

HAMPTON CHASE HOMEOWNERS ASSOCIATION, INC.

BOARD RESOLUTION: TRANSFER AND EARMARKING OF UNEXPENDED OPERATING FUNDS

Effective Date: August 3rd, 2026

The Board of Directors of Hampton Chase Homeowners Association, Inc. adopts the following policy regarding the transfer and administration of unexpended operating funds pursuant to the Association's Declaration of Covenants, Conditions, Restrictions, Easements, and Assessments, the Association's Bylaws, and Chapter 720, Florida Statutes.

1. Purpose

The Board recognizes that certain budgeted operating funds may remain unexpended at the close of a fiscal year while the underlying projects, maintenance items, or anticipated expenses remain valid future obligations of the Association.

The purpose of this Resolution is to preserve those funds for their intended purpose while maintaining sound financial management practices.

2. Transfer of Unexpended Funds

At the close of each fiscal year, any budgeted operating funds that remain unexpended shall be transferred from the Association's operating account to the Association's savings account.

3. Earmarking of Funds

All transferred funds shall remain administratively earmarked for the specific budget category, project, or purpose for which they were originally appropriated.

Examples may include, but are not limited to:

- Fence replacement
- Engineering or professional services
- Sign maintenance or replacement
- Drainage-related projects
- Other Board-approved budgeted expenditures

4. Use of Earmarked Funds

Earmarked funds shall be used only for their designated purpose unless otherwise reallocated by a future vote of the Board of Directors recorded in the official meeting minutes.

5. Accounting Records

The Treasurer and/or the Association's Community Association Manager shall maintain accounting records sufficient to identify each earmarked balance and its designated purpose.

6. Reserve Clarification

Funds transferred pursuant to this Resolution are intended as designated savings for future budgeted expenditures and are not statutory reserve funds unless separately established by the membership in accordance with Chapter 720, Florida Statutes.

7. Conflicts and Severability

In the event of any conflict between this Resolution, the Governing Documents, or applicable Florida law, the Governing Documents and Florida law shall control.

If any portion of this Resolution is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

Adopted by the Board of Directors on: August 3rd, 2026

President: Pam Duff

Secretary: Melanie Heil

Treasurer: Andrea Joseph