

WEXFORD ESTATES HOMEOWNERS ASSOCIATION POLICIES AND PROCEDURES

ADOPTION AND AMENDMENT OF POLICIES:

The purpose of this Policy setting forth procedures for the adoption and amendment of policies, procedures and rules. Pursuant to the Association Documents and C.R.S. §38-33.3-302, the authority to create, adopt, enforce, amend and repeal policies, procedures and rules lies with the Board.

1. Prior to adopting any Policy, the Board has the right but not the obligation to solicit information regarding the proposed Policy from the Members. The Board may gather information by distributing draft policies, forming a committee, conducting an informational meeting or any other method determined by the Board to be appropriate considering all of the relevant circumstances.

When the Board, in the exercise of its discretion, determines that a Policy should be adopted, amended or repealed, as appropriate, it shall do so either at a meeting of the Board or by written consent in lieu of a meeting, or by any other method authorized by the Association Documents and or pursuant to statute.

2. The Board shall then give notice of the adoption, amendment, or repeal of the Policy in writing by first class mail, postage prepaid, to each Member of the Association at the address for notices to Members as provided for in the Association Documents and shall publish the Policy by any reasonable means available, including but not limited to posting the Policy on its website, by e-mail, mail, newsletter, if any, or personal delivery. The Policy, along with all other Policies of the Association, shall be available for inspection and copying in accordance with the Association's Policy regarding inspection and copying of Association records.
3. Any Owner's failure to receive the Policy shall not be a defense to any attempt by the Association to enforce the Policy or to levy fines, expenses, or attorney's' fees as a result of a violation of the Policy.
4. As used in the Association Policies, capitalized terms shall have the same meanings as defined in the Declaration. The Policies adopted by the Association are supplemental to the Association Documents and The Act. In the event of a conflict between the provisions of any Policy and the Declaration, the Declaration and The Act shall control.
5. The provisions of the Association Policies shall be independent and severable. The invalidity of any one or more of the provisions of any Association Policy by judgment or court order or decree shall in no way affect the validity or enforceability of any of the other provisions, which shall remain in full force and effect.

7. The Association has a statutory lien on a Lot for any Assessment levied against the Lot and other fines and charges allowable under The Act as Assessments imposed against the Member. The recorded Declaration constitutes record notice and perfection of the lien, no further recordation of any claim of lien for Assessments is required for the statutory lien. The amount of the lien includes the amount of any Assessment and all allowed charges from the time they become due. If an Assessment is payable in installments, each installment is a lien from the time it becomes due, including the due date set by any valid acceleration of installment obligations. The Association's lien has priority over other liens as provided by The Act.
8. After an installment of the annual HOA Assessment or any other Assessment, charge or payment owed to the Association becomes thirty (30) days past due, the Association shall cause a notice of delinquency to be sent to the Member who is delinquent in payment. The notice of delinquency is the second notice to the Member of the amount due to the Association, shall include any applicable fees, late charges and interest, and offer a six (6) month payment plan and/or an opportunity for the Member to meet with the Board of Directors of the Association. Failure of the Member to respond within thirty (30) days is grounds for the Association to pursue its remedies at law.
9. The Association's lien may be foreclosed in a like manner as a mortgage on real estate, or as provided by The Act, and the Association has the right to pursue other available remedies, including suits to recover sums. The Association has the right to accept a deed in lieu of foreclosure.
10. The Association shall be entitled to costs and reasonable attorney fees incurred by the Association in a judgment or decree in any action or suit brought by the Association in accordance with The Act.
11. The Association may but shall not be required to refer delinquent accounts to its attorney for collection. After consultation with the Board, the attorney shall be entitled to exercise all available remedies to collect the amounts due, including judicial foreclosure and appointment of a receiver of the delinquent Member's property. The Association may but shall not be required to assign delinquent accounts to one or more collection agencies for collection.
12. Nothing in this Resolution shall require the Association to take specific actions other than to notify Members of the adoption of this Policy. The Association has the option and right to continue to evaluate each delinquency on a case by case basis, the Association retains the authority to grant a waiver of any provision herein upon petition in writing by a Member showing an extreme personal hardship or other valid basis for a waiver. Such relief granted a Member shall be appropriately documented in the records of the Association, including the name of the person or persons representing the Association granting the relief and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association may determine appropriate under the circumstances.

yield the floor, terminate the discussion without prejudice and require that Member to comply with the President's or acting chair's instruction.

8. If a Member unreasonably disrupts a meeting, refuses to stop speaking when requested, or is otherwise in violation of the provisions of the Association Documents, the President or acting chair may call a recess and attempt to speak directly to the Member, or adjourn the meeting to another time. The President may at any time call law enforcement or security to bring the situation under control.
9. Attorney-Client Privileged Communications. Upon the final resolution of any matter for which the Board received legal advice or that concerned pending or contemplated litigation, the Board may elect to preserve the attorney-client privilege in any appropriate manner, or it may elect to disclose such information, as it deems appropriate, about such matter in an open meeting.

CONFLICT OF INTEREST:

The Association desires to ensure that the Board and all individuals appointed to committees of the Board maintain a high standard of ethical conduct in the performance of the Association's operations and adhere to the standards and requirements of The Act by adopting a Policy governing the handling of conflicts of interest of Board members, the Board hopes that the Members will be able to have confidence in and respect for the Association's leadership.

1. A "conflicting interest transaction" is a contract, transaction, or other financial relationship between the Association and a Director of the Association, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest. A "party related to a Director" shall mean a spouse, a descendent, an ancestor, a sibling, the spouse or descendent of a sibling, an estate or trust in which the Director or a party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director, officer, or has a financial interest.
2. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.
3. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes, approves, or ratifies the conflicting interest transaction.
4. No conflicting interest transaction shall be void or cause to be voided or be enjoined, set aside, or give rise to an award of damages or other sanctions in a proceeding by a Member or by or in the right of the Association, solely because the conflicting interest transaction involves: 1) a Director of the Association or 2) a party related to a Director or 3) an entity in which a Director of the Association is a director or officer or has a financial interest. The 5.

3. If a complaint is found to be in violation of a municipal code, the complaint will be forwarded to the appropriate authorities.
4. If a violation is found and documented the following actions will be taken:

A letter will be sent to the owner (and tenant if it is known the unit is being used as a rental, and the property management company, if applicable) stating that the violation has occurred while referring them to the governing documents which appears to be in violation. This letter will allow the unit owner to forward documentation if they believe the violation did not occur.

The unit owner will have 7 (seven) days to respond to the letter to correct the violation. If the violation is still observed after 7 (seven) days, a second letter will be sent to the Owner (and the tenant if it is known the unit is being used as a rental, and the property management company, if applicable) stating that if the violation continues then fines will be imposed. The unit owner will have 7 days to correct the violation or request a hearing with the Board (see Dispute Resolution Policy for specifics)

Violations that Constitute a Present Danger. If, in its sole discretion, the board deems that any violation or alleged violation is or may be an immediate or substantial threat to the health, safety, or welfare of the community or an individual, the Board may impose any appropriate sanctions as necessary to abate the threat to health, safety, or welfare of the community or individual, without conducting a hearing as provided in this Policy. Following any actions of the Association to abate a present danger, the matter shall be addressed as provided in this policy.

If the violation is not corrected and/or a hearing is not requested or after hearing the Owner is still found to be in violation the Association will levy the following fines:

Schedule of Fines: Number of violations in a 12-month period

Violations in Article 8 – Restrictions on use

First Violation: Warning

Second Violation: \$50.00

Third Violation: \$100.00

Architectural Violations

Each violation: \$150.00 plus \$50.00 per day until plans have been submitted.

Parking and Vehicular Violations

First Violation: Warning plus cost of damages, if any, to Common Areas

Second Violation: \$50.00 plus cost of damages, if any, to Common Areas

Third Violation: \$100.00 plus cost of damages, if any, to Common Areas

Enforcement Actions. Any action by the Association to enforce any provisions of the Association's Declaration, Bylaws, Rules and Regulations, or Policies; and

5. No Waiver. Failure by the Association to enforce any provision of this Policy shall in no event be deemed to be a waiver of the right to do so thereafter.
6. Additional Remedies. These enforcement provisions may be in addition to other specific provisions outlined in the Association Documents, and the Association is not required to follow these enforcement provisions before seeking such other remedies. The Association may choose a legal remedy or seek assistance from other enforcement authorities, such as police, fire, or animal control, as it deems appropriate.
7. Statute of Limitations. Any claim of the Association which, if not pursued by the filing of a lawsuit, would be deemed barred due to the applicable statute of limitations.
8. ADR Not Required. Nothing in this Policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet.
9. Neither the Association nor the Member waives any right to pursue whatever legal or other remedial actions available to either party.

INSPECTION AND COPYING OF ASSOCIATION RECORDS:

The Act establishes the obligation of the Association to keep adequate records and give all Members the right to examine and copy the financial and other records of the Association for a proper purpose. This Policy has been adopted to: establish uniform procedures for the inspection and copying of Association records by Association Members; to establish the type of records kept by the Association or its agent and where they are stored, including the availability of records on a website; and to establish the cost of copying Association records. This Policy also facilitates delivery or transmission of written statements to permitted persons or organizations describing the amount of unpaid Assessments currently levied against any Lot.

1. The Association shall maintain permanent records in accordance with C.R.S. §38-33.3-317, including minutes of all meetings of Members and the Board, a record of all actions taken by the Members or Board by written ballot or written consent in lieu of a meeting, a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association, and a record of all waivers of notices of meetings of Members and of the Board or any committee of the Board. The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.
2. Records to be Maintained at Association's Principal Office. A copy of each of the following records shall be kept at its principal office, all as they may be amended from time to time:

List of Owners. A record of Lot Owners in a form that permits preparation of a list of the

member or employee of the Board. No records may be removed from the office without the express written consent of the Board. Further, if a Member requests to inspect records, the Association may photocopy and provide the requested records to the Member in lieu of the Member's inspection of the records if the Member consents.

The Association may charge a fee, which may be collected in advance, but which shall not exceed the Association's actual cost per page, for copies of Association records.

Consistent with individual Member's right to privacy, attorney-client confidentiality and other considerations, the following records will not be made available without the express written consent of the Board:

Confidential personnel records;

Confidential litigation files and matters covering consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or are privileged or confidential between attorney and client;

Files dealing with investigative proceedings concerning possible or actual criminal misconduct;

Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;

Inter-office memoranda, preliminary data, working papers and drafts, and general information or investigations which have not been formally approved by the Board.

In determining whether records may be inspected, the Association shall consider, among other things:

Whether the request is made in good faith and for a proper purpose;

Whether the records requested are relevant to the purpose of the request;

Whether disclosure is for an illegal or improper purpose, or would violate a constitutional, statutory provision or public policy;

Whether disclosure may result in an invasion of personal privacy, breach of confidence or privileged information, as set forth above;

The Association reserves the right to pursue any individual for damages or injunctive relief or both, including reasonable attorney's fees, for abuse of these rights.

INVESTMENT OF RESERVE FUNDS:

This Policy defines investment objectives and procedures to protect and ensure the safety of the assets and capital improvements of the Association and those volunteers who participate in the investment process. This Policy also provides guidance to those who offer investment services to the Association, including brokers/dealers, banks, consultants, savings institutions, and custodians. This Policy does not set forth: (1) the minimum reserve fund balance required of the Association; (2)

management, cash management, or treasury functions upon prior approval of the Board of Directors. Persons authorized to transact investment business for the Association are limited to these three officers and only when prior approval for any investment transaction has been approved by a majority of the Board. The Secretary will provide a copy of this investment Policy to all of the Association's investment service providers. Association Members will receive a copy of this investment Policy from the Secretary upon request. The Treasurer may engage the support services of outside professionals, subject to the availability of budgeted funds and prior approval from the Board. The Board shall provide a copy of this Policy to the newly elected Treasurer and Secretary at the assumption of office.

10. The Association shall not invest in the following asset class(es):

Individual stocks;

Equity mutual funds, domestic or foreign;

Mutual funds consisting of bonds or mortgages and or derivatives;

Options on equity, debt or commodities;

Floating rate securities or floating rate certificates of deposit; and

Investment in a single institution in excess of FDIC insurance limits.

11. Banks and savings institution shall be approved by written resolution by the Board to provide depository and other banking services for the Association. To be eligible for authority on, a bank must be domiciled in the United States and have physical facilities for doing business in the State of Colorado, a member of the FDIC and must meet the minimum credit criteria of credit analysis provided by commercially available bank rating services. Banks failing to meet the minimum criteria, or, in the judgment of the Treasurer or Board, no longer offering adequate safety to the Association funds, shall be unauthorized to provide depository and other banking services for the Association.

12. On an annual basis, an investment report shall be prepared and submitted by the Treasurer or an outside advisor, who will provide such report to the Board in a timely manner, listing the reserve fund investments held by the Association and the current market valuation of the investments. The report shall include a summary of investment earnings during the prior fiscal year. The Association Members shall have access to the list of Association reserve fund portfolio holdings.

13. The Board shall review Policy periodically and may amend the Policy as conditions warrant. The Treasurer may recommend amendments to this Policy as necessary.

RESERVE AND FUNDING POLICY:

COLLECTION OF UNPAID ASSESSMENTS:

The purpose of this Policy is to establish a uniform and systematic procedure for collecting Assessments and other charges of the Association.

1. All Members are obligated by the Declaration to pay all dues and Assessments in a timely manner, and failure to do so jeopardizes the Association's ability to meet its financial obligations. Failure of Members to pay Assessments in a timely manner is also costly to the Association and unfair to other Members. Accordingly, the Association, acting through the Board must take steps to ensure timely payment of Assessments so that it may operate in a fiscally responsible manner.
2. The annual Home Owner Association (HOA) Assessment as determined by the Association shall be due and payable annually. Any assessment not paid within thirty (30) days after the due date shall be delinquent and shall bear interest and late fee's per Section 4.8 of the Declaration:

Interest: 18% interest per annum from the due date until paid

Late Charge: 10% of the delinquent assessment

3. Return Check Charges: A fee in an amount that equals what the bank charges the HOA for returned checks or other instrument shall be assessed against a Member in the event any check or other instrument attributable to or payable for the benefit of such Member is not honored by the bank or is returned by the bank for any reason whatsoever, including, but not limited to, insufficient funds. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. If two or more of a Member's checks are returned unpaid by the bank within any twelve (12) month period, the Association may require that all of the Member's future payments, for a period of one year, be made by certified check or money order.
4. The Association shall be entitled to recover its collection costs and reasonable attorney fees and costs incurred in the collection of Assessments or other charges due the Association from a delinquent Member, without the necessity of commencing a legal proceeding.
5. The Association reserves the right to apply all payments received on account of any Member first to payment of any and all attorney fees and costs, then to costs and expenses of enforcement and collection, late charges, interest, returned check charges, lien fees, and other costs owing or incurred with respect to such Member, and any remaining amounts shall be applied to the Assessments due with respect to such Member.
6. Collection Procedure; Lien: The original written communication to the Member regarding the annual HOA Assessment or any other Assessment, charge or payment owed to the Association, however accomplished by the Association, constitutes the first notice to the Member of an amount due to the Association.

CONDUCT AT MEETINGS:

To establish a uniform and systematic protocol for conducting meetings of the Association, including Members' meetings and Board meetings; to ensure equitable participation by Members while permitting the Board to conduct the business of the Association.

1. All meetings of the Association are open to every Member, or to any person designated by a Member in writing as the Member's representative, subject to the right of the Board to conduct executive sessions as provided in the Association Documents and The Act.
2. Copies of the agenda will be available at the meeting. The agenda for all meetings shall follow the order of business specified by the Association's Documents. If no order is specified, then as in accordance with the order of business as determined by the Board of Directors.
3. Members who desire to speak at a meeting are requested to notify the Association in advance or on the meeting sign-in sheet. Any Member wishing to comment at the ensuing meeting may add his/her name to the sign-in sheet and indicate the agenda items they desire to comment on. Members will be recognized for comment at the appropriate agenda item and in the order their names appear on the sign-in sheet. The Board may place reasonable time restrictions on persons speaking during the meeting. At an appropriate time determined by the Board, but before the Board votes on an issue under discussion, Members or their designated representatives shall be permitted to speak regarding that issue, in addition to any other opportunities to speak. If more than one person desires to address an issue and there are opposing views, the Board shall provide for a reasonable number of persons to speak on each side of the issue. All Members wishing to comment who have not placed their names on the sign-in sheet will be permitted to speak, at the discretion of the President or acting chair and if time permits.
4. Extended Discussion. If it becomes evident that discussion of a particular issue will exceed the time allocated on the agenda, the Board may continue the meeting to another date or schedule a special meeting or work session to further address the issue.
5. Note taking at Association meetings is permitted. Recording by video or audio of any meeting is not permitted unless explicitly authorized by the Board.
6. No Member is entitled to speak until recognized by the chair. There shall be no interruption of anyone who has been recognized by the chair, except by the chair. Specific time limits set for speakers shall be strictly observed. Personal attacks, whether physical or verbal, and offensive language will not be tolerated. All comments are to be directed to the chair and no other individual participants. All comments are to be restricted to the agenda item being discussed. Members are expected to behave courteously.
7. Should the President or acting chair determine that any Member has spoken for the allocated amount of time or longer, or determine that the Member is in violation of the provisions of this Policy, the President or acting chair shall have the authority to instruct that Member to

Director with the conflicting interest may be present at and participate in the meeting of the Association's Board or of a committee of the Board addressing the conflicting interest transaction.

5. The Association may authorize, approve, or ratify the conflicting interest transaction if:
6. The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board or the committee, and the Board or committee in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors are less than a quorum;
7. The material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Members entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the Members entitled to vote thereon;

The conflicting interest transaction is fair as to the Association.

8. The minutes of meeting of the Board and all committees with Board delegated powers shall contain the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflicting interest transaction, the nature of the conflicting interest, any action taken as a result, and the Board's or committee's decision.

ENFORCEMENT OF COVENANTS AND RULES:

The Board of Directors has the duty to manage the Association and regulate the use of the common elements. The Association Documents establish rules and obligations of the Members. This Policy sets forth the procedures for enforcing the provisions of the Association Documents and The Act. The Board has the power and duty to hear and make decisions regarding violations of the Association Documents to impose fines or other sanctions against Members. The Board may determine appropriate enforcement action on a case by case basis and take other actions as it may deem necessary to assure compliance with the Association Documents and to create a safe and harmonious living environment.

1. Violations may be observed by the Board of Directors, the management company, a committee member or reported via written correspondence through email or mail service. The complaint must state specifically the violation observed and include who the violating party was, what was observed, the date, place and time of the violation and any other pertinent information such as license plate number, etc.
2. If full details are not provided with a complaint, further action beyond additional observations cannot be made. The Board or the management company will investigate the complaint further and will make additional observation if required.

Landscape and Maintenance, Debris/Cleanup Violations

First Violation: Warning

Second Violation: \$50.00

Third Violation: \$100.00 plus cost of clean-up

For Each subsequent violation within a 12-month period: \$250.00

5. It is the responsibility of the Owner to notify the Board that a violation has been rectified.
6. Non-payment of fines will fall under the Collection of Unpaid Assessments Policy
7. Voting rights will be suspended for any Owner who is in violation of the CC&R's
8. Owner Obligation. The Member (Owner(s) of Record) of real estate subject to the Declaration shall have the primary obligation to pay fines imposed for their actions and actions of their tenants, Family members, and guests. Fines imposed pursuant to these enforcement policies and procedures shall become a Special Assessment imposed against the Member's (Owner(s) of Record) real estate and enforceable as provided in the Declaration.

DISPUTE RESOLUTION:

The purpose of this Policy is to adopt a standard procedure to be followed for alternative dispute resolution (ADR) when disputes arise between a Member and the Association.

1. In the event of any dispute involving the Association and a Member, the Member is invited and encouraged to meet with the Board to resolve the dispute informally and without the need for litigation. If the Member requests to meet with the Board, the Board shall make a reasonable effort to comply with the Member's request.
2. If the dispute cannot be resolved informally, it is the general policy of the Association to use an Alternative Dispute Resolution to resolve disputes which involve the Association and a Member. Alternative Dispute Resolution ("ADR") is defined as a procedure for settling a dispute by means other than litigation, such as mediation or binding or non-binding arbitration.
3. Except for the Exempted Claims defined in this Policy, the Association and the Member shall attempt to resolve the dispute using ADR methodologies prior to filing suit in any court of competent jurisdiction.
4. The following claims shall be exempt from the provisions of this Policy:

Collection of Assessments. Any action by the Association against a Member to collect Assessments or other sums due to the Association, including foreclosure proceedings; and

names and addresses of all Owners;

Articles of Incorporation. The Association's Articles of Incorporation or other organizational documents;

Declaration. The Association's Declaration; Covenants. The Association's Covenants and restrictions; Bylaws. The Association's Bylaws;

Policies and Resolutions adopted by its Board relating to the characteristics, qualifications, rights, limitations, and obligations of Members.

The minutes of all Member meetings, and records of all action taken by Members without a meeting, for the past three years;

All written communications, including e-mail, within the past three years to Members generally as Owners;

A list of the names and business or home addresses of its current Directors and Officers;

The Association's most recent annual report, if any;

All financial audits or reviews of the Association conducted during the immediately preceding three years;

All financial and other records of the Association shall be made reasonably available for examination and or copying by any Owner and or such Owner's authorized agents.

The term "reasonably available" means available during normal business hours, upon notice of five business days, or at the next regularly scheduled meeting if such meeting occurs within thirty days after the request, to the extent that the request is made in good faith and for a proper purpose, the request describes with reasonable particularity the records sought and the purpose of the request, and the records are relevant to the purpose of the request.

The Association's website, when operational, will contain many of the Association's available records, including links directly to the records, and information on how to request the record. The Association's email address is propertysolutionsbytm.com. Members are encouraged to use email and to check the website, if operational, for immediate access to frequently requested records and documents. Records are not yet available for access by Members on the web site.

A membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a Member's interest as a Member without the consent of the Board. Without the consent of the Board, a membership list or any part thereof may not be used to solicit money or property unless such money or property will be used solely to solicit the votes of the Member in an election to be held by the Association and may not be used for any commercial purpose or sold to or purchased by any person.

At the discretion of the Board, certain records may only be inspected in the presence of a Board

any mandate for an annual reserve fund study; or (3) the tax consequences of the investment options contained herein. With regard to the investment of reserve funds of the Association, the officers and Members of the Board shall be subject to the standards set forth in C.R.S. §7-128- 401, except that, as used in that statute:

1. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital, with the objective of mitigating credit risk and interest rate risk.
2. The Association will minimize credit risk, the risk of loss due to the failure of the financial institution, by:

Limiting investments to the safest types of investments as provided for herein;

Pre-qualifying the financial institutions, brokers/dealers, and advisors with which the Association does business; and

Subject to the limitations herein, diversifying the investment portfolio so that potential losses on individual investments will be minimized.

3. The Association will minimize the risk of the market value of investments in the portfolio due to changes in general interest rates by:
4. Structuring the investment portfolio so that investments mature sufficiently close to cash requirements for ongoing operations, thereby minimizing the potential need to sell investments prior to maturity; and
5. Investing all funds primarily in short- to intermediate-term investments, and approved money market mutual funds.
6. The investment portfolio shall remain sufficiently liquid to meet all planned reserve fund expenditures for the following fiscal year. To ensure that adequate reserve funds are available to pay the Association's reserve expenditures, annual reserve fund investments shall reasonably match the planned reserve fund expenditures for the following fiscal year.
7. The reserve fluid portfolio shall consist largely of Money Market Accounts and/or Certificates of Deposit
8. Subject to the restrictions on the types of investments, the Association's portfolio shall earn a competitive market rate of return on available funds throughout budgetary and economic cycles. In meeting this objective, the Association, through the Board, will take into account the Association's investment risk, constraints, and cash flow needs.
9. Responsibility for conducting investment activities for the Association resides with the Board. The President and the Secretary of the Board will be considered an authorized person to assist the Treasurer in performing transactions concerning investment

To adopt a Policy setting forth procedures for a reserve study and funding policy.

The Association shall have prepared a reserve study for the portions of the Project maintained, repaired, replaced and improved by the Association at such time as the Board shall, in its sole business judgment, determine that this is necessary. Partial updates and changes may be made at the discretion of the Board. This study may be made by members of the Association or professionals, in the discretion of the Board.

The Association does or will have a funding plan for work recommended by any reserve study and the sources of funds to perform any work may include, among other things, current assessments, regular assessments, additional assessments, special assessments, a reserve fund into which deposits have been made, operating surpluses from previous years, borrowing or any other source of funding. Funding may be made through a pre-funded reserve fund or at the time of the necessary work. Funding sources may be changed at the discretion of the Board. Different work may be funded in different manners or in several different manners.

Any reserve study will be based upon both a physical and financial analysis.

Adopted on 10-23-18

By: Jessie A. Gleene
Secretary