

**The MEADOWS-FERNDALE HOMEOWNERS' ASSOCIATION
RESOLUTION 2020-01**

**RESOLUTION TO APPROVE TRANSFER OF SURPLUS FUNDS
TO RESERVE ACCOUNT**

WHEREAS IRS Ruling 70-604 states that assessments by An Association over and above the amounts used for the operation of the Association that are not returned to unit owners or applied to the following year's assessments are not taxable income to the corporation; and

WHEREAS it is the intent of the Board of Directors to carry forward any surplus to reduce owners' future common expense assessments;

THEREFORE, BE IT RESOLVED THAT the Meadows-Ferndale Homeowners' Association hereby transfers to the Reserve account \$ 30,000 of the excess of revenues over the common expenses for the fiscal year 2019.

Entered this 27th day of January 2020.

SIGNED: _____

President

ATTEST: _____

Secretary