

# **B Lazy M Ranch Owners Association Policy**

## **Investment of Reserve Funds**

No: BLMROA-05-011  
Date: July 17, 2018  
Revision: 1.1

Title: Investment of Reserve Funds

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### **1. Status**

1.1 New Policy on ROA Investment of Reserve Funds

### **2. Purpose**

2.1 This policy establishes the policy/rule for the Investment of Reserve Funds for the ROA. The Covenants state a Financial Reserve shall be established to cover capital improvements and replacement of improvements and costs of addressing situations that endanger the Ranch as a whole or any of the Common Use Easements. The Board may also recommend to Members for their approval an appropriate level of the Financial Reserve.

### **3. Applicability**

3.1 This policy applies to the Investment of Reserve Funds allocation for the ROA as provided in SB 05-100.

### **4. Policy for the ROA relative to the Investment of ROA Reserve Funds**

4.1 It shall be the policy of the ROA when the allocated amount of funds designated for "Reserves" is in excess of \$1,000.00 that the treasurer is directed and empowered to open a separate "Reserve Account" with the same Banking Institution that the regular checking for the ROA is established.

4.2 The account will be the highest paying interest bearing account that will allow for limited withdrawals during the course of the year.

4.3 This Policy will be considered an ROA record.

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## **5. Responsibility**

- 5.1 The B Lazy M ROA Board of Directors shall be responsible to take all reasonable action to insure the ROA enforces the requirements for establishing a separate reserve account.
- 5.2 The B Lazy M ROA Board shall be responsible to manage this Policy.