***BANNOCKBURN***

***HOMEOWNERS***

***ASSOCIATION, INC***

***POLICIES & PROCEDURES***

***2019***

**Bannockburn Homeowners Association, Inc.**

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# RESOLUTION

# OF

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING PROCEDURES FOR ADOPTION OF POLICIES, PROCEDURES, RULES, REGULATIONS, OR GUIDELINES**

**SUBJECT:** Adoption of a procedure to be followed when adopting policies, procedures, rules, regulations or guidelines (hereinafter "Policy" or "Policies") regarding the operation of the Association.

**PURPOSE:** To adopt a standard procedure to be used in developing Policies in order to facilitate the efficient operation of the Association and to afford Owners an opportunity to provide input and comments on such Policies prior to adoption.

**AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

# EFFECTIVE

# DATE:

# RESOLUTION: The Association hereby adopts the following procedures to be followed in adopting Policies of the Association:

1. **Scope.** The Board of Directors of the Association may, from time to time, adopt certain Policies as may be necessary to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in other documents, or as may be required by law. In order to encourage Owner participation in the development of such Policies and to insure that such Policies are necessary and properly organized, the Board shall follow the following procedures when adopting any Policy.
2. **Drafting Procedure.** The Board shall consider the following in drafting the Policy:
   1. Whether the governing documents or Colorado law grants the Board the authority to adopt such a Policy;
   2. The need for such Policy based upon the scope and importance of the issue and whether the governing documents adequately address the issue; and
   3. The immediate and long-term impact and implications of the Policy.
3. **Notice and Comment.** The adoption of every Policy shall be listed on the agenda for the Board meeting prior to adoption by the Board and any Owner who wishes to comment on the proposed Policy shall be afforded such opportunity at the meeting in compliance with Colorado law.
4. **Adoption Procedure.** Upon adoption of a Policy, the Policy or notice of such Policy (including the effective date) shall be provided to all Owners by any reasonable method as determined by the sole discretion of the Board, including but not limited to posting on the Association's website.
5. **Policy Book.** The Board of Directors shall keep copies of any and all adopted Policies in a book designated as a Policy Book. The Board of Directors may further categorize Policies, Procedures, Rules and Regulations, Resolutions and Guidelines but shall not be required to do so.
6. **Definitions**. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
7. **Supplement to Law.** The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.
8. **Deviations.**  The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
9. **Amendment.**  This Procedure may be amended from time to time by the Board of Directors.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

**RESOLUTION**

**OF**

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING ALTERNATIVE DISPUTE RESOLUTION (ADR) POLICY**

Adopted \_\_\_\_\_\_\_\_\_\_\_\_

The following resolution has been adopted by **BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.** (the "Association") pursuant to Colorado law, at a regular meeting of the Board of Directors.

**RECITALS**

Colorado law allows the Association to establish a policy regarding alternative dispute resolution.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby adopt the following policy regarding alternative dispute resolution:

1. Mediation may be pursued by the Association after condition precedents in the Declaration have been satisfied before any lawsuit is filed.
2. ADR will not be pursued by the Association if an Owner refuses to do so. If ADR is to be pursued, it must be pursued using a trained facilitator or mediator.
3. ADR allowed for or required under this Policy must be in compliance with the Uniform Arbitration Act and/or the Dispute Resolution Act, as applicable.
4. If the parties to the ADR cannot agree on the facilitator or mediator or another qualified person to conduct the ADR, then: Each party shall choose a facilitator, mediator or other qualified person, and those so chosen shall then select one facilitator, mediator or other qualified person. OR The facilitator mediator or other qualified person shall be selected by the first available person from
   1. The Judicial Arbiter Group (Jag); OR
   2. The American Arbitration Association; OR
   3. A mutually agreeable third-party mediator.
5. The costs of ADR shall be 50/50 between the parties or borne by party prevailing in the mediation.
6. **Definitions.** Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

1. **Supplement to Law**. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Association.
2. **Deviations**. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
3. **Amendment**. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

QUESTIONNAIRE

1. Do you want to require ADR if an owner agrees in certain types of situations before legal action can be commenced? \_\_\_\_ Yes \_\_\_\_ No. If yes, what types of situations:

\_\_\_\_ Covenant/Rule violations where there is no immediate deadline

\_\_\_\_ Collection matters

\_\_\_\_ Foreclosure matters

\_\_\_\_ Neighbor to neighbor disputes

\_\_\_\_ Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. If you answered yes to No. 2, what type of ADR?

\_\_\_\_ Mediation

\_\_\_\_ Arbitration

\_\_\_\_ Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

3. Do you want to encourage ADR in certain types of situations before legal action can be commenced but leave it up to the parties to request it? \_\_\_ Yes \_\_\_ No. If yes, what types of situations:

\_\_\_\_ Covenant/Rule violations where there is no immediate deadline

\_\_\_\_ Collection matters

\_\_\_\_ Foreclosure matters

\_\_\_\_ Neighbor to neighbor disputes

\_\_\_\_ Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

4. Who will pay the costs of ADR?

\_\_\_\_ Owner/s

\_\_\_\_ Association

\_\_\_\_ Split between parties

## **RESOLUTION**

## **OF**

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING POLICY AND PROCEDURE FOR COLLECTION OF UNPAID ASSESSMENTS**

**SUBJECT:** Adoption of a policy and procedure regarding the collection of unpaid dues.

**PURPOSE:** To provide notice of the Association's adoption of a uniform and systematic procedure to collect dues and other charges of the Association.

**AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

## **EFFECTIVE**

## **DATE:**

**RESOLUTION:** The Association hereby adopts the following policy:

The Association hereby gives notice of its adoption of the following policies and procedures for the collection of dues and other charges of the Association:

1. **Due Dates.** The annual dues as determined by the Association and as allowed for in the Declaration shall be due and payable on the 1st day of March of each year. Dues or other charges not paid in full to the Association within thirty-one (31) days of the due date shall be considered past due and delinquent. Dues or other charges not paid in full to the Association within thirty-one (31) days of the due date shall incur late fees and interest as provided below. In the event notice of acceleration is given to delinquent Owner(s), the Owner(s) of the property shall also be charged any costs incurred by the Association in giving notice of such acceleration.
2. **Late Charges on Delinquent Installments.** The Association shall impose a $25.00 late charge for each Owner who fails to timely pay his/her annual dues within thirty-one (31) days of the due date. This late charge shall be a "common expense" for each delinquent Owner.
3. **Personal Obligation for Late Charges.** The late charge shall be the personal obligation of the Owner(s) of the property for which such dues or installment is unpaid. All late charges shall be due and payable immediately, without notice, in the manner provided by the Declaration (and as set forth herein) for payment of dues.
4. **Return Check Charges.** In addition to any and all charges imposed under the Declaration, Articles of Incorporation and Bylaws, the Rules and Regulations of the Association or this Resolution, a return check fee, not to exceed $20.00, shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. This returned check charge shall be a "common expense" for each Owner who tenders payment by check or other instrument which is not honored by the bank upon which it is drawn. Such return check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner(s) of the property for which payment was tendered to the Association. Returned check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Declaration, Articles, Bylaws, Rules and Regulations or this Resolution after the date adopted as shown above. If two or more of an Owner's checks are returned unpaid by the bank within any fiscal year, the Association may require that all the Owner's future payments, for a period of one (1) year, be made by certified check or money order. This return check charge shall be in addition to any late fees incurred by an Owner.
5. **Service Fees.** In the event the Association incurs any type of service fee, regardless of what it is called, for the handling and processing of delinquent accounts on a per account basis, such fees will be the responsibility of the Owner as such fee would not be incurred but for the delinquency of the Owner.
6. **Attorney Fees on Delinquent Accounts.** As an additional expense permitted under the Declaration and by Colorado law, the Association shall be entitled to recover its reasonable attorney fees, lien filing fees and collection costs incurred in the collection of dues or other charges due the Association from a delinquent Owner. The reasonable attorney fees incurred by the Association shall be due and payable immediately when incurred, upon demand.
7. **Collection Process.**
8. After the annual dues or other charges due to the Association becomes 30 days delinquent, the Treasurer shall send a written notice ("First Notice") of non-payment, amount past due, notice that late fees have accrued and request for immediate payment. The Association's notice, at a minimum shall include the following:
   * 1. The total amount due to the Association along with an accounting of how the total amount was determined.
     2. Whether the Owner may enter into a payment plan and instructions for contacting the Association to arrange for and enter into a plan.
     3. A name and contact information for an individual the owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt.
   1. After the annual dues or other charges due to the Association becomes 60 days delinquent, the Treasurer shall send a second written notice ("Second Notice") of non-payment, amount past due, notice that late fees have accrued, notice of intent to file a lien and request for immediate payment.
   2. After a monthly installment of an annual dues or other charges due to the Association becomes 90 days delinquent, the Board may file a lien and send a letter to the delinquent Owner demanding immediate payment for past due dues or other charges due. The Board reserves the right to turn the account over to the Association's attorney for collection. Upon receiving the delinquent account, the Association's attorneys may file a lien and send a letter to the delinquent Owner demanding immediate payment for past due dues or other charges due.
   3. In addition to the steps outlined above, the Association may elect to suspend the voting rights of any Owner whose account is past due at the time of such voting.
9. **Acceleration and Deceleration of Dues.** The Board reserves the right to accelerate and call due the entire unpaid annual dues on any delinquent account including such dues that may become due during the pendency of a payment plan as described above. Such acceleration shall result in the entire unpaid annual dues being due to the Association immediately. The Board also reserves the right to decelerate any accelerated dues.
10. **Collection Procedures Time Frames.** The following time frames shall be followed for use in the collection of the annual dues and other charges.

|  |  |
| --- | --- |
| Due Date  (date payment due) | March 1st |
| Past Due Date  (date payment is late if not received on or before that date) | Thirty-one (31) days after due date |
| First Notice (availability of a payment plan if applicable) | Any time after 31 days after due date |
| Second Notice (notice that late charges have accrued, notice of intent to file lien) | Any time after 60 days after due date (on or about May 1st) |

1. **Certificate of Status of Dues.** The Association shall furnish to an Owner or such Owner's designee upon written request, first class postage prepaid, return receipt, to the Association's agent, a written statement setting forth the amount of unpaid dues currently levied against such Owner's property for a reasonable fee.
2. **Use of Certified Mail/Regular Mail.** In the event the Association shall cause a collection or demand letter or notices to be sent to a delinquent Owner by regular mail, the Association may also cause, but shall not be required to send, an additional copy of that letter or notice by certified mail.
3. **Waivers.** The Association is hereby authorized to extend the time for the filing of liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances.
4. **Communication by Owners.** Owners may communicate with the Association in any manner they choose including email, text, fax, phone, or in writing, when available. However, in doing so, the Owner acknowledges that the Association and/or its agents may communicate via the same method unless otherwise advised.
5. **Defenses.** Failure of the Association to comply with any provision in this Policy shall not be deemed a defense to payment of dues or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this Policy.
6. **Credit Report.** In the event an Owner becomes delinquent in the payment of dues pursuant to the Declaration and Colorado law, the Owner acknowledges and agrees that the Association may cause a credit report to be pulled via an agent in order to facilitate the collection of unpaid dues.
7. **Definitions.** Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
8. **Supplement to Law.** The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.
9. **Deviations.** The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
10. **Amendment.** This Policy may be amended from time to time by the Board of Directors.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

**RESOLUTION**

**OF**

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING POLICY AND PROCEDURE FOR THE CONDUCT OF MEETINGS**

**SUBJECT:** Adoption of a policy to be followed when conducting both board meetings and meetings of the members.

**PURPOSE:** To facilitate the smooth operation of the community and to afford members an opportunity to provide input and comments on decisions affecting the community.

**AUTHORITY:** The Declaration, Bylaws, Articles of Incorporation of **BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**, and Colorado law.

**EFFECTIVE**

**DATE:**

**RESOLUTION:** **BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.** (“Association”) does hereby adopt the following policy regarding conduct of meetings. The Policy adopted is as follows:

* + 1. **Member Meetings.** Meetings of the Members of the Association shall be called pursuant to the Bylaws of the Association.

1. **Notice.**
   1. In addition to any notice required in the Bylaws, notice of any meeting of the Members shall be posted at bannockburnhoa.com at least ten (10) days prior to each such meeting, or as may otherwise be required by Colorado law.
   2. The Association shall also post notice on its website of all meetings. Such notice shall be posted at bannockburnhoa.com ten (10) days prior to such meeting.
2. **Conduct.**
   1. All meetings shall be governed by the following rules of conduct:
      * 1. The President of the Association, unless delegated to someone else by the President, shall chair all member meetings.
        2. All members and persons who attend a meeting of the members will sign in, present any proxies and receive ballots as appropriate. (See section below regarding voting).
        3. Anyone wishing to speak must first be recognized by the Chair
        4. Only one person may speak at a time.
        5. Each person who speaks shall first state his or her name and address.
        6. Any person who is represented at the meeting by legal counsel will be permitted to have his/her attorney speak for them.
        7. Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed.
        8. Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting.
        9. Each person will be given up to a maximum of three (3) minutes to make a statement or to ask questions, although answers to the questions are not required, the board may address it its discretion. Such time limit may be increased or decreased by the Chair prior to the meeting but shall be uniform for all persons addressing the meeting.
        10. All actions and/or decisions will require a first and second motion.
        11. Once a vote has been taken, there will be no further discussion regarding that topic.
        12. No meeting of the members may be tape recorded, video recorded or otherwise recorded, to allow for and encourage full discussion by members. Minutes of actions taken will be kept by the Association.
        13. Anyone disrupting the meeting, in the opinion of the Chair, will be asked to “come to order.” Anyone who does not come to order will be asked to leave the meeting.
3. **Voting.** All votes taken at member meetings shall be taken as follows:
4. Election of board member shall be conducted by secret ballot. Each owner entitled to vote pursuant to the Bylaws shall receive a ballot. Said ballot shall contain no identifying information on the ballot. In the event an owner holds a proxy for another owner, upon presentation of such proxy to the secretary of the Association, the owner shall receive a secret ballot to cast the vote of the owner who provided the proxy. The proxy shall be kept and retained by the Association in the event that such proxy specifically directs the owner how to vote.
5. All other votes taken at a meeting of the members shall be taken in such method as determined by the board of directors including acclamation, by hand, by voice or by ballot, unless otherwise required by law.
6. If written ballots are used to conduct any vote, a counting committee shall be formed to count such ballots. The counting committee shall consist of three owners who are not candidates, if the vote is for Board members, and shall be chosen from any owners who volunteer at any such meeting. The Chair shall choose a number between 1 and 100 and write it on a slip of paper. All volunteers shall guess such number on a slip of paper with their name and guess. Each slip of paper, starting with the number chosen by the Chair shall be read out loud to the Members and those three owners who guessed closest to the number chosen by the Chair shall form the counting committee.
7. The counting committee shall report the results of the votes by indicating how many votes were cast in favor and how many were against.
8. **Proxies.** Proxies may be given by any owner as allowed by C.R.S. 7-127-203.
9. All proxies shall be reviewed by the Secretary of the Association, or as may be designated, as to the following as allowed by C.R.S. 7-127-203:
   * + 1. Validity of the signature
       2. Signatory’s authority to sign for the unit owner
       3. Authority of the unit owner to vote
       4. Conflicting proxies
       5. Expiration of the proxy

**2. Board Meetings.** Meetings of the Board of Directors of the Association shall be called pursuant to the Bylaws of the Association.

**Conduct.**

1. All meetings shall be governed by the following rules of conduct:
   * + 1. The President of the Association, unless delegated to someone else by the President, shall chair all board meetings.
       2. All members and persons who attend a meeting of the board will sign in.
       3. All owners will be given an opportunity to speak as to any matter or ask questions of the board during the owner~~s~~ forum at the beginning of the meeting. Any owner wishing to speak during the owner forum shall indicate so at sign in.
       4. Anyone wishing to speak must first be recognized by the Chair.
       5. Only one person may speak at a time.
       6. Each person who speaks shall first state his or her name and address.
       7. Any person who is represented at the meeting by legal counsel will be permitted to have his/her attorney speak for them.
       8. Those addressing the board shall be permitted to speak without interruption from anyone as long as these rules are followed.
       9. Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting.
       10. Each person will be given up to a maximum of three (3) minutes to make a statement or to ask questions, although questions may not be answered until a later date. Such time limit may be increased or decreased by the Chair prior to the meeting but shall be uniform for all person addressing the meeting.
       11. No meeting of the board may be tape recorded, video recorded or otherwise recorded except by the board to aid in the preparation of minutes. Minutes of actions taken will be kept by the Association.
       12. Anyone disrupting the meeting, in the opinion of the Chair, will be asked to “come to order.” Anyone who does not come to order will be asked to leave the meeting.
2. **Owner Input.** After a motion and second has been made on any matter, owners present at such time will be afforded an opportunity to speak on such vote as follows:
   1. The Chair will ask any owner present who wishes to speak in favor of the vote to indicate by hand. The Chair will ask any owner present who wishes to speak against the vote to indicate by hand. If there are less than 5 owners on each side, each owner will be allowed one (1) minute to speak prior to the board vote. If there are more than five owners per side, the Chair will randomly select five owners on each side of the matter to speak and each owner shall be given one (1) minute to speak. Such selection shall be done is the same manner as the selection of the counting committee set forth above.
3. **Meeting Minutes.** Meeting minutes shall be posted on bannockburnhoa.com within seven (7) business days of the meeting.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

**RESOLUTION**

**OF**

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING BOARD MEMBER CONFLICTS OF INTEREST POLICY**

Adopted \_\_\_\_\_\_\_\_\_\_\_\_

The following resolution has been adopted by **BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.** (the "Association") pursuant to Colorado law, at a regular meeting of the Board of Directors.

**RECITALS**

1. Each member of the Board of Directors owes a fiduciary duty to the Association, including a duty to act in good faith, in the interest of, in an informed manner, and with utmost loyalty to, the Association.
2. The Board of Directors is charged with entering into contracts and taking other action necessary for the operation and governance of the community and the Association, and each member of the Board shall adhere to their fiduciary duty of loyalty when entering into such contracts or taking other action.
3. Colorado law requires that the Association establish a policy regarding Board member conflicts of interest.
4. The Board of Directors of the Association desires to adopt a policy to be followed when entering into any contract or taking other action in which a Board member has a conflict of interest, in order to ensure proper disclosure of the conflict, and to establish consequence for failure to disclose.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby adopt the following policy regarding Board member conflict of interests:

# Definition. A conflict of interest is present whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit: (i) a Board member, (ii) a parent, grandparent, spouse, child, or sibling of the Board member, or (iii) a parent or spouse of any of the persons in subsection (ii).

# Disclosure of Conflict. Any possible conflict of interest on the part of any Director shall be verbally disclosed to the other Directors at the first open meeting of the Board of Directors at which the interested Director is present after the conflict of interest is or should be discovered. After disclosure the Board member may participate in the discussion but shall not vote on the matter. Any Director having a conflict of interest on any matter shall not use his or her personal influence on the matter, and he/she shall not be counted in determining the quorum for the vote. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting and the composition of the quorum.

# Failure to Disclose Conflict. Any contract entered into in violation of this policy shall be void and unenforceable.

# Amendment. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

**RESOLUTION**

**OF**

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING ENFORCEMENT OF COVENANTS AND RULES POLICY**

**SUBJECT:** Enforcement of covenants and rules; notice and hearing procedures; fine schedule.

**PURPOSE:** To adopt a Policy setting forth a process for enforcement of covenants and rules, including notice and hearing procedures and fine schedule as required by Colorado law. If this policy is inconsistent with a previously adopted policy the portions of this policy which are subject of the inconsistency will control.

**AUTHORITY:** The Declaration, Bylaws, Articles of **BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.** and Colorado law.

**EFFECTIVE**

**DATE:**

**RESOLUTION:** **BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.** (“Association”) gives notice of its adoption of a Resolution establishing a fine schedule and enforcement procedure.

The resolution adopted is as follows:

Article IX, Section 1, of the Declaration grants the Association the power to enforce the provisions of the Declaration;

The Association’s documents authorize, and the Colorado Common Interest Ownership Act requires the Board of Directors to adopt rules, procedures and resolutions for carrying out its duties, and to enforce such rules, procedures and resolutions,

IT IS RESOLVED that the Association will enforce the Articles, Declaration, Bylaws and Rules subject to the following procedure:

1. **Reporting Violations**. Complaints regarding alleged violations may be reported by an owner or resident within the community, a group of owners or residents, the Association’s management company, if any, Board member(s) or committee member(s) by submission of a written complaint.
2. **Complaints.**
3. Complaints by owners or residents shall be in writing and submitted to the Board of Directors. The complaining owner or resident shall have observed the alleged violation. The complaint shall identify the complainant (“Complainant”), the alleged violator (“Violator”), and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints, or written complaints failing to include any information required by this provision, may not be investigated or prosecuted.
4. Complaints by a member of the Board of Directors or a committee member may be made in writing or by any other means deemed appropriate by the Board if such violation was observed by the Director or committee member.
5. Complaints must be mailed to: Bannockburn HOA, P.O. Box 211, Franktown, CO 80116 or emailed to [HOABoard@Bannockburnhoa.com](mailto:HOABoard@Bannockburnhoa.com).
6. For any complaints that do not fall under governance of the Bannockburn Protective Covenants or Bylaws, the complainant shall be directed to the proper governing authorities to the best of the Board of Directors knowledge.
7. The Board of Directors reserves the right to, at its discretion, submit a complaint to legal counsel for review and possible action if in violation of any covenants. Violating homeowner to be responsible for payment of any and all legal fees incurred by the Association.
8. When a complaint is filed, both the complainant and alleged violator shall remain anonymous. If the Board investigates an alleged violation brought to their attention by a Member and agrees that it is a violation under the Protective Covenants, the Member should let the Board know if they want their name be known as the complainant. The minutes of the Board meeting will reflect only the address of where the alleged violation is located.
9. **Investigation**. Upon receipt of a complaint by the Association, if more information is needed, the complaint will be investigated by a designated individual or committee within a reasonable time. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.
10. **Initial Warning Letter**. If a violation is found to exist, a warning letter will be sent to the Violator explaining the nature of the violation. The Violator will have 30 days from the date of the letter to come into compliance.
11. **Continued Violation After Initial Warning Letter**. If the alleged Violator does not come into compliance within 30 days of the first warning letter, or submit a plan of compliance within 30 days, this will be considered a second violation for which a fine may be imposed following notice and opportunity for a hearing. A second letter will be sent to the alleged Violator, providing notice and an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Policy. The letter will further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 30 days of the date on the second violation letter.
12. **Notice of Hearing**. If a hearing is requested by the alleged Violator, the Board, committee or other person conducting such hearing as may be determined in the sole discretion of the Board, may serve a written notice of the hearing to all parties involved at least 30 days prior to the hearing date.
13. **Hearing**. At the beginning of each hearing, the presiding officer, shall introduce the case by describing the alleged violation. Each party may make opening statements, may present evidence and testimony, may present witnesses, and may make closing statements. Neither the Complainant nor the alleged Violator must attend the hearing. However, failure to appear at the hearing will result in the Board making a unilateral decision based solely on the matters set forth in the Complaint, results of the investigation and such evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings shall be open to attendance by all members of the Association. After all testimony and other evidence has been presented at a hearing, the Board shall, within a reasonable time, render its written findings and decision, and impose a fine, if applicable. A decision, either a finding for or against the Owner, shall be by a majority of the Board members present at the hearing.
14. **Failure to Timely Request Hearing**. If the alleged Violator fails to request a hearing within 30 days of the second letter, or fails to appear at the hearing, the Board may unilaterally decide with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information. If a violation is found to exist, the alleged Violator may be assessed a fine pursuant to paragraph K.
15. **Notification of Decision**. The decision of the Board, committee or other person, shall be in writing and provided to the Violator and Complainant within 10 days of the hearing, or if no hearing is requested, within 10 days of the final decision.
16. **Appeals**. The Board, committee or other person, may order an appeal at any time within 10 days following the delivery of its decision at the request of the Complainant, Violator or Board member.
17. **Fine Schedule**. The following fine schedule has been adopted for all recurring covenant violations:

First violation Warning letter

Second and subsequent

Violations (of same covenant) $50.00

Second and subsequent covenant violations may also be turned over to the Association’s attorney to take appropriate legal action. Any Owner committing 2 or more violations in any 6-month period (whether such violations are of the same covenant or different covenants) may be immediately turned over to the Association’s attorney for appropriate legal action.

**12. Continuous Violations**. Continuous violations shall be defined as on-going violations of Owner obligations that are perpetual in nature. Each day/incidence of noncompliance with such perpetual obligations constitutes a separate violation. For example: the failure to remove an unapproved exterior improvement is a breach of the perpetual covenant requiring Owners to obtain Board approval prior to making exterior modification. Therefore, every day the Owner fails to remove the improvement constitutes a breach of the covenant.

If an Owner is determined as having a continuous violation, in accordance with

the terms of this Policy, such Owner may be subject to a weekly fine of $ 25.00 each week the covenant is not corrected.

1. **Waiver of Fines**. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into compliance with the Articles, Declaration, Bylaws or Rules.
2. **Other Enforcement Means**. This fine schedule and enforcement process are adopted in addition to all other enforcement means which are available to the Association through its Declaration, Bylaws, Articles of Incorporation and Colorado Law. The use of this process does not preclude the Association from using any other enforcement means.
3. **Definitions**. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
4. **Supplement to Law**. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.
5. **Deviations**. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

**RESOLUTION**

**OF**

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING POLICY AND PROCEDURE FOR INSPECTION AND COPYING OF ASSOCIATION RECORDS**

**SUBJECT:** Adoption of a procedure for the inspection and copying of Association records by Owners and retention of Association permanent records.

**PURPOSE:** To adopt a policy regarding an Owner’s right to inspect and copy Association records. To adopt a standard procedure to be followed when an Owner chooses to inspect or copy Association records.

**AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE**

**DATE:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**RESOLUTION:** The Association hereby adopts the following Policy and Procedures:

**1. Records for Inspection**. 1The 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:

1. Records of receipts and expenditures affecting the operation and administration of the Association;
2. Minutes of all meetings of Owners;
3. Minutes of all meetings of Board members (except records of executive sessions of the Board);
4. Records of actions taken by the Owners without a meeting;
5. Records of actions taken by the Board without a meeting, including written communications and e-mails among Board members that are directly related to the action so taken;
6. Records of actions taken by any committee of the Board without a meeting;
7. 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;
8. The Association’s governing documents which are comprised of:
9. The Declaration;
10. The Bylaws;
11. The Articles of Incorporation;
12. Any Rules and Regulations and/or Design Guidelines; and
13. Any policies adopted by the Board, including the Association’s responsible governance policies.
14. 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;
15. Tax returns for the last seven years, to the extent available;
16. The operating budget for the current fiscal year;
17. A list, by property, of the Association’s current assessments, including both regular and special assessments;
18. The result of the Association’s most recent available financial audit or review, if any.
19. 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;
20. A list of the names, e-mail addresses and mailing addresses of the current Board members and officers;
21. The most recent annual report delivered to the Secretary of State;
22. A ledger of each Owner’s assessment account;
23. The most recent reserve study, if any;
24. Current written contracts and contracts for work performed for the Association within the prior two years;
25. Records of Board or committee actions to approve or deny any requests for design or architectural approval from Owners;
26. Ballots, proxies and other records related to voting by Owners for one year after the election, vote or action to which they relate;
27. Resolutions adopted by the Board;
28. All written communications sent to all Owners generally within the past three years; and
29. 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:

# Architectural drawings, plans and designs, unless released upon the written consent of the owner of such drawings, plans or designs;

# Contracts, leases, bids or records related to transactions currently under negotiation;

# Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;

# Records of executive sessions of the Board; and

# Individual property files other than those of the requesting Owners.

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

1. 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:

1. Making the requested records available for inspection and copying by the Owner during the next regularly scheduled Board meeting occurring within 30 days of the Owner’s request; or
2. 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 used for any of the following without the consent of the Board:

1. 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;
2. For any commercial purpose; or
3. 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 shall remove any original book or record of the Association from the place of inspection nor shall any Owner 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 Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

**10. Supplement to Law**. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Community.

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

**12. Amendment**. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

**RESOLUTION**

**OF**

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING INVESTMENT OF RESERVE POLICY**

**SUBJECT:** Adoption of an Investment Policy for reserves of the Association.

**PURPOSES:** To adopt a policy for the investment of reserve funds.

**AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE**

**DATE:**

**RESOLUTION:** The Association hereby adopts a Policy as follows:

1. **Scope.** To properly maintain areas in the Community that are the responsibility of the Association, to comply with state statutes, to manage reserve funds, and to protect the market value of Owners' homes and livability in the Community, the Board of Directors determines that it is necessary to have policies and procedures for the investment of reserve funds.
2. **Purpose of the Reserve Fund**. The purpose of the Reserve Fund shall be to responsibly fund and finance the projected repair and replacement of those portions of the Community that the Association is responsible for and for such other funding as the Board of Directors may determine. The portions of the Community that the Association is responsible for typically have limited but reasonably predictable useful lives.
3. **Investment of Reserves**. The Board of Directors of the Association shall invest funds held in the Reserve Funds accounts to generate revenue that will accrue to the Reserve Funds accounts balance pursuant to the following goals, criteria and policies:
4. Safety of Principal. Promote and ensure the preservation of the Reserve Fund’s principal.
5. Liquidity and Accessibility. Structure maturities to ensure availability of assets for projected or unexpected expenditures.
6. Minimal Costs. Investments costs (redemption fees, commissions, and other transactional costs) should be minimized.
7. Diversify. Mitigate the effects of interest rate volatility upon reserve assets.
8. Return. Funds should be invested to seek the highest level of return.
9. **Limitation on Investments.** Unless otherwise approved by the Board, all investments will be FDIC (Federal Deposit Insurance Corporation) insured and/or guaranteed by the United States Government.
10. **Investment Strategy**. The investment strategy of the Association should emphasize a long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a laddered investment approach.
11. **Independent Professional Investment Assistance**. The Board of Directors of the Association may hire a qualified investment counselor to assist in formulating a specific investment strategy.
12. **Review and Control.** The Board shall review Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and shall make prudent adjustments as needed.
13. **Standard of Care**. The officers and members of the Board of Directors shall make investment decisions in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director or officer reasonably believes to be in the best interests of the Association in accordance with the Colorado Revised Nonprofit Corporation Act.
14. **Definitions**. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
15. **Supplement to Law**. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
16. **Deviations**. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
17. **Amendment**. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

# RESOLUTION

# OF

# BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.

**REGARDING PROPERTIES HELD IN TRUST POLICY**

**SUBJECT:** Properties Held in Trust Policy

**PURPOSE:** To adopt a Policy for Properties Held in Trust

**EFFECTIVE**

**DATE:**

**RESOLUTION:** All owners who hold their Bannockburn property in trust are required to provide a copy of the relevant portions of the trust naming the trustee and any successor trustees to the Bannockburn Homeowners Association at PO Box 211, Franktown, CO 80116. This information will only be used if mail sent to the property mailing address on record with Bannockburn Homeowners Association is returned undeliverable.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

# RESOLUTION

# OF

# BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.

**REGARDING RENTAL HOME POLICIES.**

**SUBJECT:** Rental Home Policies

**PURPOSE:**To adopt a Rental Home Policy.

**EFFECTIVE**

**DATE:       \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**RESOLUTION:**All owners who rent or who are considering renting their homes are subjected to these policies. This condition also pertains to instances where the owner rents to a family member.

* 1. **Owner to provide governing documents to tenant**. Prior to signing a lease agreement, the owner or owner's agent will provide to the tenant(s) copies of the Bannockburn Protective Covenants. Copies of the protective covenants may be obtained from the bannockburnhoa.com website.
  2. **Required lease agreement provisions.** An owner intending to rent out his home will specifically include written provisions in the lease to be signed by the tenant, which are binding on the tenant, his family members and his guests (hereafter collectively “tenant:) specifically covering or providing for all of the following:

That the tenant acknowledges being aware of the protective covenants.

That the tenant understands and acknowledges that the tenant is fully subjected to the protective covenants and must comply with them in all respects.

1. That if the tenant fails to comply with any provisions of the protective covenants it will be considered a material breach or default of the lease agreement and this fact will be sufficient reason for eviction.
   1. **Owner will provide tenant information to Bannockburn Homeowners Association.** After a lease agreement is signed, the owner or the owner’s property management agent will provide to the Association in w riting:
2. Owner’s correct residence address and home phone number.
3. A copy of the entire lease agreement.
4. The legal name of every tenant signing the lease agreement.
5. The mailing address and home phone number of the tenant.
   1. **Existing leases.** All owners with an existing lease agreement in place or tenant residing in their house comply with the provisions of this policy at the time of renewal or extension of such lease or when they lease to another tenant, whichever comes first.
   2. **Communications between Bannockburn Homeowners Association and Landlord.** All tenants will fully comply with these policies.
6. Tenants must communicate to the Association to the Association through their landlords.
7. All tenant violations will be directed to the landlord in writing. The landlord must take action to resolve the violation with his tenant.
8. The landlord is responsible for the conduct of the tenant and the tenant’s guests and will be subject to enforcement actions and legal fees incurred if the tenant is not in compliance with the protective covenants.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:   \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Its: President

**RESOLUTION**

**OF**

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

**REGARDING RESERVE STUDY AND INVESTMENT OF RESERVES POLICY**

**SUBJECT:** Adoption of a policy related to when the Association will have a reserve study prepared, whether there is a funding plan for the work recommended by the reserve study, and whether the reserve study will be based on a physical analysis and a financial analysis.

**PURPOSES:** To provide for the creation and review of a reserve study and for the funding of the work recommended by the reserve study.

**AUTHORITY:** The Declaration, Articles of Incorporation, and Bylaws of the

Association and Colorado law

**EFFECTIVE**

**DATE:**  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

**1. Reserve Study**. The Association will evaluate whether a reserve study is necessary on an annual basis. If a study is conducted, it will include:

**A**. The financial analysis:

1. An analysis of the funds currently held in the Association’s reserve fund in relation to the expected needs of the Association per the reserve study.

2. A future funding plan to meet the requirements of the reserve study.

**2. Funding of the Reserve Study**. The reserve study will be funded through annual assessments. The reserve fund shall be fully funded, meaning the Association’s reserve fund shall maintain a balance at or near 100% as determined by the reserve study.

**4. Funding of the Reserve Fund**. The reserve fund may be funded on an as-needed basis through the imposition of special assessments by the Association.

**5. Investment of the Reserves**. The reserve funds shall be deposited in an interest-bearing account.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

# RESOLUTION

# OF

# BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.

**REGARDING DOCUMENT RETENTION AND DESTRUCTION POLICY**

**SUBJECT:** Document Retention and Destruction

**PURPOSE:** To adopt a Document Retention and Destruction Policy

**EFFECTIVE DATE:**

**RESOLUTION:** The following resolution has been adopted by the Association pursuant to Colorado law, the Declaration of Covenants and the Bylaws of the Association at a regular meeting of the Board of Directors.

# SECTION 1 - Introduction

1. **Scope.** This Document Retention and Destruction Policy applies to **BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.** (hereinafter the "Association"), and the Association's Board of Directors.

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

## **Purpose**. This Document Retention and Destruction Policy is created to establish guidelines for identifying, retaining, storing, protecting and disposing of the Association's Documents (the "Documents"). This Document Retention and Destruction Policy is necessary to ensure that the Association conducts itself in a cost-effective manner while also adhering to legal and business requirements.

## **Policy.**

A. It is the Association's policy to maintain complete and accurate 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.

Documents that are no longer required or have satisfied their recommended period of retention are to be destroyed in an appropriate manner.

Each Board Member is responsible for ensuring that Documents within his or her area of assigned responsibility are identified, retained, stored, protected and are transferred to the Secretary to be maintained in the “Official Files”, in accordance with the guidelines set forth in this Document Retention and Destruction Policy.

## **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 (none of which explicitly address the Association), and industry custom and practice.

## **Board Members.** Members in their discretion may dispose of Documents generated by the Association if the Association has maintained such Documents in the Official Files. If Board Members receive Documents relating to the Association, which were not generated by the Association, or not received through the Association, Board Members shall send the originals of such Documents to the Secretary to be maintained in the Official Files. Documents created by Board members for their own use as a member of the Board of Directors, 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 an Association Document is produced or within six months of creation, whichever is sooner, unless otherwise provided herein. E-mail discussions among Board members shall be copied to and saved by the Secretary pursuant to this policy. No Board Member shall disclose or provide any Document to any owner outside of the Board of Directors. Directors shall direct Owners to make a formal request to the Association pursuant to its inspection of records policy.

## **Annual Purge of Files**. The Secretary shall conduct an annual purge of files. The annual purge of files shall be completed within the first quarter of each calendar year.

## **Destruction Procedure.** All Documents to be purged or destroyed pursuant to this Document Retention and Destruction Policy shall be shredded, or permanently deleted electronically, if stored in an electronic format.

## **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.

## **Onset of Litigation**. At such time as the Board or the Association has been served with a lawsuit, or if it is reasonably foreseeable that litigation may be imminent, all Documents potentially relevant to the dispute must be preserved notwithstanding anything in this policy to the contrary.

Therefore, at the direction of legal counsel the Board President 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 is concluded, and all appeal periods have expired. At the conclusion of the litigation the "hold" period will cease, and the time periods provided in the Document Retention and Destruction Guidelines will recommence.

# SECTION 2 - Definitions

* + 1. **Current.** "Current" means the calendar year in which the Document was created, obtained or received.
    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. The term "Document" includes, among others, writings, drawings, graphs, charts, photographs, tape, disc, audio recordings, microforms, and other electronic documents from which information can be obtained or translated such as electronic mail, voice mail, floppy disks, hard discs and CD ROM. The Documents, as defined in this policy, may encompass more records than those which are available for inspection by Owners pursuant to the Association's Inspection of Records Policy. Not all Documents may be records of the Association as that term is defined in the Inspection of Records Policy and Colorado law, and therefore may not be subject to inspection by Owners.
    3. **Official Files.** “Official Files” means the files of the Association maintained by the Secretary.

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.

## **Permanent.** "Permanent" means that the retention period for that Document is permanent.

## **Termination**. "Life + 4 years" means four years beyond the termination of the relationship, contract or coverage.

# SECTION 3 - Document Retention and Destruction Guidelines

The Association's Documents are grouped into five 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.

|  |  |  |  |
| --- | --- | --- | --- |
| **1.** | **Accounting Records** | **Retention Period** | **Responsibility** |
|  | Accounts Payable | 7 years | Treasurer |
|  | Accounts Receivable | 7 years | Treasurer |
| N/A | Audit Reports | Permanent |  |
|  | Chart of Accounts | Permanent | Treasurer |
| N/A | Depreciation Schedules | Permanent |  |
|  | Expense Records | 7 years | Treasurer |
|  | Financial Statements (Annual) | Permanent | Treasurer |
| N/A | Fixed Asset Purchases | Permanent | Treasurer |
|  | General Ledger | Permanent | Treasurer |
| N/A | Inventory Records | 7 years |  |
| N/A | Loan Payment Schedule | 7 years |  |
|  | Federal and State Tax Returns | Permanent | Treasurer |
| **2.** | **Bank/Financial Records** | **Retention Period** | **Responsibility** |
|  | Bank Reconciliation | 2 years | Treasurer |
|  | Bank Statements | 7 years | Treasurer |
|  | Deposit Tickets | 6 years | Treasurer |
|  | Canceled Checks | 7 years | Treasurer |
|  | Cash Receipts and Cash Disbursement Journals | 7 years | Treasurer |
|  | Owner Ledgers | While owner owns a home in the community + 7 years | Treasurer |
|  | Electronic Payment Records | 7 years | Treasurer |
| N/A | Audit Reports | Permanent | Treasurer |
| N/A | Personal Property Tax Returns | Permanent | Treasurer |
|  | Budgets | 1 year | Treasurer |
|  | Reserve Study | Retain current plan at all times | Treasurer |
| **3.** | **Corporate Records** | **Retention Period** | **Responsibility** |
|  | Board Minutes | Permanent | Secretary |
|  | Committee Minutes | Permanent | Secretary |
|  | Member Meeting Minutes | Permanent | Secretary |
|  | Bylaws, Articles and CC& R's | Permanent | Secretary |
|  | Rules and Regulations | Permanent | Secretary |
|  | Policies, Covenant Modification and Guidelines | Permanent | Secretary |
|  | Record of actions of the Board of Directors or Members without a Meeting (for example, records of made decisions by the Board via e-mail) | Permanent | Secretary |
|  | E-mail communications among Board members directly related to and resulting in a decision made by the Board outside of a meeting. | 1 year | Secretary |
|  | General e-mail discussions among the Board which do not result in any decision being made outside of a meeting | 6 months | Secretary |
|  | Record of Waivers of Notices of Meetings of Members, Board of Directors or Committees | Permanent | Secretary |
|  | Board Resolutions | Permanent | Secretary |
| N/A | Business Licenses | Permanent |  |
|  | Contracts | Life +7 years or warranty period if longer | Treasurer |
|  | Correspondence from Legal Counsel | Permanent | President |
|  | Insurance Policies | Life + 4 years | Treasurer |
| N/A | Leases/Mortgages | Permanent |  |
| N/A | Patents/Trademarks | Permanent |  |
|  | Bids, Proposals | Permanent | Vice President |
|  | Homeowner Records | Permanent | Vice President |
|  | VendorInvoices | 7 years | Treasurer |
|  | Written Correspondence between Association and Vendors | 7 years | Secretary |
|  | Photographs | 7 years | Secretary |
|  | Periodic Reports Filed with the Secretary of State | 1 year | Treasurer |
| N/A | Videotapes and Audiotapes of Board Meetings | Until minutes approved |  |
|  | Proxies and Ballots (generally)  (unless otherwise provided herein) | One year after the election, action, or vote to which they relate | Secretary |
|  | Proxies and Ballots for Document Amendments | Permanently | Secretary |
|  | Plat Map | Permanently | Secretary |
| **4.** | **Owner Communications** | **Retention Period** | **Responsibility** |
|  | Written Communications to all Owners generally (including meeting or other notices sent via e-mail, facsimile and regular mail) | 6 years | On Website |
| **5.** | **Individual Member Files** | **Retention Period** | **Responsibility** |
|  | Correspondence to Members individually (not including enforcement  letters) | As long as Member owns +4 years | Vice President |
|  | Enforcement Letters (including covenant violation letters and violation letters and delinquency  letters) | As long as Member owns+4 years | Vice President |
|  | Owner Complaints (written) | As long as Member owns +4 years | Vice President |
|  | Architectural requests and any responses from the Association regarding Requests | Permanently | Vice President |
|  | Any Correspondence between Association and Members not otherwise listed | As long as member owns + 4 years | Vice President |
| **6.** | **Miscellaneous** | **Retention Period** | **Responsibility** |
|  | Miscellaneous Documents (not otherwise listed herein) | At Board's discretion | Board Members |

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President

# RESOLUTION

# OF

# BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.

**REGARDING VARIANCE REQUEST POLICY AND FEES.**

**SUBJECT:** Variance Request Policy & Fees

**PURPOSE:** To adopt a Variance Request Policy.

**EFFECTIVE**

**DATE:**

**RESOLUTION:** The following policy has been adopted by the Association pursuant to Colorado law, the Declaration of Covenants and the Bylaws of the Association at a regular meeting of the Board of Directors. For each notice of proposed variance mailing, payable upon the variance(s) being accepted by the Board of Directors. The $250 fee shall cover the costs of: A maximum of 2 black & white sheets for copying, one (1) stamp and a standard size envelope. Any deviation from this, including but not limited to, additional pages, color copies, double sided copies and additional postage, the homeowner will be required to provide the additional necessary funds and/or materials.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_ and in witness thereof, the undersigned has subscribed his/her name.

**BANNOCKBURN HOMEOWNERS ASSOCIATION, INC.**

By:

Its: President