

## **Two Rivers Subdivision Homeowners Association Reserve Funds Investment Policy**

**WHEREAS**, the board of Directors of the Two Rivers Subdivision Homeowners Association, Inc. is empowered to govern the affairs of the Association in accordance with Article VII of the By-Laws of the Association,

**WHEREAS**, the Board of Directors of the Two Rivers Subdivision Homeowners Association, Inc. desires to fulfill their fiduciary duty to the subdivision homeowners, and

**WHEREAS**, the Two Rivers Subdivision Homeowners Association, Inc. wishes to protect the principal and availability of the Association's reserve funds,

**BE IT RESOLVED** by the Two Rivers Subdivision Homeowners Association, Inc. board of Directors, that the following reserve funds investment policy be adopted:

- All Reserve funds of the Association shall be maintained and invested in a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation.
- All Reserve funds of the Association shall be in the name of the Association, will be held separately from other Association accounts, and will be accessible only to members of the Board of Directors.
- All checks from the Reserve funds will be signed by two authorized members of the Board of Directors.
- Investment decisions will be made by vote of the Board of Directors and indicated in the minutes of the meeting of the Board of Directors.

**THE GOALS** of the Reserve Fund Investment Policy are:

- **Security of Principal:** All Reserve funds deposited into Association accounts will be adequately insured to protect the principal balances.
- **Liquidly:** All Reserve funds will be deposited in a manner to ensure funds are available to pay for Board approved expenses.
- **Cost of Investment:** All Reserve fund deposits and investments will be made to minimize the cost of investment.
- **Yield:** All Reserve fund investments will be made in FDIC-insured savings, money market or certificate of deposit accounts.
- **Availability:** All investments will be made using a laddering strategy that has maturities of three months or more.

**REVIEW AND CONTROL** of the Reserve fund investments will be the duty of the Board of Directors on a regular basis. Such review shall consist of, but not be limited to:

- Review of current financial statements of the Association on a regular basis.
- Review of budgets on a regular basis.
- Determine that all Association bank and investments accounts are regularly reconciled by the management company.
- Review and approve the most recent Reserve Study in relation to budgeted and/or approved Reserve fund expenses.

Adopted by the Two Rivers Subdivision Homeowners Association Board of Directors this 17<sup>th</sup> day of April, 2012

President:  4/17/12  
W. Clark Benson Date

Secretary:  4/17/12  
Peter Huestis Date

**TWO RIVERS HOMEOWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
April 17, 2012**

**Present:** Board Members: Clark Benson, Nancy Soares, Lorena Ott, Randy Burr, Tom Schowalter, Jody Zanecki, Darrin Pampaian, Peter Huestis and Larry Harpe. Representing Advantage Idaho: Carla Everhart and Bree Black

**Call to Order:** Meeting was called to order at 7:00 p.m. by President Clark Benson.

**Minutes:** **Motion** to approve the March 20, 2012 Board Meeting Minutes (P. Huestis, J. Zanecki; passed).

**Financials:** Clark and Treasurer Peter Huestis reported. **Motion** to accept February 2012 financials (Soares; Harpe; passed).

**Request to residents to replace missing or damaged trees in mow strips:** Advantage Idaho sent out letters to a list of homeowners requesting that trees be replaced by May 15. Larry Harpe will forward a contact for discounted trees to Advantage for homeowners to possibly use as an option if they call and request it. An update on this matter will be carried over to the next Board meeting.

**Photo Timers in place of photocells on specific waterfalls and landscape lights:** Jody Zanecki and Carla Everhart presented a two page report condensing the extensive research that was completed by Jody and Advantage Idaho and also using information from Alloway Electric and Bright Ideas. The basic summary indicates that placing photo timers in specific areas is very complex and the actual long-term factors show that a change would not create a savings in most instances. Specific instances could be addressed to determine if a change could save money.

**Survey Report:** There were approximately 50 total survey results received. The Survey Report consisted of a few pages of homeowners' direct comments as well as a tally sheet for each designated category being surveyed. Each Board Member will review the survey comments further. Additional discussion will be carried over to the next Board meeting.

**Pool Attendant:** The Board discussed the advantages and disadvantage of a pool attendant considering the current survey comments and the Board's past experience at the Two River's pool. **Motion** to not hire a pool attendant this season with the option to evaluate the attendant position in June (Ott, Pampaian; motioned passed). **Motion** to schedule a pool opening date of Friday, May 25, 2012 and a closing date of Tuesday, September 4, 2012 (Benson; Ott; motion passed)

**Executive Session:** The Board adjourned to an Executive Session to discuss legal matters related to the Association's water rights.

The Executive Session was closed and the Board moved forward with the agenda.

**Update on Bio-swale Project:** Clark reported that the approved materials for the repairs are to be furnished by ACHD and are reportedly ready to be delivered to the staging area, a vacant lot owned by the Association and located in The Island. Clark will send an e-mail to The Island's president to let the residents know the materials will be stored on the vacant lot. Advantage will send a "Notice of Common Area Maintenance and Use of Easement" to residents whose lots will be needed as access points to perform the work. Dave Vincen (the contractor) will identify those access points. Clark will provide Advantage with the notice which attorneys have already prepared.

**Election of permanent ACC Chair (secondary construction):** Bobbie Sue Amyx is currently filling in as the temporary ACC Chair. Advantage reported a good communication has been in place. Directors indicated that traditionally a Director should fill this position. **Motion** to elect Tom Showalter as the permanent ACC Chair (Harpe; Burr; motion passed). Clark will contact and inform Bobbie Sue of the decision and ask her to remain on the ACC Committee. The full ACC Secondary Construction Committee consists of Tom Showalter, Bobby Sue Amyx, Larry Harpe and Ted Martinez. All future second generation ACC Requests will be emailed to the entire committee for review once Advantage receives the submitted request.

**Investment Policy: Motion** to accept the proposed Investment Policy previously prepared by Advantage Idaho (Harpe; Ott; passed).

**Landscape Projects Report:** Landscape Chair Nancy Soares highlighted the following:

- 16 projects have already been completed and billed. More rocks for the walking path were purchased than originally planned due to the great deal the vendor offered. Half of the Irrigation mapping project has been completed and the remaining half will be completed next year. Rehab of water features basins has been completed.
- 7 projects are in various stages of completion. Most of these should be completed by May.
- 5 projects are to be started soon.

**Ponds/Shorelines Report:** Chairman Randy Burr reported that the pond cleanup process is now complete. Algae will be an issue this year—a contract with TMS is in place for treatment. Randy plans to be available on Tuesday, Thursday and Friday afternoons for walkabouts with contractors. He plans to work closer with Summer Lawns and TMS on better irrigation coverage around the ponds.

An ongoing situation regarding sod damage from irrigation (near Gary Riggs's lot) will need further review by Randy, Summer Lawns and Advantage. A written letter from Gary Riggs was received and appropriate action will be addressed once further review is done.

**Locking Mailboxes:** Jody has the specification on locking mailboxes. No action needed to approve. Jody will forward the specs list to Tom Showalter, ACC Secondary Construction Chairman. Advantage Idaho will publish the information on the web-site so that owners can make changes without having to submit an ACC request.

**Damages to Common Landscape – Proposed Resolution:** **Motion** to approve the Resolution for Damages to Common Landscape proposed by Advantage Idaho (Harpe; Burr; passed).

**Management Report:** **Motion** to spend \$1000 for advertising the Clubhouse (Harpe; Ott passed)

**Riverbridge Waterfall:** The waterfall is currently under water and pumps are not accessible because of the high river flow. The board agreed that if the Streams and Riverbridge owners are desirous of operating the waterfall and repairing the associated pump they should take the matter up with The Streams president who can take it to The Streams board for resolution.

Meeting Adjourned at 9:35p.m.

**April 17, 2012 Board Meeting Action Items:**

1. Larry Harpe will forward a contact for discounted trees to Advantage.
2. Clark will send an email to The Island's president for notification to The Island residents that materials for use in the repair of various bio-swales will be stored on Lot 29.
3. Advantage will send a Notice of Common Area Maintenance and Use of Easement to residents whose lots will be necessary for access to the bio-swale project. The Notice has already been written by our attorneys. Clark will forward a copy to Advantage.
4. Clark will contact and inform Bobbie Sue of the decision and ask her to remain on the ACC Committee.
5. Advantage Idaho will place a couple of different on-line advertisements for the Clubhouse.
6. Jody will forward the specs list for locking mailboxes to Tom Showalter, new Secondary Construction ACC Chairman. Advantage Idaho will publish the information on the web-site so owners can make changes without having to submit an ACC request.