

NEWINGTON FOREST COMMUNITY ASSOCIATION, INC.

ADMINISTRATIVE RESOLUTION NO. 20

RESOLUTION FOR REVENUE RULING 70-604 ELECTION –
EXCESS INCOME APPLIED TO THE FOLLOWING YEAR’S ASSESSMENTS
AND
PLACEMENT OF EXCESS OPERATING FUNDS CONTAINED WITHIN THE
OPERATING, TOWNHOUSE, AND SINGLE FAMILY RESERVES ACCOUNTS
(8/18/20)

WHEREAS, Article IV, Section 4.01, of the Bylaws assigns the Board of Directors with “...all the powers of the Association except such as are, by the laws of Virginia, the Articles of Incorporation, The Declaration or these Bylaws, conferred upon or reserved to the Members.”

NOW, THEREFORE, BE IT RESOLVED THAT any excess of membership income over membership expenses for the year ended December 31, 2019 shall be applied to the applicable “hard asset” common, townhouse, and single family detached home reserve accounts as identified by the audit for calendar year 2019. Any excess membership income shall be applied to reserve accounts that are expended for the repair, replacement or installation of assets consistent with the requirements of the IRS. Until revised by a future Board, each subsequent year’s excess income covered by this resolution shall be treated in a similar manner and the Board shall use a motion during a regularly-scheduled Board meeting to transfer these funds.¹

¹ During the August 18, 2020 Board of Directors’ meeting, Robert Cooper made a motion to move money from prior year (retained) earnings reserve capital Common Account in the amount of \$55,424 to the Community Center Reserve Account (#31381). Townhouse reserve capital in the amount of \$33,258 (moved) to the Townhouse Retaining Wall Reserve Account (#31395). Kenneth Frye seconded the motion. All Board members present voted in favor of the motion.