

RECREATION CENTERS OF SUN CITY WEST, INC.**POLICY STATEMENT – Fi12****Investment of Association Funds**

1.0 General:

The Association's Board of Directors has the fiduciary responsibility to Owner Members to ensure that the Association funds are invested in a prudent and conservative manner. The Association Bylaws entrust the Treasurer of the Association to oversee the implementation and investment of Association funds.

2.0 Purpose:

The purpose of this policy is to establish a fiscally responsible investment strategy for the Association subject to the oversight and periodic review of the Treasurer and Chief Financial Officer.

3.0 Review and Control:

In order to achieve a wise investment strategy, the following items should be considered:

- State laws relative to reserve requirements;
- Association documents addressing investment of funds;
- Consultation with appropriate management professionals;
- Annual review of investment strategy;
- Investment costs;

4.0 Guidelines:

- 4.1 All monies are to be invested with capital preservation as the first objective, liquidity the second objective, and the rate of return on investments the third objective.
- 4.2 All funds must be invested in FDIC insured accounts or instruments backed by the full faith and credit of the U. S. Government. These investments shall not exceed three years in length. Examples of these types of investments include, but are not limited to, the following:
- Certificates of Deposit;
 - Money Market Accounts;
 - U.S. Treasury (U.S. T-Bills and Treasury Notes);
 - U.S. Treasury Strips (0-Coupon Bonds).
- 4.3 The maturity of the securities in which these funds are invested shall be "Laddered" to protect the Association against losses due to interest rate fluctuations and to provide liquidity.

Adopted: 02-23-06

Approved: 11-20-08