

Coronado Villas Condominium Owners Association

Reserve Investment Fund Policy

BE IT RESOLVED; that this Policy is to provide guidelines for the ongoing management of the Coronado Villas COA investment of its Reserve Investment Funds.

Investment Funds Objectives

The CV COA Reserve Investment Fund represents funds for maintenance, repair, and replacement of those items for which the Association is responsible, and must be periodically maintained, repaired, or replaced.

The CV COA Board of Directors must structure the Reserve Investment Fund investments portfolio in order to meet anticipated cash requirements.

The Reserve Investment Funds are to be invested in a manner that assures maximum safety and appropriate liquidity and maximizes within such restraints.

The CV COA Reserve Investment Fund's objectives and in order of their priority.

1. Preservation and safety of the principal.
2. Liquidity to meet expected and unexpected expenditures.
3. Maximization of yield.

Investment Responsibilities of Management

The CV COA Board of Directors has sole authority to amend, alter, approve or otherwise makes changes to the Reserve Investment Fund.

Any and all modifications to the Reserve Investment Fund shall be in writing and approved by the CV COA Board.

The CV COA Board shall have direct control with regard to the opening of appropriate bank accounts and establishing safekeeping accounts or other arrangements for the custody of securities and execute such documents as necessary.

The CV COA Board may employ the service of a qualified investment advisor to direct a portion of or all of the investment activities of the Association consistent with guidelines set forth in this Reserve Investment Policy.

The CV COA Board will frequently monitor the ongoing investment activities to ensure proper liquidity is being provided and the investment is consistent with the Associations objectives.

Reserve Fund Investment Guidelines

The Reserve Investment Fund Portfolio will be limited to the following eligible investments with Credit Quality Restrictions:

1. Certificates of Deposits (CDs).
2. Money Market deposit accounts.
3. Money Market funds.
4. U.S. Treasuries.
5. U.S. Treasury zero coupons.
6. AAA- rated or U.S. Treasury Securities.

Maturity limitations of the Reserve Investment Fund investments.

1. No individual investments may exceed two (2) years in maturity.
2. The weighted average maturity of the portfolio will not exceed one (1) year.
3. The investment shall be structured so they mature in successive years allowing the Association to minimize the interest rate risk.


Reserve Investment Funds will be held in custodial accounts with approved banks or financial institutions federally insured either through FDIC or the U.S. Government.

Procedures Managing the Reserve Investment Funds

A quarterly report of earnings shall be prepared by management, financial advisor or the Treasurer from the Reserve Investment Funds for the CV COA Board.

At least one CV COA Board members signature is required to withdraw funds from investment accounts.

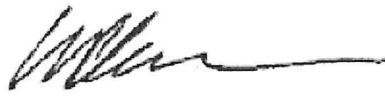
Transfer of budgeted additions to the Reserve Investment Fund shall be made on a monthly basis or as requested by the CV COA Board.



Ronald Seghers – President

February 11, 2022

Date



Bill Benac – Secretary

Feb 11, 2022

Date