

FLEUR DE LIS HOMEOWNERS ASSOCIATION

EXPENSE AND BID POLICY

Revised and Adopted: November 27, 2019

Capitalized terms, unless defined herein, shall have the same meaning as used in the Association's governing documents.

WHEREAS, the Fleur de Lis Homeowners Association ("FDL") Board of Directors ("Board") shall have all the powers of a non-profit corporation organized under the laws of the State of Nevada, subject only to such limitations on the exercise of such powers as are set forth in the Articles, the ByLaws, CC&Rs, and FDL Rules and Regulations (Governing Documents)

WHEREAS, FDL has the power and duty for Repair and Maintenance of Common Elements per FDL's Governing Documents and

WHEREAS, it is the intent of this policy to allow the Board the right to maintain, repair and/or replace any items of FDL's property as needed.

NOW, THEREFORE, BE IT RESOLVED:

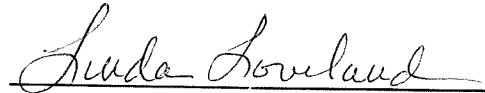
The Board approves this expense and bid policy for operations of the association:

- **Day-to-Day Expenses:** The Board grants the Community Manager the ability to purchase items under \$1,000 within the parameters of the budget without prior approval.
- **Larger Expenses:** Any expense over \$1,000 but under \$5,000 will be noticed on a Board meeting agenda for discussion purposes with a recommendation from the Community Manager for course of action. Upon approval by the Board, the Community Manager may move forward with the expenditure.
- **Major Projects / Purchases & Reserve Expenses:** At the discretion of the Board, any project, purchase, or replacement estimated to be over \$5,000 will generally require bids to be obtained from 3 bidders, and will require bids to be obtained if the project equals or exceeds 3% of the then current annual budget. The Community Manager is responsible for establishing parameters for the scope of work to be done and drafting requests for proposal ("RFP") in order to obtain bids from multiple bidders. The Community Manager will evaluate the bids to determine that they meet the requirement set forth in the RFP and recommend to the Board which bid should be accepted which shall be noticed on an agenda for a meeting of the Board and then determined by the Board at the Open Meeting.
- **Encumbering Common Elements:** Any purchase that requires FDL to encumber the common elements of the community (i.e. take out a loan), the Board will send out a vote to the homeowners for a majority approval as stipulated in NRS 116.3102 1-g, g, and h. and NRS 116.31112.

- **Emergency Expenses:** The Community Manager may spend FDL money in good faith when responding to an emergency situation that requires immediate repair / replacement of parts for the safety and/or operational nature of the facility. The Board President and Treasurer will be notified as soon as possible thereafter.

POLICY UPDATES

This Expense Policy as duly updated by the action of the Board of Directors on November 27, 2019 and shall be effective on December 1, 2019.


Linda Loveland
Secretary