

**TIMBERHILL FOURTH ADDITION PHASE TWO AND THREE  
(COMMONLY CALLED 'UPLANDS') HOMEOWNER'S ASSOCIATION**

**Resolution Regarding Establishing Reserve Accounts**

Authority: ORS 94.630	Powers of the Association
ORS 94.640	Association board of directors...
ORS 94.595	Reserve Account ... common property ...
CC&R Article II	Purpose and Mission Statement
CC&R Article IV	Assessments
Bylaws Section 2.2	Authority

The Board of Directors adopts this resolution to document its decisions regarding establishing and maintaining Reserve Accounts for the Uplands HOA.

1. The Uplands HOA does not own or maintain any real property. It is obligated to perform landscape maintenance on certain "streetscapes" defined in governing documents. The landscaped areas are primarily turf on surfaces that appear like "common areas", but are actually located on property owned by individual homeowners. Landscape maintenance easements permit the HOA to assume these responsibilities.
2. Landscape area involves turf maintenance and a small number of trees. Irrigation equipment (backflow control, timer/controllers, sprinkler heads and pipe) is supported by these activities.
3. Oregon Law (Oregon Revised Statutes 94.595) defines the requirements for Reserve Accounts for HOAs. ORS 94.595(2) states that "A reserve account shall be established to fund major maintenance, repair, or replacement of all items of common property... The reserve account need not include reserves for those items: (A) That can reasonably be funded from the general budget..."
4. The Board of Directors adopted a resolution on January 7, 2007, which requires the Association to maintain a minimum end-of-year cash balance of \$5,000. If the balance falls below that value, an assessment increase is automatically evaluated.
5. The Board of Directors, after careful analysis of the Uplands property, its budget, and its financial policies, has determined that the maintenance of all irrigation systems/equipment and potential landscape replacement can reasonably be funded from the Uplands annual general budget. Therefore, there is no need to maintain separate Reserve Accounts under the terms of ORS 94.595.

Adopted (date)                      (List of Board members voting)

*January 5, 2014*

*Ray Tucker, Larry McBride, LuAnn Ermer, Doug Wentworth, Betty Brose*