

## **BUDGET PRINCIPLES UPPER EAST ASSOCIATION**

The Upper East Association is a non-profit mutual benefit membership corporation organized under the laws of the State of California

A. The Association allocates revenues for the following activities:

Primary:

- Membership communications
- Annual meeting and member social event

Secondary:

- Special projects approved by two thirds of Board membership
- Administrative expenses

B. Minimum Reserve Amount: sufficient reserves shall be maintained to cover expenses for at least one year of primary Association activities. A resolution of the Board requiring 2/3 vote shall be required to allocate funds from the minimum reserve amount, to also include identification of expected replacement revenues.

C. Association fund-raising activities include annual dues, donations, and any other fundraising events approved by 2/3 Board vote that do not conflict with the Association's non-profit status.

D. Calendar of Association budget events:

1. Every August, the Board shall conduct an annual budget meeting to consider (1) funding of association activities, (2) setting membership dues for the following year, and (3) setting minimum reserve amount to cover then current primary board activities.
2. Every September a newsletter and Association membership application shall be sent to property owners located within the Upper East Association neighborhood boundaries.
3. Every November at the annual organization meeting, the financial reports for the fiscal calendar year to date shall be made available to all members. Upon written request to the Board of Directors and payment of any nominal preparation fee, a member at any time may request copies of Association financial records.

E. Upon dissolution of this Association and payment of all lawful debts, the remainder of Association funds shall be distributed according to the Association by-laws and the then governing California Corporations Code.

F. The Association's fiscal year runs from January 1 until December 31.