

Edgewood at Everlands HOA Board Policy Requiring Membership Vote for Capital Improvement Projects

The Edgewood at Everlands HOA Board of Directors hereby adopts the following policy regarding capital improvement projects:

Purpose

To promote transparency and ensure homeowner participation in significant financial decisions, any capital improvement project with an estimated cost exceeding \$10,000 shall require a vote of the membership prior to approval and commencement.

Scope

This policy applies to all capital improvements exceeding \$10,000, including but not limited to projects such as the addition of new amenities, installation of a water feature and/or the addition of a floating dock to the retention pond, upgrades to the pool cabana, installation of heating to the community pool, etc. Routine, budgeted operating expenses—such as landscaping, utilities, insurance, and management fees—are expressly excluded from this policy.

Emergency Exclusions

Projects classified as emergency repairs necessary to protect residents' safety or prevent immediate property damage (e.g., urgent irrigation system repairs) are exempt from the requirements of this policy.

Voting Procedure

- For any qualifying capital improvement project, the Board will call a special meeting of the membership. Notice of the meeting will clearly state that a vote on the proposed project will occur.
- A quorum for the meeting is established when 20% of the households (32 out of 162) are present, or represented by proxy, in accordance with Association governing documents.
- Upon reaching quorum, a simple majority of those present and voting will determine whether the proposed capital improvement project may proceed.

Amendments to Governing Documents

While this policy is not a formal amendment to the Association's Covenants, Conditions, and Restrictions (CC&Rs)—which would require a 75% membership vote—it represents a proactive measure by the Board to enhance homeowner engagement in the allocation of Association funds.

Effective Date

This policy is effective immediately upon adoption by the Board and shall be communicated to all members.