



Whitemud Ridge Homeowners Association (WRHA)

Board Policy 1 – Capital/Major Project Fund

Purpose: The budgeting processes of the Board may consider setting aside funds in a reserve fund. The purpose of the reserve fund is to develop a capital reserve to cover unanticipated or future major expenditures required to maintain the assets of the WRHA community

By-law Alignment: Section 1.3 (b), 4.2 (c) and (h)

Policy Details:

Creation of the Reserve Fund

- A reserve fund, the Capital/Major Project Fund, shall be established effective January 1, 2023.
- During the month of December when Budget is presented of each year, the board will determine the amount it shall set aside in the Capital/Major Project Fund
- There shall be no limit on the amount that can be held in the reserve fund

Use of the Reserve Fund

- The Board shall be responsible to determine priorities for use of the reserve fund.
- Priorities for use of the fund shall be reviewed annually at the HOA Annual General Meeting.
- All capital/major Projects shall be approved by the Board and shall be supported by documentation outlining rationale, project details and the estimated expenditure required.

Dissolution of the Reserve Fund

- Upon Board determination to terminate the reserve fund, all remaining dollars shall be transferred into WRHA general revenue.



Policy Reference

Version	Description	Date Approved
1.0	Policy approved by the Board.	December 2022
1.1	Policy reformatted for consistency with other policies.	January 10, 2024