

**PARKFAIRFAX CONDOMINIUM UNIT OWNERS ASSOCIATION**  
**POLICY RESOLUTION NUMBER THIRTEEN**  
**INVESTMENT OF ASSOCIATION CAPITAL**  
**RELATING TO POLICIES AND PROCEDURES GENERATING**  
**A RETURN ON ASSOCIATION FUNDS**

**WHEREAS**, Article III, Section Two, of the Parkfairfax Condominium Unit Owners Association Bylaws assigns the Board of Directors with “. . . all of the powers and duties necessary for the administration of the affairs of the Unit Owners Association,” and further states that the Board of Directors “. . . may do all such acts and things as are not by the Condominium Act, The Declaration or by these Bylaws required to be exercised and done by the Unit Owners Association”; **AND**

**WHEREAS**, Article V, Section One of the Parkfairfax Condominium Unit Owners Association Bylaws enables the Board of Directors to include in the annual budget "such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements."; **AND**

**WHEREAS**, the estimated replacement needs by the Parkfairfax Condominium Unit Owners Association requires that funds be held for a varying number of years; **AND**

**WHEREAS**, the funds collected each year by the Parkfairfax Condominium Unit Owners Association represent a sizeable cash reserve; **AND**

**WHEREAS**, it is prudent for the Board of Directors to protect the monetary reserves of the Parkfairfax Condominium Unit Owners Association from being devalued by inflation and other eroding economic factors; **AND**

**WHEREAS**, it is desirable for the Board of Directors to generate a return on the monies held by the Parkfairfax Condominium Unit Owners Association, while insuring the safety of its capital;

**NOW THEREFORE, BE IT RESOLVED THAT** the following guidelines and procedures be adopted:

- 1) The Board of Directors shall maintain all funds in accounts or investment instruments in the sole name of the Parkfairfax Condominium Unit Owners Association.
- 2) The investment portfolio of Parkfairfax Condominium Unit Owners Association shall be reviewed by the Board of Directors at the beginning of each Fiscal Year to insure that all investments are maintained in compliance with this resolution.
- 3) All of the replacement reserve funds available for investment shall, at all times, be

maintained in accounts or investment instruments that are insured by the Federal Government or guaranteed as to principal by the Federal Government. Such funds shall also be invested in money market accounts that invest solely in United States Government securities.

- 4) The Board of Directors may, at its discretion, enlist the assistance of professional investment managers to advise on current investment opportunities and to carry out transactions designated by the Board of Directors.
- 5) All investments shall be directly approved by the Treasurer, with confirmation by the Board of Directors.
- 6) The Treasurer, General Manager or a professional Investment Manager will keep the Board of Directors apprised as to the status of the investment portfolio and will present recommendations for changes in accounts or instruments as may from time to time be desirable to maximize interest income.
- 7) The Treasurer and General Manager shall monitor investments to ensure adequate funding for anticipated projects.
- 8) Any professional investment manager shall abide by the provisions of this resolution and follow Board of Directors guidance as relayed through the Treasurer and/or General Manager.
- 9) If professional third party managers are required by the Board of Directors, a reasonable fee may be paid, i.e., service charge, commission, a brokerage fee, etc., as determined by the Board of Directors. Such expense is to be charged against the income generated by the invested funds.