

Virginia Crossing HOA Financial Accounts Policy

The Virginia Crossing Board of Directors has a legal & ethical obligation to act in the best interests of the homeowners' association. With that in mind, the board has developed the following HOA Financial Accounts Policy for operating & reserve funds in managing those assets. All accounts & investments to be FDIC insured.

Operating Funds

Operating accounts will be under the control of the association management company. Operating accounts will be used for daily financial transactions, including paying bills, receiving payments, and managing general expenses. The operating account is not used for any capital expense item listed on the most recent Reserve Study.

The board Treasurer will monitor the account to maintain an average balance of three months of monthly budgeted operating expenses in the operating account. The three-month balance is an industry recommendation.

During January of each year the Treasurer may make a recommendation to the board to move operating fund balances in excess of the three-month balance into Pooled Reserves. This is neither an exact amount nor is it required. The board will exercise their fiduciary responsibility.

Reserve Funds

The association will maintain two reserve accounts for capital expenses

One reserve account will be controlled by the association management company for immediate & necessary capital expenses. Required monthly reserve funds will be deposited by the management company into this account.

The Treasurer will monitor the management company-controlled account and seek to maintain a minimum balance equal to two months of the current year monthly budgeted reserve savings. When the account balance exceeds two months' requirements, the Treasurer may initiate transfers, with board approval, from the association-controlled reserve account to the Treasurer controlled reserve account to take advantage of higher interest rates if available.

One reserve account will be monitored by the board Treasurer for future capital expenses. The board will partner with a financial management company for investments, recommendations, & strategy. The board is limited to using only FDIC insured products, including certificates of deposit & money market accounts.

The VC board will review reserve accounts every January in an effort to ensure sufficient funds will be available to meet future capital requirements. The primary planning tool for those capital expenses will be the most recent Reserve Study.

A motion made and seconded, this policy approved

This 16th day of October 2025

Ron Matuska

Board President