

**Grand West Estates Owners Association**  
**Board Policy Statement (Revised 9/19/2015)**

**Adoption and Amendment of Policies, Procedures and Rules**

As situations arise, or as mandated by law, the board will adopt or amend policies, procedures, and rules. All such items will be discussed at a regularly scheduled board of directors meeting where owners may offer their comments prior to any formal action taken by the board of directors. The aforementioned will also apply to the repeal of any policies, procedures or rules.

**Meeting Policies**

Notice of all meetings will be given as early as possible but at least 30 days prior to any such meeting. Notification of annual owner meetings will be done electronically by posting such notice on the Association's website and by mail to the address provided by the owners to the secretary of the Association. Notification of board meetings will be done electronically by posting such notice on the Association's website and by sending an e-mail to owners that have requested e-mail notification and whose e-mail address has been provided to the secretary of the Association. All meetings of the Association and board of directors are open to every property owner of the Association or to any person designated in writing as a proxy by a unit owner.

Property owners may address an issue presented to the board at annual and board meetings prior to the BOD taking formal action on such matter. The time for such discourse will be when a motion has been made and is open for discussion prior to a final vote. Where there are many owners wishing to discuss an issue, the board may place reasonable limits so as to keep the meeting moving. In no event, however, will such limits prevent a reasonable number of people to speak on each side of an issue.

At the Annual Meeting votes to elect members to the board of director will be by secret ballot only. The counting of ballots will be done by an owner selected by the current Board of Directors from a pool of two or more non-candidate owners. Voting on all other issues must be by secret ballot if requested by any owner present. Said voting procedure will also apply to proxies.

**Association Business**

A 3 member Board of Directors will manage the business and affairs of Association. Each Director will have a 3-year term with election of one new Director each year at the annual meeting.

The Board of Directors will hold a Board Meeting each year immediately following the Annual Member Meeting. At that meeting the Board will elect, from among themselves, officers of the Association, a President, a Treasurer, and a Secretary. The Board will also review these operating procedures to assure efficient transition & continued smooth operation of the Association. In addition, a list of all records in the possession of the Treasurer or the Secretary, other than those noted specifically for posting to the association website, will be reviewed to determine the need for continuing to maintain these items. One Director will serve as the designated agent of the association. Another will prepare the annual consumptive use water report for Case No. 90CW18 and 92CW67

, provide a copy to the Treasurer and submit the report to Grand West Properties and the State Engineer (Division 2). The third Director will serve as the Webmaster for the association website. The Directors shall serve in these functions for all 3 years they are directors before passing the task on to the association member elected to replace them. The Board will appoint lot owners as Chairman and 2 members to serve as the Architectural Integrity Committee (AIC) and up to 2 alternates.

The AIC shall function as the primary review & approval prior to construction in accordance with the provisions of the Declarations of Conditions, Covenants, Restrictions, Easements and Charges for Grand West Estates. The Chairman will keep the Secretary informed of any contacts, proposals, or plans for building construction or modifications within Grand West Estates. The Chairman will provide brief written reports of AIC actions or decisions to the Secretary for inclusion in the minutes of the Directors meetings.

The President, with the approval of the Board of Directors, will manage the business and affairs of the Association. The President will keep the permanent records of the Association including minutes of all board and owner meetings and records of all actions taken by the board or owners by written ballot instead of holding a meeting. This permanent record will be updated with the records of the just completed fiscal year immediately following the first board meeting of the new fiscal year. The permanent record will be passed from the outgoing President to the incoming President at the board meeting immediately following the annual owners meeting.

#### **Financial Records & Assets**

The Treasurer will keep the Association's financial assets and financial records using generally accepted accounting procedures. The Association's fiscal year is 1 Jan to 31 Dec of each year. The Treasurer will prepare and send notices of annual dues, special, and other assessments for each lot. The Treasurer will maintain custody of the important assets of the Association, including copies of the Articles of Incorporation; the Declarations of Conditions, Covenants, Restrictions, Easements and Charges; the Bylaws of the Association; the Grand West Tract A Deed; the Water Right; and such other assets as the Board deems appropriate. These items will be stored in a safe and permanent location.

The records will be kept on a cash basis in the checkbook register. All income, expenditures, loans, and investments will be recorded by transactions in the checkbook register and this register will be the official record of transactions for the Association. As such it should be complete, and the balance entered for each transaction. No expenditure will be made without a voucher, bill, or receipt to show the purpose of the expenditure. The checkbook register will be reconciled to the account statement received from the bank each month. The Treasurer will keep bank statements, expenditure voucher/bill/receipts, and the checkbook registers, annual water report for the 3 years prior to the current year.

The Treasurer will report the financial condition of the Association at each BOD meeting. A standard set of accounts and budget and income categories will be used to record the financial condition of the Association. The same accounts and categories will be used year to year to the maximum extent possible.

The Treasurer will prepare the financial statement of the condition of the Association and proposed budget for the next fiscal year. Upon approval of the Board of Directors it will be sent to the owners with the announcement of the annual meeting. This information will be updated and presented by the Treasurer at the annual meeting. The proposed Directors's budget for the next fiscal year is ratified unless a majority of Owners entitled to vote at the Annual Meeting reject it. The budget may then be amended and approved. Upon approval of the budget, the Treasurer will post it to the association's website within 30 days after the meeting and delete the budget from the prior year.

The Treasurer will prepare the financial statement of the condition of the Association, reconciled to the December bank statement, expenditures by budget or reserve accounts, and the final status of budget and reserve accounts at the end of each fiscal year. This report will be presented at the first directors meeting following the end of the association's fiscal year. The Board will audit the report and books and if satisfactory will approve the financial statement. Upon approval of the statement, the Treasurer will post the results to the association's website within 30 days after approval and delete annual financial reports from earlier than the prior 3 years.

Due to the limited operating funds of the Association, preservation of capital will be the guiding principle of investing reserve funds. Additionally, any investment will allow ready access to funds should the need for the funds arise sooner than anticipated. Investments should be in FDIC insured accounts, investment grade bonds, or instruments of the United States Government.

#### **Association Records, Policies, and Procedures**

The Secretary of the Association will prepare and maintain the following items: agenda and notices for the annual member meeting; minutes of the annual member meeting; agenda for all board meetings; minutes of all board meetings; and, a record of any action taken by the board or owners by written ballot in lieu of a meeting. The Secretary will mail the agenda and notices for the annual meeting and post the agenda on the website at least 30 days prior to the date of the meeting and delete the agenda from the prior year. The Secretary will post the draft minutes of the current year meeting, the approved minutes of the prior year annual meeting and delete the approved minutes from earlier than the prior 3 years on the website within 30 days of the annual meeting. The Secretary will post the agenda for each board meeting on the website, replacing the agenda of the prior meeting, at least 30 days prior to the date of the meeting. After the meeting the Secretary will post on the website within 30 days the draft minutes of the meeting and replace the draft minutes of the prior board meeting with the approved minutes. After the first directors meeting following the end of the association's fiscal year the Secretary will delete minutes from board meetings earlier than the prior 3 years.

The Secretary of the Association will also keep copies of the following items: any action taken by a committee on behalf of the board; and any special notices of board, committee, and/or owners meetings; board resolutions effecting owners; all written communications sent to owners; grants; contracts; other necessary items; names and addresses of the current board; and a list of the owner of each lot, mailing address, and email address.

All records of the Association will be maintained on the Association website, or in writing, or in a form that can be converted into written form within a reasonable time

upon request. Owners may review these records on the website at any time by going to the website. To inspect or request copies of records not on the website will require a written request submitted to the secretary of the Association. The secretary will respond within a reasonable period of time and coordinate a time/place for such inspection. Any such request must be made in good faith, for a proper purpose, and describe what records are requested and why. The documents requested must be relevant to the purpose of the request, i.e. there must be a reasonable connection that clearly makes the request non-frivolous or non-vexatious. The cost of copying any records, which will be the association's actual cost, will be at the expense of the requestor, except for records which are posted at the association's website. Payment of such fees will be required prior to the association copying the requested records.

The Secretary of the Association shall be responsible for assuring access to the Association mail from PO Box 1342 at the Lake County Post Office. This will include maintaining custody of PO Box keys, coordinating with other Board members so that someone periodically retrieves the mail, and updating the Lake County Post Office custody records when the secretary's duties are transferred to a new member. The Secretary of the Association shall also be responsible for maintaining custody records of Safe Deposit Box keys and transfers among members.

### **Assessments**

Notices of annual, special, and other assessments will be sent, by the Treasurer, to the address of record for each lot. Each assessment will be due and payable on the date specified in the written notice to each owner, but such date shall not be less than 30 days after such notice is sent. A fee of fifty dollars (\$50) will be assessed for a check returned for insufficient funds.

Annual assessments are due and payable on January 31<sup>st</sup> of each calendar year or 30 days after the assessment notice is postmarked, whichever is later. If the assessment is not paid or postmarked by the original due date, one reminder ("delinquent assessment notice") shall be sent to the address of record within 30 days after the original due date, with the assessment due and payable under the same terms as the first notice.

If the delinquent assessment is not paid or postmarked by 30 days after the delinquent assessment notice is postmarked, a late charge/administrative fee will be assessed and interest accruing from the original due date will be charged for each delinquent assessment. Such late charge will be the greater of (1) ten percent (10%) of the amount of the delinquent assessment or (2) fifty dollars (\$50). The interest due is calculated by multiplying the annual assessment amount by the specified interest rate (18% per annum) by the number of days between the postmarked payment date and the original due date.

Any unpaid assessment, charge, fee or other sums assessed against an Owner or his Lot, including without limitation assessments, late charges, costs of collection, and the interest thereon at the rate of eighteen percent (18%) per annum, shall be a charge on the interest of the Owner of that Lot and shall be a continuing lien, in favor of the Association, upon the Lot against which each such assessment, charge, fee or other sum is made. All payments on account shall be first applied to interest, late charges, Costs of Collection, and then to the assessment payment due.

Before the association turns over a delinquent account to an attorney or collections agency, the association will send the delinquent owner a written notice specifying:

- o The total amount of the arrearage, with an accounting of how the total arrearage is determined;
- o Whether the opportunity to enter into a payment plan exists and instructions for contacting the association to enter into the payment plan;
- o The name and contact information for the individual the owner may contact to request a copy of the owner's ledger to verify the amount of the debt; and
- o That action is required to cure the delinquency and failure to do so within 30 days may result in the account being turned over to a collection agency, a lawsuit being filed against the owner, the filing and foreclosure of a lien against the owner's property and other remedies available under Colorado law.

The Board may, but shall not be required to, record a statement of lien with respect to the Lot. The Board may proceed to foreclose the lien in the manner as provided for in the Act. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from suing the Owner personally liable therefore or from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessments, charges, fees or other sums, which are not fully paid when due.

#### **Enforcement of Declarations**

The Board of Directors of the Association will give notice to the Owner of the Lot where a violation of the Amended Declaration occurs, which notice shall state the nature of the violation and the intent of the Association to invoke Section 305 unless within a period stated in the notice (not less than thirty (30) calendar days), the violation is cured and terminated, appropriate measures to cure and terminate are begun and are thereafter continuously prosecuted with diligence, or a plan and timetable to cure and terminate the violation is accepted by the Board of Directors of the Association. Costs incurred by the Association to cause compliance to be attained if the violation is not cured and terminated as required by the notice, shall be paid by the Lot Owner and if not paid within thirty (30) days after such Owner has been sent notice of the amount due, such amount, plus interest at the rate of eighteen per cent (18%) per annum and Costs of Collection, shall be a lien on the ownership interest in the Lot (including improvements thereon) and shall in all respects be the personal obligation of the Owner. The Board of Directors of the Association may bring an action at law for recovery of the costs so incurred by it, plus interest and Costs of Collection against the Owner, and may bring an action to foreclose the lien against the Lot and improvements subject to the lien and there shall be added to the amount of such obligation the Costs of Collection, and the judgment in any such action shall include interest as above provided and the Costs of Collection. The costs and expenses incurred by the Association pursuant to this Section will be assessed as a Site Assessment in accordance with Section 508.c. The foregoing specified rights and remedies shall not limit the right of any Lot Owner to enforce this Amended Declaration pursuant to this Amended Declaration or as otherwise may be provided by law or equity; provided, however, that only the Association shall have the right to proceed under this Section.

Lot owners who observe a violation of the Amended Declaration should notify the Board of Directors of such violation by written communication, clearly stating the lot number or address, and a description of the perceived violation. The Board of Directors will then investigate and notify the owner of said lot if they are in violation of the Amended Declaration.

**Board Member Conflicts of Interest**

Members of the Board of Directors must disclose any conflicts of interest in any matter where financial benefit would result to that board member or his parent, grandparent, spouse, child, or sibling. Any such conflict must be disclosed at an open meeting prior to any action being taken on the matter. Such board member may not vote on the matter, but may still be counted for quorum purposes. Should a board member not disclose a conflict of interest, any contract entered into by the board would be void and unenforceable.

**Political Sign Policy**

Owners may display political signs within 45 days of an election, but such signs must be removed within 7 days after the election. Only one sign per issue or political office may be displayed and the size must be no greater than thirty-six inches by forty-eight inches. A political sign is “a sign that carries a message intended to influence the outcome of an election, including supporting or opposing the election of a candidate, the recall of a public official, or the passage of a ballot issue.”

Adopted by vote of the Board of Directors on September 19, 2015