



## Fairway Village Homeowners Association

**Policy: #204.24**

**Title: Disposition of Surplus Assets**

**Rescissions of Policy:**

*This policy rescinds and supersedes all policies/motions approved on this subject prior to 4/10/2024*

**Purpose:** It is the policy of the Fairway Village Homeowners Association that all assets with an estimated value below \$1,000.00 that are determined to be obsolete, irreparable, or surplus to the needs of the Association, shall be disposed of in a fiscally responsible manner at the direction of the Administrator.

**Procedures:**

1. The Board of Directors of the Association establishes policy for the use of all assets and is responsible for all functions of the Association.
2. The Board of Directors directs the Administrator to maintain appropriate listings of all assets owned and operated by FVHA for each department of operations, i.e., Golf Course, Common Area Landscape, Golf Shop and Administrative/Clubhouse. Such listings include, but are not limited to, a Depreciation Schedule; a listing of assets for insurance (with a lump sum sufficient to cover items with lesser values); an inventory record; and a Reserve Study that helps guide decisions for timely replacement. *(See Policy 200-5, Capitalization, for requirements regarding capitalizing assets.)*
3. Prior to disposition of any asset, a reasonable effort shall be made to obtain a fair evaluation of that asset.
4. When, in the opinion of the respective department supervisor, an item with a value in excess of \$1,000 becomes obsolete, irreparable or surplus to the needs of the Association, s/he will recommend an appropriate disposition of the same to the Administrator. The Administrator will then forward this recommendation to the Board of Directors for approval.
5. When, in the opinion of the respective department supervisor, an item with a value less than \$1,000 becomes obsolete, irreparable, or surplus to the needs of the Association, s/he will recommend an appropriate disposition of the same to the Administrator. The Administrator will take action to dispose of this asset.
6. Appropriate disposition of assets includes but is not limited to trade-in for replacement asset (especially applicable to Golf Course and Common Area Landscaping equipment); donation to a non-profit or charitable organization; sale to best and highest bidder, or disposal at a recycling or transfer station.
7. Upon disposition, the appropriate record for the asset shall be updated to reflect the disposition.

X

Lynn Williams  
President

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Jan Wyninger  
Secretary

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