

# **The Reserve at Estes Park Homeowners Association**

## **Policies**

**(Amended and Restated October 3, 2024)**

### **1. Policy for Investment of Funds**

Reserve funds for The Reserve at Estes Park Homeowners Association (“Reserve” or “Association”) may be invested only in checking, money market or certificate of deposit accounts at any federally insured institution. Sufficient funds shall be kept in checking or money market accounts to meet the regular operating needs of the association. Terms for certificates of deposit shall be based upon the likely potential need for funds in order to avoid penalties for early withdrawal while obtaining reasonable rates of return on the funds. Funds will be invested in certificates of deposit only with Executive Board approval.

### **2. Policy for Conflict Resolution**

It shall be the Policy for the Executive Board and Owners within The Reserve to resolve conflicts regarding Association matters in the following manner and order:

1. Each side shall state its position clearly and concisely in writing and present same to the other side of the issue.
2. Both sides shall attempt to engage in a civil dialogue with the goal to amicably agree to a resolution of the conflict.
3. If the Executive Board is unable to resolve the conflict, the parties shall seek professional arbitration and the costs of same shall be paid by the non-prevailing party.
4. Legal action shall be a last resort.

### **3. Policy for Collection of Assessments**

Assessment notices for the year will be mailed to Reserve Owners on or near January 1 of each year. Assessments shall be due February 1 of each year. If not received by that date, interest will be assessed at a rate determined by the Executive Board pursuant to the Colorado Common Interest Ownership Act.

If an Owner does not pay the assessment when due, a notice will be sent in February, reminding the Owner of the amount due, including applicable interest. The notice will be sent via email as well as any additional methods required pursuant to the Colorado Common Interest Ownership Act..

If an Owner requests a payment plan, the Treasurer shall work with the owner to establish a plan pursuant to the Colorado Common Interest Ownership Act.

If an assessment remains unpaid for six months without a payment plan, the Executive Board shall consider filing a lien against the property for the past due amount plus expenses permitted pursuant to Colorado law. Facts to be reviewed in the consideration will include, but not be limited to: other liens against the property, pending foreclosure action on those liens, bankruptcy filing by the Owner, correspondence or other communication from the Owner regarding plans to pay the past due amount. Any lien shall be filed in compliance with the Colorado Common Interest Ownership Act.

#### **4. Policy Regarding Conflicts of Interest**

The purpose of the conflict of interest policy is to protect the Reserve and its interests when it is contemplating entering into a transaction, arrangement or plan approval that might benefit the private interest of an officer, board member or committee member of The Reserve. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to community interest associations.

Definitions:

**Interested Person:** Any director, officer, or member of a committee with Executive Board delegated powers, who has a financial interest, as defined below, or direct interest in approval of plans submitted for Architectural Control committee review (collectively, an “interest”) is an interested person.

**Financial Interest:** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family: a) an ownership or investment interest in any entity with which The Reserve has a transaction, arrangement or plan approval, b) a compensation arrangement with The Reserve or with any entity or individual with which The Reserve has a transaction, arrangement or plan approval, or c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which The Reserve is negotiating a transaction or arrangement.

A financial interest is not necessarily a conflict of interest. As stated below a person who has a financial interest may have a conflict of interest only if the appropriate Executive Board or committee decides that a conflict of interest exists.

Procedures:

**Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the interest and be given the opportunity to disclose all material facts to the directors and members of committees with Executive Board delegated powers considering the proposed transaction, arrangement or plan approval.

Determining Whether a Conflict of Interest Exists. After disclosure of the interest and all material facts, and after any discussion with the interested person, he/she shall leave the meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest:

An interested person, whom the Board or delegated committee has determined to have no conflict of interest, may participate in the discussion at the Executive Board or committee meeting and shall be allowed to vote on the matter. An interested person, whom the Executive Board or delegated committee has determined to have a conflict of interest, shall abstain from discussion and voting on the transaction, arrangement or plan approval involving the possible conflict of interest.

The president of the Executive Board or committee chairperson shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction, arrangement or plan approval.

In the event of a financial matter, after exercising due diligence, the Executive Board or committee shall determine whether The Reserve can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Executive Board or committee shall determine by a majority vote of the disinterested directors or committee members, whether the transaction or arrangement is in The Reserve's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

Loans:

The Reserve shall not make loans or guaranties.

Violations of the Conflicts of Interest Policy

If the Executive Board or committee has reasonable cause to believe a director, officer, or committee member has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

If, after hearing the person's response and after making further investigation as warranted by the circumstances, the Executive Board or committee determines the person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Record of Proceedings:

The minutes of the Executive Board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a

interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the Executive Board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction, arrangement or plan approval, the content of the discussion, including any alternatives to the proposed transaction, arrangement or plan approval, and a record of any votes taken in connection with the proceedings.

Statements:

Each director, officer and member of a committee with Executive Board delegated powers shall upon election and annually, sign a statement which affirms such person:

- a Has received a copy of the conflicts of interest policy,
- b Has read and understands the policy,
- c. Has agreed to comply with the policy.

## **5. Policy for Covenant and Rule Enforcement**

For the benefit and protection of The Reserve and of the individual Owners, the Association, acting through its Executive Board in its fiduciary duty, deems it desirable to establish and operate by procedures to ensure proper process in cases where there is a question of compliance by an Owner, a tenant, family members, and guests with the provisions of the covenants, the bylaws, or the rules and regulations.

The Executive Board encourages the neighborly approach that residents first communicate with each other regarding a perceived violation of covenants, laws, rules and/or regulations in an attempt to resolve any problems. The intent of the Executive Board is to establish a procedure, in the rare instance that neighbors cannot reach accord directly, for resolving violations of The Reserve's covenants, rules and regulations.

The Reserve Declaration of Covenants, Conditions and Restrictions specifies the procedures that will be followed in the event it is necessary to commence action at law or in equity against persons or entities in violation of the covenants, rules or regulations (Article XIII). This section of the covenants is repeated as Attachment A to this policy.

Therefore, it is resolved by the Executive Board that the following procedures shall apply to violations of the covenants, bylaws, or the rules or regulations in effect at the date of the alleged violation other than those concerning payment of assessments by members.

### **INFORMAL RESOLUTION OF VIOLATION BY NEIGHBORS**

Any Owner, or Owner's agent, of a lot in The Reserve may directly request that another Owner cease or correct any act or omission which appears to be in violation of the covenants, guidelines or rules. It

is the preference of the Executive Board that residents of the community attempt informal resolution in this manner prior to seeking formal resolution.

In the event the perceived violation would also be a violation of Federal, state, or local laws or regulations, the complaining resident should contact the appropriate government agency to report the perceived violation.

## **FORMAL RESOLUTION OF THE VIOLATION BY THE RESERVE**

1. The Reserve's Executive Board or its agent may initiate Formal Resolution of violations upon observation of a violation. The Common Interest Ownership Act, sec.-123, establishes a statute of limitations within which an Association must commence an action to require the removal of an unauthorized improvement, starting from when the Board first knew or should have known of the violation.
2. Lot Owners or their agents or the Architectural Control Committee members of The Reserve may initiate a request for review of a perceived violation of a covenant, rule or regulation by providing a written statement of the perceived violation and the resulting concerns to any member of the Executive Board or its agent.
3. Any action taken by The Reserve shall be strictly within the discretion of the Executive Board and in accordance with Colorado law. The Executive Board shall use its judgment in deciding how to proceed regarding any complaint, including referral back to neighbors, referral to the Architectural Control Committee, or review and disposition by the Executive Board.
4. When the Executive Board or its agent believes that action is required regarding violation(s) of covenants, rules or regulations, a letter will be sent to the accused Owner identifying the violation(s) and setting forth a timeframe for correction that is appropriate and reasonable to the violation ("First Notice").
5. A subsequent violation (or non-correction of the violation, based on the "First Notice") will result in another letter ("Second Notice") being sent to the Owner, again specifying the violation, and advising the Owner that they have the right to meet with Executive Board or its agent, or the Architectural Control Committee to discuss the matter and proposed correction of the violation. Should the Owner fail to contact any member of the Executive Board or the Committee, that lack of response will be deemed as agreement with the violation.
6. The notice of the right to a hearing shall inform the Owner they must correct the violation or meet with the Executive Board or Architectural Control Committee to discuss the violation within 30 days of the date of the letter ("Second Notice"). The Executive Board member or member of the Architectural Control Committee will coordinate with the Owner to establish the hearing date, time, and location.
7. If the Owner charged with a violation responds, requesting a hearing with the Architectural Control Committee or Executive Board, a hearing shall be set and the date, time, and location communicated to the Owner. The Executive Board or Architectural Control Committee may restrict attendance to the meeting to only those parties to the dispute and their witnesses upon the request of any party to the dispute or on the Executive Board's or Architectural Control Committee's own initiative. Any decision to restrict attendance to the hearing shall be made by the Executive Board or Architectural Control Committee in its sole discretion when the Executive Board or

Architectural Control Committee believes that confidentiality shall be in the best interest of The Reserve. Any such hearing conducted with restricted access shall be in accordance with rules regarding meetings in executive session.

8. The hearing procedures shall be as follows:
  - a. The Architectural Control Committee or Executive Board, through the chair of the meeting, shall direct all proceedings at the meeting. The chair shall also have complete authority to decide what evidence shall be accepted. No person shall speak without being recognized by the chair and the chair may limit the amount of time any person may speak. The failure of persons to comply with the directions of the chair or otherwise conduct an orderly hearing may cause the meeting to be adjourned by the chair.
  - b. The Architectural Control Committee or Executive Board, through the chair of the meeting, will describe the specific provision of the covenants or rule or regulation which is said to have been violated, including the date and place and/or read any written complaint to the accused. A record of the proceeding shall be kept in the written minutes of the meeting.
  - c. The person charged shall be asked to admit or deny the charge. The person charged may speak for himself or herself or may be represented by counsel throughout the hearing. Failure to respond or attend the hearing will be construed as an admission of the alleged violation.
  - d. If the charge is denied, the complaining witness or witnesses shall describe the details of the circumstances at the hearing.
  - e. The accused shall have the opportunity to confront each witness against him or her.
  - f. When all complaining witnesses have been heard, the accused may make statements in rebuttal, and may provide witnesses in support of his or her position. The complaining witnesses may ask questions of each such rebuttal witness in turn.
  - g. If the alleged violation is determined by the Executive Board or the Architectural Control Committee to be valid, the Owner shall be informed of a deadline to correct the violation. The Owner will also be informed of their right to appeal a decision by the Architectural Control Committee to the Executive Board. Should the Owner desire to appeal the decision, they must contact any member of Executive Board to be placed on the agenda of the next regularly scheduled meeting of the Board, or at the discretion of the Executive Board, a special meeting of the Executive Board. If an alleged violation is appealed from the Architectural Control Committee to the Executive Board, the Executive Board, at its sole discretion, may consider the matter solely on the Architectural Control Committee's record, or it may conduct a new hearing of arguments.
  - h. Should the Owner desire to appeal a decision by the Architectural Control Committee to the Executive Board, the decision of the Executive Board shall be final. The decision of the Executive Board shall be recorded in the regular minutes of the meeting, and that decision communicated to the Owner.

9. In the event the violation is of a continuing nature, or is a repeat of the same violation that was previously corrected by the Owner, or if the violation constitutes a threat to the health, safety, or welfare of the residents or the property within the community, or the circumstances otherwise justify such action, the Executive Board may institute an action in a court of competent jurisdiction to pursue legal remedies including seeking injunctive relief to abate the violation immediately without proceeding through steps outlined above. Nothing in this policy shall constitute an election of remedies nor preclude the Executive Board from seeking assistance from other enforcement authorities such as police, fire, code enforcement or animal control.
10. The Reserve shall be entitled to reimbursement of its costs including reasonable attorney fees, court costs, and other legal costs incurred in all enforcement activities from any Owner who has committed a violation, subject to any limitations imposed by Colorado law. Nothing in this paragraph shall be construed to prevent Owners from recovering their costs as otherwise provided by law.

## **Attachment "A" to The Reserve Covenant and Rule Enforcement Policy**

From the First Amendment to Declaration of Covenants, Conditions, and Restrictions for The Reserve, dated June 21, 2000:

### Article XIII                      General Provisions

Section 1: Enforcement. Enforcement of this Declaration shall be by appropriate proceedings at law or in equity against those persons or entities violating or attempting to violate any covenant, condition, or restriction herein contained. Such judicial proceeding shall be for the purpose of removing a violation, restraining a future violation, for recovery of damages for any violation, or for such other and further relief as may be available. Such judicial proceedings may be prosecuted by an Owner, by the Architectural Control committee, or by the Association. In the event it becomes necessary to commence an action to enforce this Declaration, the court shall award to the prevailing party in such litigation, in addition to such damages as the Court may deem just and proper, an amount equal to the costs and reasonable attorney's fees incurred by the prevailing party in connection with such litigation. The failure to enforce or to cause the abatement of any violation of this Declaration shall not preclude or prevent the enforcement thereof or of a further or continued violation, whether such violation shall be of the same or of a different provision of this Declaration.

## **6. Document Retention and Destruction Policy**

### SECTION 1 Introduction

#### 1.1. Scope

This Document Retention and Destruction Policy applies to the Association and the Executive Board.

The documents maintained by the Association's legal counsel are not subject to this Document Retention and Destruction Policy.

#### 1.2. Purpose

This Document Retention and Destruction Policy is created to establish guidelines for identifying, retaining, storing, protecting and disposing of the Association's Documents. This Document Retention and Destruction Policy is necessary to ensure that the Association conducts itself with regard to document retention and destruction in a cost-effective manner while also adhering to legal and business requirements.

#### 1.3. Policy

A. It is the Association's policy to maintain complete, accurate and high quality Documents. Documents are to be retained for the period of their immediate use, unless longer retention is required for historical reference, contractual or legal requirements, or for other purposes as set forth in this Document Retention and Destruction Policy.

B. Documents that are no longer required, or have satisfied their recommended period of retention, are to be destroyed in an appropriate manner at the discretion of the Executive Board.

C. Board members are responsible for ensuring that Documents within his or her area of assigned responsibility are identified, retained, stored, protected and subsequently disposed of, in accordance with the guidelines set forth in this Document Retention and Destruction Policy.

#### 1.4. Compliance

This Document Retention and Destruction Policy is not intended to be all inclusive and accordingly, must be tailored to meet the specific needs of the Association. The retention periods set forth herein are guidelines based on the current retention periods set forth in federal, state and local statutes and regulations (most of which do not explicitly address the Association), and industry custom and practice.

#### 1.5. Board Members

The Association requires board members to maintain any required Documents. Except as otherwise provided herein or by law, Documents created by board members for their own use as a member of the Executive Board, including but not limited to notes, drafts, emails, summaries, etc., are not Documents of the Association and should be destroyed by the board member once a related Association Document is produced or within six months of creation, whichever is later. No board member shall disclose or provide any Document to any Owner who is not a board member. Board members shall direct Owners who request documents from s to make a formal request to the Association pursuant to the Association's Records Policy for Inspection and Copying of Records ("Records Policy").

#### 1.6. Destruction Procedure

If the Documents to be destroyed are of public record, it is recommended that they be recycled. If recycling is not possible, the Documents may be placed in a trash receptacle. If the Documents to be destroyed are not of public record, they should be recycled if their confidentiality can be protected or they may be shredded, burned, chemically treated or otherwise made illegible.

The destruction procedure for Electronic Documents is specified in Section 4.

#### 1.7. Miscellaneous



There may be an immediate destruction of copies of any Document, regardless of age, provided that an original is maintained in the Official Files of the Association. There is no retention requirement for working papers and drafts.

#### 1.8. Onset of Litigation

At the onset of litigation, or if it is reasonably foreseeable that litigation or other legal proceedings may be imminent, all Documents potentially relevant to the dispute must be preserved. Any regular destruction of potentially relevant Documents, including Electronic Documents, shall be suspended pending the litigation or other legal proceeding.

Therefore, at the direction of legal counsel, the Executive Board will advise the board members, and any other person who may maintain Association Documents, of the facts relating to litigation. Thereafter, all Documents potentially relevant to the dispute shall be deemed "held" until such litigation or other legal proceedings are concluded and all appeal periods have expired. At the conclusion of the litigation or other legal proceedings, the "hold" period will cease and the time periods provided in the Document Retention and Destruction Guidelines will recommence.

### SECTION 2

#### Definitions

##### 2.1. Current ("Curr.")

"Current" means the calendar year in which the Document was created, obtained or received.

##### 2.2. Document

"Document" means any documentary material, that is generated or received by the Association in connection with transacting its business, is related to the Association's legal obligations, and is retained for any period of time as part of the Official Files. The term "Document" includes, among others, writings, drawings, graphs, charts, photographs, tape, disc, audio recordings, microforms, and Electronic Documents. Documents may encompass more records than those which are available for inspection by Owners pursuant to the Records Policy. Not all Documents may be records of the Association, as that term is defined in the Records Policy and Colorado law, and therefore may not be subject to inspection by Owners.

##### 2.3. Electronic Document

"Electronic Document" means any electronically-stored information.

##### 2.5. Official Files

"Official Files" means the files maintained by the Executive Board and the board members of the Association. As further specified in Section 4, Electronic Documents are part of the Official Files only to the extent that they are:

- A. printed or saved to a disc, or
- B. written communications among, and the votes cast by, members of the Executive Board that are (i) directly related to an action taken by the Executive Board without a meeting pursuant to Section 7-128-202, C.R.S., or (ii) directly related to an action taken by the Board without a meeting pursuant to the Association's Bylaws.

Legal documents and documents subject to the attorney-client privilege and the work product privilege maintained by the Association's legal counsel are not part of the "Official Files" of the Association.

2.6. Owner

"Owner" means an owner as defined in the Declaration of Covenants, Conditions and Restrictions of the Association.

2.7. Permanent ("Perm.")

"Permanent" means that the retention period for that document is permanent.

2.8. Termination ("Term.")

"Term + 4 years" means four years beyond the termination of the relationship, contract, coverage or period of ownership of home, as applicable.

SECTION 3

Document Retention and Destruction Guidelines

The Association's Documents are grouped into seven functional categories as set forth below. Although every conceivable Document is not listed, the following list should indicate to which subcategory a particular Document relates

The retention periods identified with particular Documents are intended as guidelines. In particular circumstances, the Board has the discretion to determine that either a longer or shorter retention period is warranted.

3.1. Accounting Records Retention Period

Accounts Payable	7 years
Account Receivable	7 years
Audit Reports	Perm.
Chart of Accounts	Perm.
Correspondence	7 years
Depreciation Schedules	Perm.
Expense Records	7 years
Financial Statements (Annual)	Perm.
Fixed Asset Purchases	Perm.
General Ledger	Perm.
Inventory Records	7 years
Loan Payment Schedules	7 years
Tax Returns (Federal, State, Property)	Perm.

3.2. Bank/Financial Records Retention Period

Bank Reconciliations	2 years
Bank Statements	7 years
Cancelled Checks	7 years
Correspondence	7 years
Electronic Payment Records	7 years
Owner Ledgers	Term. + 7 years
Audit Reports / Annual Checklist	Perm.

3.3. Corporate Records Retention Period

Executive Board Minutes	Perm.
Committee Minutes	Perm.
Member Meeting Minutes	Perm.
Bylaws, Articles, Community Declaration of Covenants, Conditions and Restrictions and Supplemental Declarations	Perm.
Rules and Regulations	Perm.

Policies and Guidelines Perm.  
 Record of Actions of Executive Board or  
 Members Taken by Written Ballot or  
 Written Consent in Lieu of a Meeting Perm.  
 Record of Waivers of Notices of Meetings of  
 Members, Executive Board or Committees Perm.  
 Board Resolutions Perm.  
 Business Licenses Perm.  
 Contracts — Major Perm.  
 Contracts — Minor Term. + 4 years  
 Correspondence from Legal Counsel Perm.  
 Non-legal Correspondence 7 years  
 Insurance Policies (including expired policies) Perm.  
 Leases/Mortgages Perm.  
 Patents/Trademarks Perm.  
 Bids, Proposals 3 years  
 Reserve Studies Perm.  
 Proxies and Ballots (generally unless otherwise provided herein) One year after  
 election or  
 vote to which they relate.  
 Proxies and Ballots for Document Amendments Perm.

### 3.5. Real Property Records Retention Period

Construction Records Perm.  
 Correspondence 7 years  
 Warranties Perm.  
 Leasehold Improvements Term. + 4 years  
 Lease Payment Records Perm.  
 Real Estate Purchases Perm.  
 Deed and Easement Documents Perm.

### 3.6. Individual Owner Files Retention Period

Correspondence to Owners individually  
 (not including enforcement letters) Term. + 4 years  
 Enforcement Letters (including delinquency  
 letters, covenant violation and other violation  
 letters) Term. + 4 years  
 Owner complaints (written) Term. + 4 years  
 Architectural applications and submissions Term. + 4 years  
 Architectural Control Committee decisions Perm.

### 3.7. Miscellaneous Retention Period

Newsletters and other all-association communications 3 years  
 Miscellaneous. Documents (not listed  
 elsewhere herein) Executive Board's discretion

## SECTION 4

### Electronic Documents

#### 4.1. Storage of Official Files

Under this Document Retention and Destruction Policy, the Association retains Documents for time periods that may exceed 15 or 20 years and possibly longer. That duration may exceed the reliable life span of computer networks, computer drives, computer software, hand-held devices, computer storage devices, and related systems. Accordingly, those types of storage devices may not be appropriate for retaining the Official Files. Moreover, in some cases the Association may receive Electronic Documents that are not compatible with other Electronic Documents maintained by the Association. Therefore, Electronic Documents to be retained as Official Files will be printed or saved to a CD-R or DVD+R disk (or other storage device that promotes longevity).

#### 4.2. Electronic Documents that are not Official Files

With respect to Electronic Documents that have not been made a part of the Official Files, the Association shall retain and destroy them as follows:

- A. Computer Drives: Electronic Documents may exist on various computer drives, including personal computers, lap-tops and desk tops. All Electronic Documents should be maintained on the appropriate board member computer and each board member is instructed to delete Documents from computer hard drives (such as "C" drives) at least annually as part of the annual purge and preferably more frequently to the extent such Electronic Documents are stored there at all. Electronic Documents on computer drives are not backed-up. As computer drives are updated and/or replaced, no effort will be made to store or preserve the Electronic Documents on those computer drives. As a measure to preserve privacy, Electronic Documents shall be deleted from computer drives being replaced as much as possible before their disposal.
- C. Emails: After being filtered by one or more firewall services, emails are initially saved on each board member's computer. Except for emails that are Official Files, emails will be regularly and automatically deleted every [90] days unless they are specifically saved on the computer, in which case they will be deleted when they are no longer being used and, in any event, as part of the annual purge.
- D. Voice Mails: Voice mails that are to become part of the Official Files will be separately recorded or transcribed. Otherwise, no effort will be made to retain voice mails.
- E. Hand-Held Storage Devices: No effort will be made to retain or preserve information contained on hand-held computer devices, such as cell phones and organizers, to the extent the Association utilizes such devices.

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## 7. Policy and Procedure for Inspection and Copying of Association Records

Records for Inspection. The following are the records of the Association which shall be deemed to be the sole records of the Association for purposes of inspection by Owners:

- (a) Records of receipts and expenditures affecting the operation and administration of the Association;
- (b) Minutes of all meetings of Owners;
- (c) Minutes of all meetings of Executive Board members (except records of executive sessions of the Board);
  
- (d) A list of the names of the Owners in a form that permits preparation of a list of the names and mailing addresses of all Owners, as well as the number of votes of each Owner is entitled to vote;
- (e) The Association's governing documents which are comprised of:
  - (1) The Declaration of Covenants, Conditions and Restrictions and any amendments thereto;
  - (2) The bylaws;
  - (3) The articles of incorporation;
  - (4) Any rules and regulations and/or design guidelines; and
  - (5) Any policies adopted by the Executive Board, including the Association's responsible governance policies.
- (j) Financial statements for the last three years, which at a minimum shall include the balance sheet, the income/expense statement, and the amount held in reserves for the prior fiscal year;
- (k) Tax returns for the last seven years, to the extent available;
  - (1) The operating budget for the current fiscal year;
- (m) A list of the Association's current assessments, including both regular and special assessments;
- (n) The result of the Association's most recent available financial audit or review, if any;
- (o) A list of the Association's insurance policies, which shall include the company names, policy limits, policy deductibles, additional named insured, and expiration dates of the policies listed;
- (p) A list of the names, e-mail addresses and mailing addresses of the current board members and officers;
- (q) The most recent annual report delivered to the Secretary of State;
- (r) A listing of annual assessments collected;
- (s) The most recent reserve study, if any;
- (t) Current written contracts and contracts for work performed for the Association within the prior two years;
- (u) Records of Executive Board or committee actions to approve or deny any requests for design or architectural approval from Owners;
- (v) Ballots, proxies and other records related to voting by Owners for one year after the election, vote or action to which they relate;
- (w) Resolutions adopted by the Board;
- (x) All written communications sent to all Owners generally within the past three years; and
- (y) A record showing the date on which the Association's fiscal year begins;

2. Exclusions. The Association may withhold from inspection and copying certain records as provided by Colorado law, and which shall not be deemed to be records of the Association, which shall include, but are not limited to:

- (a) Architectural drawings, plans and designs, unless released upon the written consent of the owner of such drawings, plans or designs;
- (b) Contracts, leases, bids or records related to transactions currently under negotiation;
- (c) Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;
- (d) Records of executive sessions of the Executive Board;
- (e) Individual unit files other than those of the requesting Owners.

The Association shall withhold from inspection and copying the following records as provided by Colorado law:

- (a) Personnel, salary or medical records relating to Individuals;
- (b) Personal identification and account information of Owners, including bank account information, telephone numbers, e-mail addresses, driver's license numbers, and social security numbers.

3. Inspection/Copying Association Records. An Owner or his/her authorized agent is entitled to inspect and copy any of the books and records of the Association, as listed above, subject to the exclusions set forth above, upon submission of a written request to the Association describing with reasonable particularity the records sought. The Association shall provide access to the requested records by:

- (a) Making the requested records available for inspection and copying by the Owner within 10 working days of the Association's receipt of such written request, which inspection shall be during the regular business hours of 8:00 a.m. to 5:00 p.m.; or
- (b) Making the requested records available for inspection and copying by the Owner during the next regularly scheduled Executive Board meeting occurring within 30 days of the Owner's request; or
- (c) E-mailing the requested records to the Owner within 10 days of the Association's receipt of such written request, if so requested by the Owner.

4. Use of Records. Association records and the information contained within the records shall not be used for commercial purposes. Furthermore, while Owners are not required to state a purpose for any request to inspect the records of the Association, the membership list may not be obtained or used by any person for any purpose unrelated to an Owner's interest as an Owner or for any of the following without the consent of the Executive Board:

- (a) To solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election held by the Association;
- (b) For any commercial purpose; or
- (c) Sold to or purchased by any person.

5. Fees/Costs. Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association to copy such records for the Owner. The Association may require a deposit equal to the anticipated actual cost of the requested records. Failure to pay such deposit shall be valid grounds for denying an Owner copies of such records. If after payment of the deposit it is determined that the actual cost was more than the deposit, Owner shall pay such amount prior to delivery of

the copies. If after payment of the deposit it is determined that the actual cost was less than the deposit, the difference shall be returned to the Owner with the copies.

6. Inspection. The Association reserves the right to have a third party present to observe during any inspection of record by an Owner or the Owner's representative.

7. Original. No Owner or their representative shall remove any original book or record of the Association from the place of inspection nor shall any Owner or their representative alter, destroy or mark in any manner, any original book or record of the Association.

8. Creation of Records. Nothing contained in this Policy shall be construed to require the Association to create records that do not exist or compile or synthesize information.

9. Definitions. Unless otherwise defined in this Policy, initially capitalized or terms defined in the Declaration of Covenants, Conditions and Restrictions shall have the same meaning herein.

10. Supplement to Law. The provisions of this Policy shall be in addition to and in supplement of the terms and provisions of the Declaration of Covenants, Conditions and Restrictions and the law of the State of Colorado governing the Community.

11. Deviations. The Executive Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

## **8. Policy for Reserve Studies**

Pursuant to the Colorado Common Interest Ownership Act, the Association is not required to complete a reserve study, but has developed this policy in compliance with the Act.

1. The Association may have a reserve study prepared as the Executive Board deems appropriate by a company specializing in reserve studies or the Executive Board may use physical and financial information available to conduct an internal study of reserves when deemed necessary.
2. Funding for replacement or other reserves is preferred to be based on a financial analysis performed by the Executive Board and may be performed in conjunction with a financial or reserve study professional.
3. Funding for replacement or other reserves is planned and projected to be from the following sources: (1) cash then on hand, (2) annual assessments of Owners, (3) special assessments of Owners, (4) a loan as may be obtained by the Association, or (5) any combination of the above.