provided the use of funds for that purpose does not endanger the Association's ability to maintain its existing assets.
2. The Maintenance Reserve Fund shall be separate within the overall accounting system of the First Hyland Greens Association. After the end of each fiscal year, money may be transferred into the Maintenance Reserve Fund based on: 1) the net income from the previous fiscal year as determined by the audited financial statements or 2) an approved motion of the Board of Directors to transfer a specific amount of money from the Operating Fund into the Maintenance Reserve Fund.
3. A Maintenance Reserve Study shall be completed at least once every 10 years or more often if determined by the Board of Directors. The Maintenance Reserve Study will consider the physical condition of assets as well as a financial assessment of the future costs. The Board has the fiscal responsibility during the Annual Budgeting process of determining the Maintenance Reserve Fund requirements.
4. This policy replaces any and all previous Board policies concerning Maintenance Reserve Fund planning, funding, or expenditures.

The original policy is signed by the Secretary and is held as part of the First Hyland Greens Association's records. For security reasons the signature is not shown on this electronic copy.

John Van Royen
Secretary – First Hyland Greens Association

June 3, 2010
Date Approved by Board