

Elk Falls Property Owners Association

RESERVE FUND INVESTMENT POLICY

The following Reserve Fund Investment Policy has been adopted by the Elk Falls Property Owners Association., (“Association”), pursuant to C.R.S. §38-33.3-209.5, by of the Board of Directors.

WHEREAS, the Board of Directors deems it in the best interest of the Association to protect and ensure the safety of the assets and capital improvements of the Association and those volunteers who participate in the investment process and to further provide guidance to those who offer investment services to the Association, including brokers/dealers, banks, consultants, savings institutions, and custodians; and

WHEREAS, the following investment policy addresses the methods, procedures and practices which must be exercised to ensure effective and judicious fiscal investment management of the Association’s reserve funds. This policy does not set forth: (1) the minimum reserve fund balance required of the Association pursuant to its governing documents; (2) any mandate for an annual reserve fund study; or (3) the tax consequences of the investment options contained herein; and

WHEREAS, the Colorado Common Interest Ownership Act (“CCIOA”) does not require the Board of Directors to invest the Association reserve funds;

NOW, THEREFORE, BE IT RESOLVED that the Association does hereby adopt the following policies and procedures for the investment of the Association’s reserve funds:

The Board of Directors of the Association shall make investment decisions in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Directors reasonably believe to be in the best interests of the Association.

The Board of Directors shall review this Reserve Fund Investment policy periodically and may amend the policy as conditions warrant. The Treasurer may recommend amendments to this policy as necessary.

The undersigned hereby certifies that the foregoing resolution was adopted on the ___ day of _____, 2008.

Elk Falls Property Owners Association

By: _____
David Crespo, President

Attest:

This Policy was adopted by the Board of Directors on the ___ day of _____, 2008, effective the ___ day of _____, 2008, and is attested to by the Secretary of Elk Falls Property Owners Association.

Suzy Nelson, Secretary