

# *The Legends at Grove City Condominium Association*

*Finance Policy*

*F-11*

## *Policy on General (Operational) & Reserve Funds*

*Drafted: February 23, 2024*

*Adopted: June 9, 2025*

*Revised:*

## *Policy on General (Operational) & Reserve Funds*

1. The Board shall maintain all monthly assessment income in a single the General Operational Funds Account. This fund will account separately for limited Common operational expenses for grinder pump electric bills and insurance premiums associated with the Multi-family buildings.
2. A separate fund will be established for the Common Reserve and Limited Common Reserve accounts. At the end of each month these accounts will be credited amounts determined by the approved annual budget.
3. All Common Reserve and Limited Common Reserve income and expenditures will be accounted for separately on the Profit & Loss Statement.

## *Legal Document References*

**Public Offering:** No Reference

**Declaration of Condominium:**

Reserve. Each annual budget for Common Expenses may include an amount reasonably considered by the Executive Board to be sufficient as a reserve for replacements, contingencies, capital expenditures and deferred maintenance. In addition, the Executive Board shall have the right to segregate all or any portion of reserve for any specific replacement or contingency upon such conditions as the Executive Board deems appropriate.

**By-Laws:** ACCOUNTS. All sums collected by the Executive Board with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund. Reserves shall be maintained in a separate fund, although different types of reserves may be commingled in one fund. All books and records of the Association shall be kept in accordance with good and generally accepted accounting practices, and the same shall be reviewed and a compilation prepared at least once each year by an independent accountant retained by the Executive Board.

**PA Code:** No Reference

**Rules & Regulations:** No Reference