

**KERELUK ROAD RECREATION SOCIETY
66521 KERELUK ROAD
HOPE, BC V0X 1L1**

CASH RESERVES POLICY¹

1. That the Society establish three cash reserves: a Contingency Reserve; a Dock Replacement Reserve; and an Improvements Reserve.
2. The Contingency Reserve will be immediately funded with \$5000 and, in every subsequent fiscal year, with \$2,500 until the amount in it equals \$10,000. Once there is \$10,000 in the Contingency Reserve, the Dock Replacement Reserve will then be funded with \$2,500 in each fiscal year, unless the amount in the Contingency Reserve drops below \$10,000, in which case the Contingency Reserve will be funded out of that amount first until it again reaches \$10,000, with any remaining amount then being contributed to the Dock Replacement Reserve.
3. Funds in the Contingency Reserve will only be used for unexpected and important expenses of a non-routine nature. If warranted by the circumstances, the Society's Board may expend up to \$5,000 from the reserve without prior membership approval.
4. The Improvement Reserve will be funded with \$1 now, with future contributions to be determined in the future once Access improvement plans are made. It will only be used for those improvements.
5. Funds in the Dock Replacement Reserve will only be used to replace the Society's current dock.

1: Resolution, 2021 AGM.