

RECREATION CENTERS OF SUNC CITY WEST, INC.

POLICY STATEMENT – Fi8

Preliminary Funding for Capital Projects

1.0 Reference:

Reference Financial Policy Fi1, Capital Expenditures (2.2); Financial Policy Fi4, Facilities and Equipment Reserve Fund; Facilities Policy Fa1, Association Facility or Grounds Projects; and General Manager’s Project Planning Process (Addendum A).

2.0 General:

The above references address the initial requirements for proposed funding of capital projects.

3.0 Purpose:

In order for the Governing Board to make informed and financially responsible decisions regarding capital projects, it may be necessary for the Association to contract for professional services. These may include, but are not limited to, a feasibility study, preliminary plans and specifications, and architectural services to determine the estimated cost. A committee composed of residents, staff and a Governing Board representative, shall be formed by the General Manager to participate in this planning.

4.0 Policy:

- 4.1 After Staff have reviewed the justification and feasibility of the initial request for a capital project, they will present their findings and recommendations to the Governing Board for approval. Following approval, the General Manager will select the Project Planning Committee.
- 4.2 The Project Planning Committee shall make a recommendation regarding the scope of work and preliminary plan including the estimated cost (see 3.0 above) for approval by the Governing Board.
- 4.3 Upon completion of the preliminary plan, the General Manager shall present the capital project to the Budget & Finance and Properties Committees for their review and recommendations to the Governing Board.

5.0 Preliminary Project Funding:

- 5.1 If the Governing Board approves the project, the cost of the preliminary analysis, i.e. professional services, plans, and bid specifications shall become part of the total project cost and shall be paid from the Facilities and Equipment Reserve Fund.
- 5.2 If the project is not approved by the Governing Board, the cost of the preliminary analysis as described in 5.1, shall be paid from operating funds.

Approved: 9-28-95

Approved: 5-25-06

Fi 8 – Addendum A

Project Planning Process – Year one

