

**ASPEN MESA HOME OWNERS ASSOCIATION  
POLICIES AND PROCEDURES  
JUNE 3, 2009  
RECORDED JUNE 11, 2009**

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**ASPEN MESA HOME OWNERS ASSOCIATION  
POLICY AND PROCEDURE  
INVESTMENT OF RESERVE FUNDS**

Adopted JUNE 3, 2009

20/10/11

The following policy and procedure has been adopted by the Directors ("Board") of Aspen Mesa Home Owners Association ("Association") pursuant to Colorado statutes, for investment of the Association's reserve funds, if any.

**PURPOSE**

The purpose of this policy is to institute proper guidelines for the ongoing management of the Association's investment of its reserve funds.

**INVESTMENT OBJECTIVES**

The principal represents the reserve funds for maintenance, repair, and replacement of those items for which the Association is responsible and that must be periodically maintained, repaired, or replaced. Reserve funds are to be invested in a manner that assures maximum safety and appropriate liquidity and, secondarily, maximizes yield within such constraints. The investment objectives are, in order of priority, as follows:

1. Preservation and safety of principal;
2. Liquidity to meet expected and unexpected expenditures; and
3. Maximization of yield.

**INVESTMENT RESPONSIBILITIES**

The Board of Directors has sole authority to approve and amend, alter or other wise make changes to the investment policy. Any modifications to this policy shall be in writing and approved by the Board.

The Board shall have direct control with regard to opening appropriate bank accounts and establishing safekeeping accounts or other arrangements for the custody of securities and execute such documents as may be necessary. The Board may employ the service of a qualified investment advisor to direct a portion or all of the investment activities of the Association consistent with guidelines set forth in this policy.

The Board will monitor ongoing investment activities to ensure proper liquidity is being provided and that the investment strategy is consistent with the Association's objectives. The Board of Directors shall review investment performance no less than quarterly.

1-20

## INVESTMENT GUIDELINES

### A. Eligible Investments

The portfolio will be limited to the following investments:

1. Certificates of deposit (CDs);
2. Money market deposit accounts;
3. Money market insured funds; and
4. U.S. Treasuries and U.S. Treasury zero coupons.

### B. Credit Quality Restrictions

AAA-rated or U.S. Treasury securities

### C. Strategy

Investments shall be structured to mature in successive years allowing the Association to minimize the interest rate risk.

### D. Custodian

Investments will be held in custodial accounts with approved banks or financial institutions federally insured through the FDIC or the U.S. Government, with no more than \$100,000.00 (one hundred thousand dollars) held in any one bank.

## PROCEDURES

1. Transfers of additions to reserves shall be made on an "as needed" basis;
2. A quarterly report of earnings shall be prepared by management, financial advisor, or the treasurer and presented at a Board meeting;
3. One (1) Board member signature shall be required to withdraw funds from investment accounts, provided said Board member has received the written consent of at least one (1) other Board Member. Said written consent may include the written resolution of the Board or an e-mail correspondence indicating Board approval of the withdrawal of funds;
4. In addition to any requirements provided by the Association's governing documents, the Association shall obtain coverage by fidelity insurance to protect the Association from loss due to theft by any person with access to its investments.

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**SECRETARY'S  
CERTIFICATION:**

The undersigned, being the Secretary of Aspen Mesa Home Owners Association, a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board June 3, 2009, and in witness thereof, the undersigned has subscribed his/her name.

**ASPEN MESA HOME OWNERS ASSOCIATION  
a Colorado non-profit corporation**

By: Susan M. Zimmer  
Its: Secretary

**ASPEN MESA HOME OWNERS ASSOCIATION  
POLICY AND PROCEDURE  
INSPECTION AND COPYING OF ASSOCIATION RECORDS**

Adopted JUNE 3., 2009

The following policy and procedure has been adopted by the Directors ("Board") Aspen Mesa Home Owners Association (Association") pursuant to Colorado statutes, for inspection and copying of Association records.

1. **Inspection of Association Books and records by members.** A member or his/her authorized agent is entitled to inspect and copy, at the member's expense and during regular business hours at a reasonable location specified by the Association, any of the records or papers of the Association (except as specifically limited or excluded by Section 3 below) if the member gives the Association written demand at least ten (10) business days before the date on which the member wishes to inspect and copy such records and:

- a. The demand is made in good faith and for a proper purpose;
- b. The member describes with reasonable particularity the purpose and the records or papers the member desires to inspect;
- c. The records or papers are directly connected with the described purpose.
- d. "Proper purpose" means a purpose reasonably related to the demanding member's interest as a member of the Association.

It is within the reasonable discretion of the Board to determine whether a member's demand to inspect and copy is made in good faith and for a proper purpose.

2. **Proper Purpose/Limitation.** Without the consent of the Board, a membership list or any part thereof may not be obtained or used by any person for:

- a. Any purpose unrelated to a member's interest as a member;
- b. To solicit money or property unless such money or property will be used solely to solicit the votes of the members in an election to be held by the Association;
- c. Any commercial purpose; or
- d. To be sold to or purchased by any person.

3. **Exclusions.** The following records and documents may be kept confidential by the Association:

- a. **Attorney-Client Confidential Documents.** In order to protect the attorney/client privilege existent between the Association and its attorneys, all attorney created documents, including, but without limitation, memos, opinion letters, and draft documents prepared at the behest of the Board, are not available for the inspection or copying by any member or his/her authorized agent, without the consent or authority of the Board.

- b. Personnel Confidential Documents. Documents pertaining to employees of the Association or involving employment, promotion, discipline, or dismissal of an officer, agent or employee.
  - c. Applicable Law. Any documents that are confidential under constitutional, statutory or judicially imposed requirements.
  - d. Individual Privacy. Any documents the disclosure of which would constitute an unwarranted invasion of individual privacy are confidential.
4. **Copy and other Document Fees**. The Association may impose a reasonable charge, covering the costs for copies of any documents the Association provides to a member. The charge may not exceed the actual cost for copies as incurred by the Association.

If a member requests copies of Association documents which are not in the possession of the Association, the member is responsible for whatever fees and costs are imposed by the entity (CPA, attorney, etc.) holding such records for copy and related costs, including but not limited to labor, materials and postage.

If a member requests a copy of an Association document which must be retrieved from archives, compiled, generated, certified or authenticated in any way, the member is responsible for all fees and costs incurred in the retrieval, compilation, generation, certification or authentication and reproduction (copying) of the requested document(s), including but not limited to labor, materials and postage.

SECRETARY'S  
CERTIFICATION:

The undersigned, being the Secretary of Aspen Mesa Home Owners Association, a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board on June 3, 2009, and in witness thereof, the undersigned has subscribed his/her name.

ASPEN MESA HOME OWNERS ASSOCIATION  
a Colorado non-profit corporation

By: Susan M. Zimmer  
Secretary

ASPEN MESA HOME OWNERS ASSOCIATION  
BOARD OF DIRECTORS  
POLICY AND PROCEDURE FOR THE CONDUCT OF MEETINGS

*ADOPTED JUNE 3*, 2009

The Board of Directors of Aspen Mesa Home Owners Association, a Colorado nonprofit corporation ("Association"), hereby approves and adopts the following Policy and Procedure:

**Resolved**, that the following policy and procedure of the Association related to the Conduct of Meetings is hereby adopted and ratified:

1. **Owner Meetings.** Meetings of the Owners of the Association shall be called pursuant to the Bylaws of the Association.

(a) *Notice.*

- (1) The Association shall post notice on its website notice of all Owner meetings. Such notice shall be posted ~~10~~ <sup>30</sup> days prior to such meeting. *SZ*
- (2) If any Owner has requested that the Association provide notice via email and has provided the Association with an email address, the Association shall send notice of all Owner meetings to such Owner at the email address provided as soon as possible after notice is provided pursuant to the Bylaws but in no case less than 24 hours prior to any such meeting.

(b) *Conduct.*

- (1) All Owner meetings shall be governed by the following rules of conduct and order:
  - (A) The President of the Association or designee shall chair all Owner meetings.
  - (B) All Owners and persons who attend a meeting of the Owners will sign in.  
(see section below regarding voting).
  - (C) Each person who speaks shall first state his or her name and the address of his/her Lot.
  - (D) Any person who is represented at the meeting by another person, as indicated by a written instrument, will be permitted to have such person speak for him/her.
  - (E) Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed.
  - (F) 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.

- (G) The Board may decide whether or not to answer questions during the meeting. Each person may only speak once. The Board may impose a two (2) minute time limit on each speaker in its discretion.
- (H) All actions and/or decisions will require a first and second motion.
- (I) Once a vote has been taken, there will be no further discussion regarding that topic.
- (J) Anyone disrupting the meeting, as determined by the Chair, shall be asked to "come to order." Anyone who does not come to order will be requested to immediately leave the meeting.
- (K) The Chair may establish such additional rules of order as may be necessary from time to time.
- (c) *Voting.* There shall be only one (1) vote for each Lot, irrespective of the number of Owners. All votes taken at Owner meetings shall be taken as follows:
- (1) Election of Board members in a contested election shall be conducted by secret ballot. Each Owner entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain identifying information concerning the ballot holder in order to verify voting accuracy, but such information shall be kept confidential by the Association and not part of the public record of the vote or the meeting. In the event an Owner holds a proxy for another Owner, upon presentation of such proxy to the Secretary of the Association or the Secretary's designee, 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.
  - (2) All other votes taken at a meeting of the Owners 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. At the discretion of the Board or upon request of twenty percent (20%) of the Owners who are present at the meeting or represented by proxy, if a quorum has been achieved, a vote on any matter affecting the Association on which all Owners are entitled to vote shall be by secret ballot.
  - (3) Written ballots shall be counted by a neutral third party or by a committee of volunteers. Such volunteers shall be Owners who are selected or appointed at an open meeting, in a fair manner, by the Chair of the Board or another person presiding during that portion of the meeting. The volunteers shall not be Board members and, in the case of a contested election for a Board position, shall not be candidates for such position.
  - (4) The individual(s) counting the ballots shall report the results of the vote to the Chair by indicating how many votes were cast for each individual or how many votes were cast in favor and against any issue, without reference to the names, addresses or other identifying information of Owners participating in such vote.

(d) *Proxies.* Proxies may be given by any Owner as allowed by C.R.S. 7-127-203. All proxies shall be reviewed by the Association's Secretary or designee as to the following:

- (1) Validity of the signature;
- (2) Signatory's authority to sign for the Lot Owner;
- (3) Authority of the Lot Owner to vote;
- (4) Conflicting proxies; and
- (5) Expiration of the proxy (one year maximum).

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

(a) *Conduct.*

(1) All Board meetings shall be governed by the following rules of conduct and order:

- (A) The President of the Association, or designee, shall chair all Board meetings.
- (B) All persons who attend a meeting of the Board shall be required to sign in, listing their name and unit address.
- (C) All Owners will be given an opportunity to speak as to any matter or ask questions of the Board during the Owner forum at the end of the meeting, or at such time as determined by the Chair. Any Owner wishing to speak during the Owner forum shall so indicate at the time of the sign in.
- (D) Each person speaking shall first state his name and Unit address.
- (E) Any person who is represented at the meeting by another person, as indicated by a written instrument, will be permitted to have such person speak for him/her.
- (F) Those addressing the Board shall be permitted to speak without interruption from anyone as long as these rules are followed.
- (G) 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.
- (H) The Board may decide whether or not to answer questions during the meeting. Each person may only speak once.
- (I) No meeting of the Board may be audio, video or otherwise recorded except by the Board to aid in the preparation of minutes. Minutes of actions taken shall be kept by the Association.

- (J) Anyone disrupting the meeting, as determined by the Chair, shall be asked to "come to order." Anyone who does not come to order will be requested to immediately leave the meeting.
- (b) *Owner Input.* After a motion and second has been made on any matter to be discussed, but prior to a vote by the Directors, Owners present at such time shall be afforded an opportunity to speak on the motion as follows:
- (1) The Chair will ask those Owners present to indicate by a show of hands who wishes to speak in favor or against the motion. The Chair will then determine a reasonable number of persons who will be permitted to speak in favor of and against the motion and for how long each person will be permitted to speak. The Chair shall also announce the procedure for who shall be permitted to speak if not everyone desiring to speak will be permitted to speak.
  - (2) Following Owner input, the Chair will declare Owner input closed and there shall be no further Owner participation on the motion at hand unless a majority of the Board members votes to open the discussion to further Owner participation.
3. **Definitions.** Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration and Bylaws 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, Bylaws, and the laws of the State of Colorado governing Aspen Mesa Home Owners Association.
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.

SECRETARY'S  
CERTIFICATION:

The undersigned, being the Secretary of Aspen Mesa Home Owners Association, a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board June 3, 2009, and in witness thereof, the undersigned has subscribed his/her name.

ASPEN MESA HOME OWNERS ASSOCIATION  
a Colorado non-profit corporation

By: Susom M. Zimmer  
Secretary

**ASPEN MESA HOME OWNERS ASSOCIATION  
BOARD POLICY AND PROCEDURE  
REGARDING CONFLICTS OF INTEREST**

Adopted   JUNE 3  , 2009

The following resolution has been adopted by the Directors ("Board") of Aspen Mesa Home Owners Association ("Association") pursuant to Colorado statutes, at a meeting of the Board to establish a policy and procedure for handling conflicts of interest by Board members.

**RECITALS**

- (a) The Board wishes to avoid self-dealing, actual or apparent, in its administration of the Association.
- (b) The Board wishes to adopt requirements for members of the Board/ Directors, including Alternate Board Members ("Board Members") in order to assure sound management of the Association.

NOW, THEREFORE, BE IT RESOLVED that the following shall apply:

Requirements Upon All Members of the Board/Directors.

- A. All Board Members shall exercise their power and duties in good faith and in the interest of, and with utmost loyalty to the Association and owners. All Board Members shall comply with all lawful provisions of the Association's Governing Documents.
- B. Any duality of interest or possible conflict of interest on the part of any Board Member shall be disclosed to the other Board Members at the first meeting of the Board at which the interested Board Member is present after the conflict of interest is or should be discovered. Such disclosure shall be made a matter of record in the minutes of the Board meeting at which the disclosure of the conflict or possible conflict of interest is made.
- C. The interested Board Member shall leave the meeting during any time when discussion of any topic related to the conflict or possible conflict of interest is conducted. The minutes of the meeting shall reflect that the interested Board Member did not participate in the discussion and left the meeting during the discussion.
- D. Any Board Member having a duality of interest or possible conflict of interest on any matter shall not vote or use his or her personal influence on the matter. The minutes of the meeting shall reflect the abstention from voting and the reason for the abstention. The Alternate Board Member shall vote on the

matter should this be necessary to insure an odd number of votes or to reach a quorum.

- E. The foregoing requirements shall not be construed as preventing the interested Board Member from briefly stating his or her position in the matter nor from answering pertinent questions of other Board members since his or her knowledge may be of great assistance.
- F. Any breach or suspected breach of this resolution by a Board Member shall be brought to the attention of the remaining Board members for appropriate action.
- G. This Policy shall be effective commencing June 3, 2009.

**SECRETARY'S  
CERTIFICATION:**

The undersigned, being the Secretary of Aspen Mesa Home Owners Association, a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board on June 3, 2009, and in witness thereof, the undersigned has subscribed his/her name.

ASPEN MESA HOME OWNERS ASSOCIATION  
a Colorado non-profit corporation

By: Susan M. Zimmier  
Secretary

**ASPEN MESA HOME OWNERS ASSOCIATION  
POLICY AND PROCEDURE  
REGARDING ALTERNATIVE DISPUTE RESOLUTION**

Adopted JUNE 3, 2009

The following policy and procedure has been adopted by the Directors ("Board") of Aspen Mesa Home Owners Association (Association") pursuant to Colorado statutes, regarding alternative dispute resolution.

The Association hereby adopts the following Policy, effective June 3, 2009:

In the event of any dispute involving the Association and an Owner, the Owner is invited and encouraged to meet with the Board of Directors to resolve the dispute informally and without the need for litigation. If the Owner requests to meet with the Board, the Board shall make a reasonable effort to comply with the Owner's request.

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. Neither the Association nor the Owner waives any right to pursue whatever legal or other remedial action available to either party.

**SECRETARY'S  
CERTIFICATION:**

The undersigned, being the Secretary of Aspen Mesa Home Owners Association, a Colorado non-profit corporation, certifies that the foregoing Policy was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on June 3, 2009 and in witness thereof, the undersigned has subscribed his/her name.

ASPEN MESA HOME OWNERS ASSOCIATION  
a Colorado non-profit corporation

Susan M. Zimmer

By:

Its: Secretary

**ASPEN MESA HOME OWNERS ASSOCIATION  
POLICY AND PROCEDURE  
ADOPTION AND AMENDMENT OF POLICIES, PROCEDURES AND RULES**

Adopted JUNE 3, 2009

The following policy and procedure has been adopted by the Directors ("Board") Aspen Mesa Home Owners Association, Inc. ("Association") pursuant to Colorado statutes, for adoption and amendment of policies, procedures and rules.

1. Adoption or amendment of any policy, procedure or rule shall be performed only at a meeting of the Board which is open to all Members/Owners or their representatives.
2. The board shall consider the following criteria when adopting or amending a policy, procedure or rule:
  - a. Reasonableness and necessity;
  - b. Impact does not create separate groups of Members/Owners;
  - c. Clear and unambiguous;
  - d. Reasonably relates to the preservation, protection and enhancement of property values; and
  - e. Consistent with (i) the Association's Governing Documents; (ii) applicable federal and state statutes and case law; and (iii) local laws and ordinances.
3. Adoption or amendment of any policy, procedure, or rule and regulation requires an affirmative vote of a majority of members of the board members who are in attendance at the meeting.
4. Any policy, procedure, or rules and regulations and any amendment shall be effective fifteen days after delivery of written notice to each Member/Owner (including posting on the Association's website) of its adoption.

**SECRETARY'S  
CERTIFICATION:**

The undersigned, being the Secretary of Aspen Mesa Home Owners Association, a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board on June 3, 2009, and in witness thereof, the undersigned has subscribed his/her name.

**ASPEN MESA HOME OWNERS ASSOCIATION**  
a Colorado non-profit corporation

By: Susan M. Zimmer  
Secretary