

# WINDJAMMER HOMEOWNERS ASSOCIATION MAINTENANCE RESERVE FUND POLICY 16 October 2025

**Authority:** CRS 38-33.3-209.5, Responsible Governance Policies, Paragraph (1) (b) (VI) Declaration, Article VI, Section 603, Covenant for Maintenance Assessments Common Area Policy

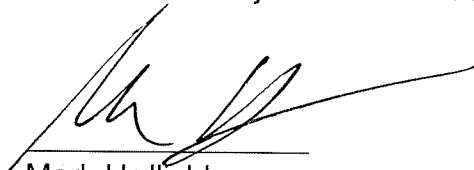
**Purpose:** This Policy outlines the role, use, and allocation of funds set aside into a Maintenance Reserve Fund ("**Reserve Fund**").

**Policy:** The Reserve Fund is used to finance projected major maintenance, any major repair, and replacement of the Common Areas (see Common Area Policy), elements within the Common Areas, and perimeter walls falling under the Association's responsibility. Proper reserve planning enhances the Association's ability to adequately care for assets by having both the funds and a planned maintenance schedule. The following are to be followed by the Association Board of Directors ("**Board**"):

- a. The Board must systematically grow reserves to forego the need for special assessments. This may be done through setting a budgeted amount aside each year, increasing dues and moving aside a set amount to the fund, or investing in guaranteed insured investments (see e). All proposed risky investments require membership approval during a membership meeting with a quorum present.
- b. The Board 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 Board believes to be in the best interests of the Association.
- c. For the ease of tracking and accessing funds, one financial institution is preferable.
- d. Whereas the Association has few assets to maintain, the Association shall set aside an amount equal to or greater than 50% of the annual budget as an adequate Reserve Fund. Excepting a specific need, once the Association financial savings become greater than 1.5 times the annual collection, a re-evaluation of the annual dues amount must be performed.
- e. Availability of funds is more important than interest gained, therefore, at least 60% of the Reserve Fund must remain in a fully accessible account. If desired, the remaining funds may be invested into Certificates, determined by the Treasurer, or other investments, as approved by membership vote. Certificates with terms longer than three months must be staggered so plentiful funds are available in emergent cases.

IN WITNESS WHEREOF, the undersigned certifies that this Policy and Procedures was revised by resolution of the Board of Directors of the Association on the 16<sup>th</sup> of October 2025.

Windjammer Homeowners Association is a Colorado Non-profit Corporation.



Mark Hrdlichka

President

Windjammer Homeowners Association