

**Glenmore Community Association
1524 Insurance Lane, Suite C
Charlottesville, VA 22911**

Background:

In December 2020, the GCA Board of Directors (“BOD”) approved Regulation 2020-004 - GCA Financial Policies.

In 2021 the BOD approved the establishment of an Investment Advisory Committee (“IAC”). The IAC developed an investment policy that establishes the appropriate guidelines of safety, liquidity and return for the GCA’s capital reserve funds. This investment policy was approved by the GCA Board at the November 2021 board meeting. The GCA board approved the GCA Financial Policies at the GCA board meeting in December 2020. Given the approval of the new investment policy for the GCA’s capital assets paragraph 5 of the GCA Financial Policies needs to be amended. Following are the current language in paragraph 5 and the proposed amended language:

Current

5 – BANKING AND INVESTMENTS - The bank checking and investment accounts will be maintained in federally insured (FDIC) bank accounts3. There are two types of bank accounts: an operating account (to receive revenue and pay bills) and investment accounts (to hold allocated and unallocated reserves. All investments of cash from the investment account will be in FDIC insured deposit accounts, money market funds, and/or Certificates of Deposit.

Amended to:

5 – BANKING AND INVESTMENTS – The GCA maintains two basic types of accounts (i) an operating account and (ii) a reserves account. The operating account is utilized to receive revenue and pay operating expenses (as detailed in the annual operating budget of the GCA) and transfer budgeted funds to the reserves account during the fiscal year. Cash balances in the operating account will be maintained in accordance with Appendix A of the GCA Investment Policy approved by the GCA board of directors in November 2021. These funds may be kept in a bank account or investment account (or both) and invested only in interest bearing bank accounts, money-market funds or CD’s. The reserves account is utilized to provide a source of funds to pay for upkeep, repair and replacement on our long-term assets, such as the equestrian center, roads and walkways and retention ponds, over a 30-year period. Cash balances in the reserves account will be managed by an investment advisor approved by the GCA board of directors and invested in both accounts in accordance with the GCA Investment Policy.

Resolution for the 17 March 2022 GCA Board Meeting

2022-0 _: Motion to Approve the proposed amendment to paragraphs 5 to Regulation 2020-004 - GCA Financial Policies as follows:

5 – BANKING AND INVESTMENTS – The GCA maintains two basic types of accounts (i) an operating account and (ii) a reserves account. The operating account is utilized to receive revenue and pay operating expenses (as detailed in the annual operating budget of the GCA) and transfer budgeted funds to the reserves account during the fiscal year. Cash balances in the operating account will be maintained in

accordance with Appendix A of the GCA Investment Policy approved by the GCA board of directors in November 2021. These funds may be kept in a bank account or investment account (or both) and invested only in interest bearing bank accounts, money-market funds or CD's. The reserves account is utilized to provide a source of funds to pay for upkeep, repair and replacement on our long-term assets, such as the equestrian center, roads and walkways and retention ponds, over a 30-year period. Cash balances in the reserves account will be managed by an investment advisor approved by the GCA board of directors and invested in both in accordance with the GCA Investment Policy.

In Favor: _____

Opposed: _____

Abstentions: _____

Signed by:

GCA Secretary _____

Date: March , 2022