

**RESOLUTION OF THE
INDIAN CAMP RANCH HOMEOWNERS ASSOCIATION
REGARDING INVESTMENT OF RESERVE POLICY**

SUBJECT: Adoption of an Investment Policy for reserves of the Association

PURPOSES: To adopt a policy for the investment of reserve funds

AUTHORITY: The Declaration, Articles of Incorporation, and Bylaws of the Association and Colorado Law

EFFECTIVE

DATE: April 1, 2021

RESOLUTION: The Association hereby adopts a Policy as follows:

1. Scope. In order to properly maintain areas of the community that are the responsibility of the Association, to comply with state statutes, to manage reserve funds, and to protect the market value of the Owners' homes, and livability in the Community, the Board of Directors determines that it is necessary to have policies and procedures for the investment of reserve funds.

2. Purpose of the Reserve Fund. The purpose of the Reserve Fund shall be to responsibly fund and finance the projected repair and replacement of those portions of the Community that the Association is responsible for and for such other funding as the Board of Directors may determine. The portions of the Community that the Association is responsible for typically have limited but reasonably predictable useful lives.

3. Investment of Reserves. The Board of Directors of the Association shall invest funds held in the Reserve Funds accounts to generate revenue that will accrue to the Reserve Funds accounts balance pursuant to the following goals, criteria and policies, listed in order of importance:

- (a) Safety of Principal. Promote and ensure the preservation of the Reserve Fund's principal.
- (b) Liquidity and Accessibility. Structure maturities to ensure availability of assets for projected or unexpected expenditures.
- (c) Minimal Costs. Investments costs (redemption fees, commissions, and other transactional costs) should be minimized.
- (d) Diversify. Mitigate the effects of interest rate volatility upon reserve assets.
- (e) Return. Funds should be invested to seek the highest level of return.

4. Limitation on Investments. All investments will be FDIC (Federal Deposit Insurance Corporation) insured and/or guaranteed by the United States Government.

5. Investment Strategy. The investment strategy of the Association should emphasize long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a ladder investment approach,

6. Independent Professional Investment Assistance. The Board of Directors of the Association may hire a qualified investment counselor to assist in formulating a specific investment strategy.
7. Review and Control. The Board shall review Reserve Fund investments periodically to ensure that funds are receiving competitive yields and shall make prudent adjustments as needed,
8. Reserve Study. In order to determine funding of the Reserve Fund, the Board of Directors may determine, with the assistance and advice of professionals, the life expectancy of those portions of the Community to be maintained by the Association and the anticipated costs of maintaining, replacing, and improving those identified areas.
9. Review of Reserve Study. The Board of Directors shall cause the Reserve Study, if any, and reserve funding to be reviewed and updated periodically, at least once every three years, to adjust and make changes in costs, inflation and interest yield on invested funds, plus modification, addition, or deletion of components.
10. Definitions. Unless otherwise defined in the Restrictions, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
11. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
12. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
13. Amendment. This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being president of the Indian Camp Ranch Homeowners Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on this April 1, 2021 and in witness thereof, the undersigned has subscribed his/her name.

**INDIAN CAMP RANCH HOMEOWNERS
ASSOCIATION,**
a Colorado nonprofit corporation

By: _____

President