



**Ridgewater Homeowners' Association**  
**C/O Peterman Inc.**  
**P.O. Box 8748**  
**Bend, OR 97701**

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**Policy Resolution 2006-2: Reserve Fund Special Money Market  
Creation and Disbursement**

WHEREAS Article II of the Declaration (CCRs) , Section 2.10 requires the establishment of a Reserve Fund and the reserve fund shall be kept separate from other funds and may be used only for the purposes for which reserves have been established as specified in this Section, and

WHEREAS the Board wishes to ensure that the funds for this Reserve are only spent for replacement, in whole or in part, of the Common Maintenance Area and any Improvements located in, on, or under the Common Maintenance Area for which the Association is responsible pursuant to this Declaration,

LET IT BE RESOLVED THAT the Board adopts the following policy for the management and disbursement of funds from the Reserve Account:

1. That the Board create a separate reserve fund account to place the dedicated commons area maintenance and replacement reserve funds,
2. That the Board place an amount equal to or greater than the dollar amount of the reserve portion of the annual assessment for each lot into said separate reserve fund account,
3. That the Board annually assess the actual per lot contribution at least annually and adjust the contribution to meet the needs and demands on the account now and in the future,
4. That the separate reserve fund account be maintained in Money Market Funds, Certificates of Deposit, and/or at least AAA Bonds, at the direction of the Board, and
5. That the disbursement from said separate reserve funds account occurs when a vote of at least 60% of the Board approves said disbursement for commons area maintenance and replacement.

**Recorded in the Minutes: May 16, 2006    Signed on: May 17, 2006**

A handwritten signature in black ink, appearing to read 'D. Lee'.

**Vice-President**