

2027 Flex Fund Designations

Resolution of the High Lonesome Ranch Estates Property Owners Association Board of Directors

WHEREAS, the POA maintains a Flex Fund for a solid financial footing and financial stability; and

WHEREAS, the Association needs protection against unpredictable expenses, challenges, and emergencies; and

WHEREAS, unspent operational cash balances should not remain idle in the checking account when the year ends; and

WHEREAS, the Board intends to justify the target size of the Flex Fund using specific risk categories while ensuring the entire fund remains unrestricted;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Flex Fund remains totally unrestricted, flexible, and unsegmented.
2. The Flex Fund target size is **\$35,000**, based on internal designations of:
 - \$25,000 designated for legal contingency risks.
 - \$5,000 designated for mining contingency risks.
 - \$5,000 designated for general contingency risks.
3. The board may deploy Flex Fund resources by directing the treasurer to transfer the needed amounts into the checking account for expenditures.
4. The treasurer will calculate the **excess funds** in the checking account at year's end after accounting for all 2026 and 2027 assets, liabilities, and requirements; then will transfer the excess funds into the Flex Fund account until the target is achieved; and then will transfer any remaining excess funds into the Reserve account.