

Bear Creek Landowners Association
Short Term Investment Policy for Operating Funds

Effective date: 3-2-26

Background

The Association's major revenue source is its Annual Assessments, which are collected early in the fiscal year and used throughout the year. During the year, there is a period when these idle funds could be invested in short-term investment instruments.

Policy

The objective of the BCLOA is to invest the Association's idle Operating Funds to achieve a reasonable return without risking loss of principal, with minimal investment costs (redemption fees, commissions, and other transactional costs), while maintaining a minimum balance in its checking account(s) to cover its monthly uses. To accomplish this, the Board shall:

1. Keep the Operating Funds separate from all other funds of the Association.
2. Invest idle funds in one or more of the following for the purpose of promoting and insuring the preservation of the Operating Fund's principal:
 - a. FDIC-insured savings accounts,
 - b. FDIC-insured money market accounts,
 - c. FDIC-insured certificates of deposit,
 - d. Treasury bills, notes or bonds.
3. Review the Association's financials and budget periodically to decide the amount(s) to invest and the investment instrument(s) by majority vote of the Board present at a duly called meeting or by action without a meeting pursuant to the Bylaws.
4. Ensure the total of all Association funds, both operating funds and reserve funds, on deposit shall not exceed \$250,000 at any single, FDIC insured institution.
5. Mitigate the effects of interest rate volatility upon assets and structure maturities to ensure available assets for projected or unexpected expenses, and when possible, diversify maturing dates of fixed-income assets using a ladder approach.

This Short Term Investment Policy for Operation Funds was adopted by the Board of Directors this 2nd day of March, 2026.

Bear Creek Land Owner's Association
A Colorado non-profit corporation

By: 
Its: President