

# **Goose Hollow Homeowners Association**

## **- Resolution -**

### **Pool Reserve Account Policy**

#### **Purpose:**

The purpose of this Resolution is to inform the members of the Goose Hollow Homeowners Association of the changes to be made in regards to the Goose Hollow Pool Reserve Account.

The following presents background information about the Pool Reserve Account and changes proposed to the Pool Reserve Account.

#### **Background:**

The Goose Hollow Homeowners Association (GH HOA) is required to maintain a Reserve Account in order to perform major repair to, or replacement of, the GH HOA swimming pool. Primarily the Reserve Account is a method to save funds to pay for the major expense of pool replacement. Part of the GH HOA annual dues are placed in an account each year in order to accumulate enough funds to pay for pool replacement or major repair without having to assess the owners with a one-time fee. The replacement of the Pool would easily exceed the operating funds available to the GH HOA.

The present Pool Reserve Account is a three-year Certificate of Deposit (CD). A CD is a safe investment, earning a paltry interest rate. However, if the money is needed to meet a major repair to the pool (an amount that exceeds the operating funds in our checking/savings accounts) there is a significant penalty to withdraw funds from the CD before the maturity date. The procedure for withdrawing from the CD also makes it difficult to get the needed funds quickly.

#### **Policy:**

1. The GH HOA Board will convert the CD, upon maturity, into a Money Market Account, which will be designated 'Pool Reserve Account'.
2. The Board proposes that access to the Money Market funds shall be limited to the Board Executive Council, i.e., President, Secretary, and Treasurer.
3. Any funds withdrawn from the Pool Reserve Account must be presented to the whole Board for approval.

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4. The approved proposed withdrawal request shall be presented in writing to the Tukwila Accountant by any two members of the Executive Board. The request for withdrawal shall be signed by any two (2) of the Executive Board members and the Tukwila Homeowners Association Accountant. The signed Approved Request shall be filed in the Tukwila office.
  
5. The check for the withdrawal may now be written and signed. Note: the check written against the Pool Reserve Account is typically signed by one (1) Executive Board Member and the Tukwila Accountant.

Attached: Goose Hollow Homeowners Association Pool Reserve Account Study.

Approvals:

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