

THE ISLAND CLUB ASSOCIATION, INC.
2016 Resolution to Establish a Reserve Fund
As of this 9th day of January, 2016

The Island Club Association shall establish a Reserve Fund consisting of the following four accounts, The Reserve Replacement Fund, the Reserve Roof Replacement Fund, the Reserve Dock Maintenance Fund and the Reserve Other Fund and are established at "less reserves than required by" Section 718.112(2)(f), of the Florida Statutes and as further defined below:

- A). The Reserve Replacement Fund's purpose shall be that of major replacements and/or repairs costing more than \$10,000 of any Common Elements only.
- B) The Reserve Other Fund's purpose shall be that of minor replacements and/or repairs costing less than \$10,000 of any Common Elements and/or can be used to supplement the Operating Budget and/or the Reserve Replacement Fund in times of need, as so determined by the Board of Directors.
- C). The Reserve Roof Replacement Fund's purpose shall be that of replacement and/or repairs to the Buildings Roofs Common Element only.
- D). The currently named Dock Replacement Fund(?) will hereby be renamed the Reserve Dock Maintenance Fund and all monies within will now be a part of this new fund the purpose of which shall be that of enhancement and/or repairs to the Docks Common Element only.
- E). The Reserve Funds defined in A), B), C) and D) above shall be funded as follows:
 - 1). A \$25 Reserve Assessment to be added to the monthly maintenance fee, shall be collected from each unit and shall be apportioned as follows:
 - a). The first 50% of the Reserve Assessment shall be allocated to the Reserve Replacement Fund, defined in A) above.
 - b). The other 50% of the Reserve Assessment shall be allocated to the Reserve Other Fund, defined in B) above.
 - 2). A \$75 Reserve Assessment to be added to the monthly maintenance fee, shall be collected from each unit and shall be apportioned to the Reserve Roof Replacement Fund defined in C) above..
 - 3). All Dockage Fees collected by the Association for usage of that Common Element shall be apportioned as follows:
 - a). At least 25% of the monies collected for dockage fees shall be apportioned to the Reserve Replacement Fund defined in A) above.
 - b) At least 25% of the monies collected for dockage fees shall be apportioned to the Reserve Dock Maintenance Fund defined in D) above.
 - b). The remaining 50% of dockage fees will be made available to the yearly Operating Budget.
 - c). To the extent that the yearly Operating Budget allows, more than 25% of the dockage fees may be placed in the Reserve Replacement Fund and/or the Reserve Dock Maintenance Fund, by the Board of Directors, at the end of any calendar year, as they deem fiscally fit.
 - 4). All Assessments defined above will commence as of February 1, 2016.

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F). All moneys allocated to the four (4) Reserve Fund Accounts defined above shall only be used for the purposes indicated above, unless modified by a majority vote of the unit owners or, as specified in the Associations Documents or Florida Statutes whichever takes precedent.

This resolution was voted on and approved by a majority membership vote at the 2016 Annual Owners Meeting of The Island Club Association, Inc. and is included into the Associations Documents as is deemed appropriate.

January 9, 2016

Signed and Dated: By the President of the 2015 Board of Directors: Frank Bosela

As per The 2015 Florida Statutes section 718.112(2)(f)4 the following statement is included in this resolution:

WAIVING OF RESERVES, IN WHOLE OR PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENT'S REGARDING THOSE ITEMS.