

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
(8/17/21)

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 calendar year just ended on December 31st shall be applied to the applicable “hard asset” common, townhouse, and single family detached home reserve accounts as identified by the audit for that calendar year. 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.