

Bayshore Club Management Association, Inc.
925 N Halifax Ave
Daytona Beach, FL 32118

The Board of Directors of Bayshore desire to manage reserve assets as good stewards and to that end, the following reserve assets investment policy is to be voted on by the board.

Investment of Reserves

The Board of Directors of the Association shall invest funds held in the Reserve accounts to generate revenue that will accrue to the Reserve Fund accounts balance pursuant to the following goals, criteria and policies listed in order of importance:

1. Safety of Principal – Promote and ensure the preservation of the Reserve Fund’s principal.
2. Liquidity and Accessibility – Structure maturities to ensure availability of assets for projected or unexpected expenditures.
3. Minimal costs – Investment costs (redemption fees, commissions, management fees and other transactional costs) should be minimized
4. Diversity – Mitigate the effects of interest rate volatility upon Reserve assets.
5. Return – Funds should be invested to seek the highest level of return.

Limitation on Investments

Unless otherwise approved by the Board, all investments will be: Federal Deposit Insurance Corporation (FDIC) insured using CDs and Money Market accounts and/or Guaranteed by the United States Government (T-Bills).

Investment Strategy

The investment strategy of the Association should emphasize a long-term outlook by diversifying the maturity dates of fixed income instruments within the portfolio utilizing a laddered investment approach. This will be done after referencing the Reserve Study to ensure anticipated liquidity need of the association are met.

Independent Professional Investment Assistance

The Board of Directors may hire a qualified investment counselor to assist in formulating a specific investment strategy. We believe the threshold for hiring a qualified investment counselor becomes significant when our Reserve Fund exceeds \$500,000.

Review and Control

The Board shall review Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and shall make prudent adjustments as needed.

Policy approved by Board Meeting and is effective on *August 11, 2023*