

THE FOUNTAINS HOMEOWNERS ASSOCIATION, INC.
P.O. Box 373082
Satellite Beach, FL 32937
August 4, 2008

Policy Statement Four
Property Accountability

References. The Fountains Homeowners Association, Inc.:

a. Declaration of Restrictions, Limitations, Conditions, and Agreements (The Covenants), dated: February 18, 1975 assigned to properties within Unit II; and dated: January 23, 1978 assigned to properties within Unit III, of the Fountains subdivision.

b. Articles of Incorporation, dated: August 7, 1990

c. By-Laws, dated: October 20, 2008

d. Policy Statement One, Organization and Functions, dated: August 4, 2008.

1. Background. In accomplishing its functions The Fountains Homeowners Association, Inc. accumulates certain items of physical property. It is incumbent upon the officials of The Association to ensure that such properties are properly accounted for, utilized, and secured.

2. Purpose. This policy statement defines the nature of the Association property and outlines the procedures for its use, protection, and recording. In the case of any conflict between the references cited above and this Policy Statement, the provisions contained in the referenced documents shall control. This Policy Statement supersedes "Policy Statement Four, Property Accountability, dated: December 13, 1993", which is hereby rescinded.

3. Definitions. Physical property of the Fountain Homeowners Association, Inc. shall be defined as any tangible property purchased by or donated to The Association. It is anticipated that the majority of such property will consist of items used for the maintenance, repair, and beautification of areas within The Fountains subdivision. This includes in place and operating sprinkler systems and associated accessories, a fountain pump system and associated plumbing, and various lighting fixtures and related support equipments. Also included are holiday decorations authorized for purchase by the Board, various storage racks purchased for use in the Association's rented storage locker, and a corporate lap top computer and associated hardware and software to support administrative and corporate record keeping.

4. Use of Association's Physical Property. Use of the physical property of The Fountains Homeowners Association, Inc. shall be governed by its Board of Directors. Normally, this property shall be used solely for the benefit of The Association and will not be used for the personal gain of any individual or organization.

5. Responsibility. The Fountains Homeowners Association's Board of Directors is responsible for ensuring the accountability and proper use of the Association's physical property. To fulfill its responsibility, the Board shall appoint a Physical Property Custodian who shall be

accountable to the Board for maintaining appropriate property account records. Responsibility for safeguarding and utilization of the Association's physical properties shall rest with the Board of Directors.

6. Records. The Physical Property Custodian shall maintain the Association's physical property records. Wherever possible a dollar value shall be placed on the physical property for the purpose of establishing a fair asset value. Property or quantities of physical property with a value of less than \$20.00 need not be accounted for. The custodian will provide the Board with a beginning and ending account of the Association's physical property coinciding with the tenure of his/her position.

Approved by the Board of Directors, August 4, 2008

original signed

original signed

John Sniegowski
Secretary,

Rob Bracewell
President,

Fountains Homeowners Association, Incorporated

Copies: One each Board Member, Officer, Support Activity Person,
and Committee Chairperson, as required