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Monument Village Homeowners Association

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Board Governance Policies

(reviewed and revised 11-8-2014)

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CONDUCT OF MEETINGS

The following policy relates to the conduct of meetings of the members of the Association as well as meetings of the Board of Directors, and thus required by law, the following are the general guidelines for the procedures to be followed during such meetings.

Meetings of Members

1. The Association shall follow all of the legal requirements regarding notice of meetings of the members, including delivering by mail, e-mail, or hand delivery, a notice of the meeting and posting the notice of the meeting in a conspicuous space (for example – mailboxes) not less than ten(10) but not more than fifty(50) days before the meeting. The Association shall provide notice of membership meetings to owners by electronic mail to such owners who furnish the Association with their e-mail address. Such notice shall be given as soon as possible, but at least 24 hours before any membership meeting.
2. Immediately prior to convening the meeting, the presiding Secretary will determine whether a quorum exists, by noting the members in attendance and the proxies delivered for such meeting. If a quorum does not exist, the meeting will be continued, but no business will be transacted.
3. The President, or in his or her absence, the Vice-President or any Board member, shall conduct the meeting. Matters to be discussed shall be as shown on the agenda. As each issue requiring a vote by the members is discussed, the President may call a voice vote. If it is unclear whether a measure passed or was defeated, the presiding officer may call for a show of hands for a “yes” and a “no” vote. However, votes for the election of contested positions for the Board of Directors shall be by secret ballot. The presiding Secretary shall prepare one ballot for each of the lots in the subdivision and shall distribute the same to the owner(s) thereof.
4. Prior to the vote for election of any contested Board member positions, or for matters requiring a vote by secret ballot, the presiding Secretary shall ask for volunteers, none of whom can be candidates for election, to count the ballots. 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 the 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. The names of the volunteers shall be placed into a hat, and one or more names will be drawn by the presiding office of Secretary. Such person or persons shall count the ballots for the election of Board members. If only one person volunteers to count such ballots, he/she shall be selected. The person or persons counting the ballots shall only provide the name of the winner of the election to the general membership.
5. At the discretion of the Board, or upon the request of twenty percent (20%) of the voting members who are present at the meeting or represented by proxy, if a quorum has been achieved, a vote on any other matter affecting the Association on which all members are entitled to vote shall be by secret ballot. If such a request is made, the procedures for secret ballot described herein will be adhered to.
6. Generally, the budget for the upcoming year will be voted on at the annual meeting in November of each year.

7. Any matter coming before the general membership shall be approved by a vote of sixty seven percent of the voting members in attendance and by proxy.
8. At any membership meeting, any member or person designated by a member, in writing, as the member's representative, shall be permitted to attend, listen and speak at an appropriate time during said membership meetings. However, the presiding officer may place reasonable time restrictions on those persons speaking during the meeting.
9. The recording Secretary shall keep minutes of all membership meetings and provide such minutes to the Board and any member upon request.

Meetings of the Board

1. All meetings of the Association's Board of Directors of the Association or Board shall be open to attendance by all members or their representatives. Agendas for meetings of the Board shall be made reasonably available for examination to the members or their representatives.
2. The Board may place reasonable time restrictions on those persons desiring to speak during these meetings. However, at an appropriate time determined by the Board, but before the Board votes on an issue under discussion, the Board must permit an owner or an owner's representative to speak. If more than one person desires to address an issue, and there are opposing views, the Board shall also provide for a reasonable number of persons to speak on each side of such issue.
3. Agendas for meetings of the Board shall be made reasonably available for examination by all members or their representatives prior to such meetings.
4. The members of the Board may hold an executive or "closed door" session and may restrict attendance to Board members and such other persons requested by the Board during a regular or special meeting. Matters to be discussed at executive session include only the following items:
 - a. Matters pertaining to employees of the Association or the managing agent's contract or involving the employment, promotion, discipline or dismissal of an officer, agent or employee of the Association;
 - b. Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
 - c. Investigative proceedings concerning possible or actual criminal misconduct;
 - d. Matters subject to specific constitutional, statutory or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
 - e. Any matter, the disclosure of which would constitute an unwarranted invasion of individual privacy; or
 - f. A review or discussion of any written or oral communication from legal counsel.
5. Prior to the time that members of the Board thereof convene in executive session, the chair of the body shall announce the general matter of discussion as enumerated above.
6. No rule or regulation of the Board shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or special meeting or after the body goes back into regular session following an executive session.
7. The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session.

Meetings of Committees

1. At any ad hoc committee or standing committee or subcommittee meeting, any member or person designated by a member, in writing, as the member's representative, shall be permitted to attend, listen and speak at an appropriate time during said committee meeting. However, the committee chair may place reasonable time restrictions on those persons speaking during the meeting.
2. If available, schedules and agendas for meetings of committee or subcommittee meetings shall be made reasonably available upon request for examination to the members or their representatives.

Adopted on 11-8-2014

Jane King
Secretary

ADOPTION AND AMENDMENT OF BYLAWS, RULES, REGULATIONS, AND POLICIES

Pursuant to the Colorado Common Interest Ownership Act, (CCIOA), homeowners' associations are to adopt certain policies regarding various issues. The following policy relates to the adoption and amendment of the Association Bylaws, policies and rules and regulations which are to be part of the governance of the subdivision.

1. The Board of Directors may adopt, amend, modify or revoke any part of the Bylaws or any policy, rule, or regulation, or any part thereof, that is contrary to law, or that is necessary to insure compliance with the law, or that the Board deems is in the best interests of the members of the Association for their health, welfare and benefit without a vote of the members. It shall be the responsibility of the Board of Directors to draft such Bylaws, policies, rules or regulations. Any member of the Association may submit a written request to the Board that new Bylaws, or a policy, rule or regulation be adopted, or those new Bylaws or an existing policy, rule or regulation be amended, modified or revoked. Upon such a written request, or upon its own decision, the Board shall call a special meeting of the Board as soon as practicable to discuss the proposed policy, rule or regulation or amendment thereto, not to exceed 30 days from receipt of a request from a member.
2. Any new Bylaw, policy, or rule or regulation may be adopted, amended, modified or revoked by a vote of a majority of the voting Board members eligible to vote on a matter, provided that a quorum exists.
3. Upon the adoption by the Board, such Bylaw, policy, or rule or regulation shall be published to the members of the Association in a timely manner. The Bylaw, policy, rule or regulation shall not become effective until so published, unless an emergency exists. The Board will follow all other requirements relating to amendments to the Declaration as required by the Declaration (such as obtaining approval by 51% of the Owners on any amendment) and/or under Colorado law.

Adopted on 11-8-2014
Jane L King
Secretary

RECORD RETENTION

The HOA shall keep the records listed herein.

1. The Association Treasurer shall keep financial records sufficiently detailed to enable the Association to comply with C.R.S. § 38-33.3-316 (8) concerning statements of unpaid assessments.
2. The Association Secretary shall keep the following as permanent records:
 - Minutes of all meetings of members and the Board of Directors
 - A record of all actions taken by the members or Board of Directors by written ballot or written consent in lieu of a meeting.
 - A record of all actions taken by a committee and a record of all waivers of notices of meetings of members and of the Board of Directors or any committee of the Board.
3. The Association, through its Secretary, another Board designated person, or its agent shall maintain a record of all of the members in a form that permits preparation of a list of the names and addresses of all members. Each lot has one (1) vote on any matter to be voted on by the members. Such information may be kept in electronic form, provided that it can be converted into written form upon request within a reasonable time. Such list or any part thereof may not be obtained or used by any person for any purpose unrelated to an Owner's interest as a member of the Association without the prior written consent of the Board. Without such consent, a membership list or any part thereof, including address, telephone number or e mail address may not be used for non-Association purposes, including but not limited to :
 - solicit money or property unless such money is used solely to solicit the votes of the Owners in an Association election;
 - For commercial purposes; or
 - Sold to or purchased by any person.
4. In addition to the records listed above, the Association Secretary shall keep a copy of each of the following records at its principal office.
 - Its Articles of Incorporation;
 - The Declaration;
 - The Covenants;
 - Its Bylaws;
 - Resolutions adopted by its Executive Board relating to the characteristic qualifications, rights, limitations and obligations of unit owners;
 - The minutes of all unit owners' meetings and records of all action taken by unit owners without a meeting, for the past three years;
 - All written communications within the past three years to unit owners generally as unit owners;
 - A list of the names and business or home addresses of its current directors and officers;
 - Its most recent annual report, if any; and
 - All financial audits or reviews conducted pursuant to C.R.S. § 38-33.3- 303(4) (b) during the immediately preceding three years.
 - Insurance Policies
5. This section shall not be construed to affect the right of a unit owner to inspect records:

- Under corporation statutes governing the inspection of lists of shareholders or members prior to an annual meeting; or
- If the unit owner is in litigation with the Association, to the same extent as any other litigant; or
- The power of a court, independently or this article, to compel the production of Association records for examination on proof by a unit owner of proper purpose.

6. The following schedule shall apply for the length of time said records are retained by the Association:

Description of Record	Retention Period in years
Accounting Records:	
General ledger	7
Accounts receivable	7
Accounts payable	7
Member invoices	7
Expense reports	7
Canceled checks, bank statements and deposit slips	7
Cash receipts and disbursements journals	7
Accident Reports and claims	7 (after accident or settlement)
Articles of Incorporation, Bylaws, Declaration, Rules, Regulations and Policies, and Minutes from HOA member, Director and Committee meetings	7
Equipment records	7 (after disposition)
Warranties and service agreements	7 (after expiration)
Insurance documents, including policies, reports, claims and coverage information	7 (after expiration or settlement)
Leases and contracts	7 (after termination)
Property records, including blueprints, appraisals and permits	7 (after disposition)
Annual Financial Reports	7
Vendors' invoices and petty cash slips	7
List of members and addresses (updated annually)	7
List of Directors and Officers and home or business address (updated annually)	7

11-8-2014
 Jane L King
 Secretary

ENFORCEMENT OF THE DECLARATION, BYLAWS, RULES AND REGULATIONS AND POLICIES

Any member of the Association may file a written complaint of any alleged violation of the declaration, Bylaws, Rules and Regulations or Policies of the Association (hereinafter the Association's governing documents"), by any other member, EXCEPT FOR THE FAILURE TO PAY ASSESSMENTS by providing written notice thereof addressed to the Board of Directors and delivered to any Board member. Said notice shall state the facts upon which the alleged violation is based, and refer to the specific section in the Association's governing documents that allegedly has been violated.

Upon receipt of a notice of an alleged violation by a member, the Board of Directors shall meet in a timely manner, not to exceed 30 days, to determine whether a violation has or may have occurred, based on the facts as alleged in the notice,. The Board may request additional information or clarification from the alleging member regarding the issue in question. Thereafter, the Board shall take the following action.

1. If the Board determines that a violation has not occurred, or that it will take no action notwithstanding that a violation has occurred, it shall so notify the member filing the complaint. It shall also send a notice to the member allegedly in violation that a complaint had been filed with the Board, the nature of the complaint, and that the Board has taken no action on said complaint, and advise such member that the complaining member may still pursue the matter individually. Thereafter, the member may take such action as allowed herein.
2. If the Board determines that a violation has, or may have occurred, it shall notify the member against whom the complaint has been brought, in writing, of the allegations against such member. Said notice shall contain generally the same information as contained in the notice received by the Board by the complaining member, and include the name and address of the complaining member. Said notice shall be hand delivered, sent via e-mail or first class mail to the member who has allegedly violated the Association's governing documents. A copy of said notice shall also be sent to the complaining member. The Board shall then contact both parties to schedule a hearing to determine the matter. Once the hearing has been scheduled, the Board shall cause written notice to be sent to both parties confirming the date, time and place of the hearing, at which time the member against whom a complaint has been brought may respond to such allegations. The hearing on such matter shall be set within a reasonable time, depending on the urgency of the matter at issue. Generally, the hearing should occur within 7 to 21 days from the date of the notice. Said notice shall be hand delivered, or sent via first class mail to the member who has allegedly violated the Association's governing documents. A copy of said notice shall also be delivered or mailed to the complaining member. Any party or the Board may request a continuance of the hearing for good cause shown, upon 3 days prior notice to the Board. The Board will make every effort to coordinate an acceptable date for the continued hearing.
3. At the hearing, at which a majority of the Board must be present, both parties may present their case to the Board, with the complaining party presenting his/her case first. The responding member may then present his/her case, and the complaining party may present rebuttal evidence. The Board shall determine what evidence is to be allowed.

4. At the conclusion of the hearing the Board shall deliberate, and may announce its decision at such time, or may take the matter under advisement. All decisions by the Board shall be by a majority vote of those members in attendance and eligible to vote. The Board shall issue a written order including its findings of fact and conclusions. If the Board determines that a violation has occurred, then the Board may establish and enforce appropriate penalties for the violation thereof, including, without limitation, the levying and collecting of fines for said violation of any of the Association's governing documents. Generally, fines may range from \$50 to \$500, but the Board shall have complete discretion in setting any fine, including but not limited to whether said fine is assessed for each day that an Owner is in violation. The Board may double or triple a fine due to repeated infractions by an Owner, his/her family, or his or her tenants or invitees. The remedies provided by this policy shall be liberally administered to the end that the Association or any aggrieved member is put in as good a position as if the violating member had fully performed, and that any fine or penalty is appropriate for the violation, and not arbitrary or capricious. However, consequential, special, or punitive damages may not be awarded except as specifically provided in the Association's governing documents or by other rule of law.
5. If the Board determines that a violation has occurred based on the face of a complaint, it may suspend the requirement to conduct a hearing and proceed to take appropriate action in response to the complaint. If the Owner who allegedly violated the Declaration, Articles, Bylaws, rules or regulations disputes the allegations and conclusion of the Board that a violation has occurred he/she shall have ten (10) days from the receipt of any notice from the Board of any adverse action to request a full hearing in the matter. Such request must be in writing and received by a Board member within the 10 day period. Thereafter the Board shall conduct a hearing in accordance with this policy.
6. If an emergency situation exists involving the immediate safety of any person, members are encouraged to contact emergency providers such as the Grand Junction Police Department or 911. Members should contact other appropriate agencies for any other non emergency issues.

Either the complaining member or the member allegedly violating the Association's governing documents may appeal any decision by the Board by filing a civil action in the appropriate court in Mesa County, Colorado. In any such action the court shall award to the party prevailing on such claim the prevailing party's reasonable collection costs and attorney fees and costs incurred in asserting or defending the claim.

Any dispute or claim against the Association for the enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in this Declaration, the Articles of Incorporation, Bylaws, Rules and Regulations and Policies of the Association, as amended, shall be by any proceeding at law or in equity in the appropriate court in Mesa County, Colorado. Any member of the Association may file a civil action against any other member for an alleged violation of the governing documents of the Association (EXCEPT FOR THE FAILURE TO PAY ASSESSMENTS), without first filing a complaint with the Board of Directors. However, if such member has filed a complaint with the Board, such member shall be precluded from filing such action: (a) until after receiving notice that the Board is not taking any action on said alleged violation; or (b) through an appeal of a decision by the Board under Section 3. Such action shall be filed in the appropriate court in Mesa County, Colorado.

Any controversy between the Association and a member or between two members arising out of the provisions of this article may be submitted to mediation by either party to the controversy prior to the commencement of any legal proceeding. The mediation agreement, if one is reached, may be presented to the court as a stipulation. Either party to the mediation may terminate the mediation process without prejudice. If either party subsequently violates the stipulation, the other party may apply immediately to the court for relief.

In addition to the individual members, the Board may enforce the provisions of the Association's governing documents. Only the Board may enforce the collection of fines, penalties and/or assessments against any member by first sending a written notice thereof demanding payment thereof from any member within 20 days from personal service of said notice or 30 days after written notice is mailed to such member. If the member has not paid by the deadline in said notice or the Board acts to enforce other provisions of the Association's governing documents then the Board shall follow the provisions contained in Section 2. Under such circumstances, the Board shall act as the complaining party and the member shall respond thereto. If the Board votes to uphold the assessment, fine or penalty, or any portion thereof, or to enforce any other provision of the Association's governing documents, the member may appeal such decision in accordance with the provisions of this policy.

In any civil action brought under the provisions herein, to enforce or defend the provisions of the Declaration, Bylaws, Articles or rules and regulations, whether such action is between two members, or a member and the Association, the court shall award the prevailing party its reasonable attorneys' fees, costs and costs of collection. If such action is between the Association and a member, and the member prevails because the court finds that the member did not commit the alleged violation, the Association shall be precluded from allocating to such member's account with the Association, any of the Association's costs or attorney's fees incurred in asserting or defending the claim. Such member shall not be deemed to have confessed judgment to such attorneys' fees or collection costs.

If the Board assesses a member and no appeal is filed, or the decision of the Board is upheld in a civil action on appeal, the Board may record a notice of assessment against such member with the Mesa County Clerk and Recorder, which shall be a lien on such member's lot in the subdivision until paid.

Nothing contained herein shall prevent the Board from using any other means to resolve disputes between the Association and a member or between two members before conducting a hearing or before litigation, such as mediation or informal discussions between the Board and a member or members.

Notwithstanding any law to the contrary, no action shall be commenced or maintained to enforce the terms of any building restriction contained in the provisions of the Declaration, Bylaws, Articles, or rules and regulations or to compel the removal of any building or improvement because of the non compliance of the terms of any such building restriction unless the action is commenced within one year from the date from which the person commencing the action knew or in the exercise of reasonable diligence should have known of the non compliance for which the action is sought to be brought or maintained.

All Owners shall be responsible for correcting any violation of the Association governing documents and for the payment of all fines, assessments legal fees and costs which are caused or imposed by the conduct of any Owner, his/her family member or any agent, employee, tenant, occupant or invitee of an Owner.

Generally, the Board may take the following action if any Owner is in violation of the Association's governing documents:

1. Write a warning letter to the Owner violating the Association governing documents that the Owner is in violation of the governing documents and outlining the specific infraction and a demand that such infraction/violation be corrected within 30 days of such notice. Extensions may be granted for good cause. The Board may also impose a fine or assessment on the Owner as appropriate.
2. A registered follow up letter may be sent to the Owner by the Board if the violation is not corrected within thirty (30) days. Said letter shall notify the Owner of the Association's intentions, which may include the filing of an action to enforce the governing documents if the violation/infraction is not corrected. If an Owner thereafter fails to correct the infraction/violation, the Board may pursue legal remedies in court.

Generally, the Board may take the following action if any Owner is in default in paying any fine or assessment:

1. When a payment is delinquent for forty five (45) days the Board will write a letter to the Owner advising him/her that if the fine/assessment is not paid that the Association will file a lien on the Owner's property and collect all amounts due, including interest at the standard bank savings rate, which shall accrue when such payment is 180 days delinquent.
2. When a payment is one hundred eighty (180) days delinquent, the matter will be sent to an attorney, who shall write the Owner of the Association's intent to file a lien on the Owner's property.
3. When a payment is 1 year, (365 days) delinquent, a lien will be filed on the Owner's property. If an Owner thereafter fails to pay, the Association may either foreclose the lien or pursue other legal remedies in court.

The provisions of this policy are only guidelines for the Board and not mandatory. The Board has the discretion to take such action or may defer, omit or modify the sequence of actions it takes or may take any other action as allowed by law any sequence.

Adopted on 11-8-2014

Jane L King
Secretary

DISCLOSURES BY THE ASSOCIATION AND PRODUCTION OF RECORDS TO MEMBERS

Within a reasonable time after a request by a member or the members agent,, the Association, through the Secretary, shall make the following information, available after the member has notified the Board via first class mail, email or phone call:

- The name of the Association;
- The name of the Association's designated agent or management company, if any;
- A valid physical address and telephone number of both the Association and the designated agent of management company, if any;
- The name of the Common Interest Community (Monument Village Homeowners Association) and the initial date of recording of the Declaration and the reception number or book and page number of the Declaration.

For purposes of this policy, the Secretary of the Association shall be the designated agent of the Association and his/her address and telephone number shall be the address and telephone number of the designated agent and of the Association. If the Association's address, designated agent, or management company changes, the Secretary shall provide all members with an amended notice within ninety days after such change.

As used in this section, "reasonable notice" 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 (30) 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.

Within ninety days after assuming control from the Declarant, and the end of each fiscal year hereafter, the Association shall make the following information available to Owners upon request by an Owner upon reasonable notice:

- the date on which its fiscal year commences;
- its operating budget for the current fiscal year;
- a list, by unit type, of the Association's current assessments, including both regular and special assessments;
- its annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
- the results of its most recent available financial audit or review for the fiscal year immediately preceding the current annual disclosure;
- A list of all Association insurance policies, including, but not limited to, property, general liability, Association director and officer professional liability, and fidelity policies. Such list shall include the company names, policy limits, policy deductibles, additional named insured, and expiration dates of the policies listed.
- All the Association's Bylaws, Articles, and Rules and Regulations;

- The Minutes of the Board and member meetings for the fiscal year immediately preceding the current annual disclosure; and the Association's responsible governance policies adopted under CRS § 38-33.3-209.5.

It is the intent of this section to allow the Association the widest possible latitude in methods and means of disclosure, while requiring that the information be readily available at no cost to Owners at their convenience. Disclosure may be accomplished by any one of the following means: posting on an internet web page with accompanying notice of the web address via first-class mail or e-mail; the maintenance of a literature table or binder at the Association's principal place of business; or mail or personal delivery. The cost of such distribution shall be accounted for as a common expense liability of the Association unless an unreasonable amount, at the discretion of the secretary. If a fee is charged, it shall not exceed the Association's actual cost per page, for copies of Association records.

Adopted on 11-8-2014

Jane King
Secretary

DISPUTES AND CONFLICTS BETWEEN ASSOCIATION MEMBERS AND THE ASSOCIATION

Any member of the Association may file a written complaint alleging that a violation of the Declaration, Bylaws, Rules and Regulations or Policies of the Association (hereinafter the "Association's governing documents") has occurred by the Association or by the Board of Directors, by providing a written notice thereof addressed to the Board of Directors and hand delivered to any Board member or to the Association's registered office. Said notice shall state the facts upon which the alleged violation is based and refer to the specific section in the Association's governing documents that allegedly has been violated. The notice shall state the name and address of the member making the complaint and include any documentation substantiating such violation.

If a committee of the Association (such as the Architectural Control Committee) is alleged to have violated the Association documents, the Board of Directors shall decide the issue. If the complaint alleges that the Board of Directors, itself, has violated the Association's governing documents, the Board shall issue a written notice to all members of the Association seeking volunteers to serve as the governing body deciding the issue. Such members shall not be related to any party and shall not be biased for or against any party. The names of such members shall be put in a hat and three members shall be selected and shall serve as the governing body deciding the issue. Thereafter, the Board, or the governing body, as the case may be, shall meet in a timely manner, not to exceed 30 days, to determine whether a violation has or has not occurred, based on the facts as stated in the notice. The governing body may request additional information, documents or clarification from the alleging member regarding the alleged violation.

1. If the Board or governing body determines that no violation has occurred, or that no action will be taken notwithstanding that a violation has occurred, the body deciding the issue shall so notify the member alleging a violation, in writing. Such notice shall be sent via first class mail, hand delivered, or e-mailed to the member alleging a violation, and shall state the reasons for such decision, and a copy shall be sent to the Board if the governing body decides the issue. Upon receipt of such notice, the member alleging a violation may take such action as allowed herein. The alleged violation and the response by the Board or governing body shall be stated in the Board minutes.
2. If the Board or governing body deciding the issue determines that a violation has, or may have occurred, it shall then confer with the member alleging a violation to schedule a hearing to determine the matter. The hearing on such matter shall be set within a reasonable time, depending on the urgency of the matter. Generally a hearing should occur within 7 to 21 days from the date of the notice. Once the hearing has been scheduled, the Board or body deciding the issue shall cause written notice to be sent to the member alleging a violation (and the Board, if necessary), confirming the date, time and place of the hearing. At the hearing, the member shall present his/her evidence and case, and thereafter the responding party (either another member of the Association, the Board, or both, as the case may be) shall present its evidence and case. The member alleging the violation may then present rebuttal evidence. The body deciding the issue shall determine what evidence will be allowed, but the strict rules of evidence shall not be enforced. Any party may request a continuance of the hearing for good cause shown, which shall be liberally granted. The body deciding the issue and the parties shall coordinate the date for the continued hearing.

3. At the conclusion of the hearing, the body deciding the issue shall deliberate and may announce its decision at that time, or take the matter under advisement. All decisions by the body deciding the issue shall be by a majority vote of those in attendance and eligible to vote. The body deciding the issue shall issue a written order including its findings of fact and conclusions. If the Board is the body deciding the issue and it determines that a violation has occurred, it will attempt to correct the violation, if possible.
4. Any party may appeal the decision of the body deciding the dispute by filing a proceeding at law or in equity in the appropriate court in Mesa County, Colorado. Such decision shall be final and non-appealable. The prevailing party in such action shall be entitled to its costs and reasonable attorneys' fees.

Nothing contained herein shall prevent the body deciding the issue from using any other means to resolve disputes between the Association and a member or between members.

Adopted on 11-8-2014
Jane L King
Secretary

CONFLICT OF INTEREST OF BOARD MEMBERS

Before any decision is made, contract entered into, or action taken by the Board of Directors, any member of the Board shall declare that an actual or potential conflict of interest exists or may exist relating to that issue. Such a declaration shall be made by the Board member at such time as such Board member has enough facts to reasonably determine that a conflict does, or may exist. Board members shall be guided by the premise of prompt disclosure and that he/she should make such a disclosure if any possibility of a potential conflict exists, and that such disclosure shall be made prior to any discussion, or any action on such issue occurs.

Upon such a disclosure, such Board member may exclude himself from the discussion on such issue, or any of the remaining members of the Board (not including the member who has raised the issue of a conflict of interest) may request such member to exclude him/herself from said discussion of such issue. However, such member is not required to excuse him/herself, and may still participate in the discussion of such issue. However, the member raising the issue of a conflict of interest shall not vote on such issue, and may be excluded from the meeting during the vote on such issue by a majority of the remaining members of the Board.

For purposes of this policy, a "conflict of interest" occurs when a decision, a contract between the Association and any party, or other action would financially benefit or adversely affect a Board member, or any person who is a parent, grandparent, spouse, child or sibling of such Board member or a parent or spouse of any of such persons. By way of example, a decision by the Architectural Control Committee that a homeowner, whose brother is a Board member, cannot build a certain type of house because it does not conform to the Covenants, would "adversely affect" such Board member.

In order to comply with C.R.S. § 38-33.3-209.5(4)(a)(III), the Board shall conduct a periodic review of this policy, as well as any procedures and rules and regulations relating thereto, at least on a five year basis.

Adopted on 11-8-2014
Jane L King
Secretary

COLLECTION OF ASSESSMENTS CHARGES AND/OR DUES

This policy relates to the collection of assessments and/or dues charged to Owners of Lots within the Monument Village Homeowner's Association. For purposes of this policy, "assessments" include fees charged against the Owners of a Lot for common expenses (and any limited common elements relating to such Lot, if any), and any fees, attorney's fees and interest, and any fines, charges, late charges or penalties imposed by the Association after a determination has been made that an Owner has violated the governing documents of the Association and failed to correct such violation in accordance with the Association's policy relating to enforcement of covenants and any other fees or charges to which the Association is entitled. Assessments and/or dues are payable when due without setoff or deduction.

The obligation to pay assessments and/or dues is an independent covenant. Each Owner, by acceptance of a deed for Property in the Subdivision, is deemed to covenant and agree to pay the Association for assessments and/or dues levied by the Association against a Lot and the Owners thereof in accordance with the provisions of the Declaration, Bylaws, policies and rules and regulations of the Association and under Colorado law.

Assessments and/or dues charged to Owners of Lots within the Association must be paid in the first quarter of the year due. Any assessment and or dues not paid within 45 days from the date it is due shall be considered past due and delinquent. A late fee of \$25.00 will be charged once any assessment or dues are delinquent. Thereafter, if the assessment or dues are not paid within 45 days after the due date, the assessment or dues shall bear interest at the rate of 21 percent (21%) per annum until paid. A charge for any returned check shall be imposed, which shall be the greater of \$25 per check or the actual charge from the financial institution returning the check. Any payments received for delinquent assessments or dues shall first be applied to interest; then late charges; then to attorneys' fees and costs; and then to the principal balance of such delinquent assessments or dues. Notwithstanding the foregoing, the order of payment on any delinquent assessments or dues may be altered or modified by the Board.

Under the Colorado Common Interest Ownership Act ("CCIOA"), the Association has a statutory lien on a Lot for any assessments and/or dues levied against the Lot imposed against its Owner from the time each assessment and/or dues becomes due. Any such assessment and /or dues shall be a charge on the land and shall be a continuing lien against which such assessment or charge is being made. The Association shall have all the remedies available to it under the governing documents of the Association (i.e. Declaration, Articles, Bylaws and Policies) and under CCIOA, which include placing and foreclosing a lien on a Lot and/or filing suit against an Owner.

The Board may take the following action if any Owner is in default in paying any assessment and/or dues.

- (A) The Board may contact an Owner in writing, demanding immediate payment thereof. Any means of written communication may be used, including regular mail, facsimile or electronic transmission. At a minimum, the amount of assessment or dues claimed to be due, and general bases for such amount should be provided, however, the Association may provide the information contained in subsection (B). Additional notices may be provided if payment is not made and /or additional assessments and/or dues accrue.
- (B) The Board may refer any delinquent account owed to the Association to a collection agency or an attorney. However, before such account is referred, the Board shall give the Owner written notice of delinquency, which shall include (i) the total amount due and an accounting of how such amount was determined, (ii) whether an opportunity to enter into a payment plan exists and instructions for contacting the Association to enter into such a payment plan; (iii) the name and contact information that the Owner must contact to request a copy of the Owner's ledger in order to verify the amount of the debt; and (iv) that action is required to cure the delinquency and that failure to do so within 30 days may result in the Owner's account being turned over to a collection agency or attorney; the filing of a suit against the Owner and/or the filing and foreclosure of a lien against the Lot owned by the Owner, or other remedies available under Colorado law. Subject to subsection (C), the notice shall also contain an offer of a one-time opportunity to enter into a six (6) month repayment plan for such unpaid assessments and/or dues. This plan must permit the Owner to pay off the deficiency in equal installments over a period of at least six months; however, the plan shall require the Owner to pay all regular assessments and/or dues as they come due during the repayment period.
 - (1) The notice to be given hereunder shall contain a deadline by which the Owner must accept the proposed plan, in writing, or to first request a copy of the Owner's ledger, or statement showing all amounts due, which deadline shall be a reasonable time after such notice is given, but not less than 30 days. If an Owner requests a copy of the Owner's ledger or statement by the deadline, the deadline for accepting a proposed plan shall be extended to 30 days from the date the ledger or statement is mailed to the Owner. Upon a request for a copy of the ledger or statement by an Owner made personally or in writing, sent certified mail, first class postage prepaid, return receipt to the Association's registered agent by an Owner, such Owner's designee or a holder of a security interest or its designee, the Association shall mail the same to the inquiring party within 14 calendar days after receipt thereof and shall be binding on the Association, the Board, and Owner. If no statement is furnished to the inquiring party then the Association shall have no right to assert a lien upon the Owner's lot or unit for

unpaid assessments and/or dues which were due as of the date of the request. The foregoing limitation shall only apply if no statement is sent at all to a request made under the terms hereunder, and shall not otherwise limit the Association's right to collect such unpaid assessments and/or dues under Colorado law. Any such request and any acceptance of a proposed plan by an Owner must be in writing and received by the Association by the deadlines provided herein.

- (2) If a proposal is not accepted within the deadline provided for herein, the proposal shall be deemed rejected by the Owner, and thereafter the Association may pursue all of its remedies under its governing documents and/or Colorado law
 - (3) If any Owner fails to comply with the terms of the plan, including but not limited to the payment of regular assessments and/or dues as they come due during the plan, the Owner shall be in default and the Association shall be allowed to pursue collection of all amounts due from the Owner under Colorado law and take any other action allowed by law.
- (C) The Association shall not be required to offer a repayment plan if: (i) the Owner has previously entered into a repayment plan, or (ii) the Owner does not occupy the residence on the Lot and has acquired his/her Lot as a result of a default of a security interest encumbering the Lot or a foreclosure of the Association's lien.
- (D) The Board may place a lien on any Lot when any assessment and/or dues is delinquent. However, before foreclosing on said lien for past due assessments and/or dues (i) the total amount of assessments must be equal to or exceed six (6) months of common expense assessments and/or dues based on a periodic budget adopted by the Association.. If such assessments are made only on an annual basis, the amount of delinquent assessments and/or dues must equal or exceed one-half of the annual assessment and/or dues, and (ii) the Board must have formally resolved, by a recorded vote, to authorize the filing of a legal action against a specific Lot on an individual basis. The Board may not delegate this duty to any attorney, insurer, manager or other person, and any legal action to foreclose on such lien filed without evidence of the recorded vote authorizing the action must be dismissed; and no attorneys fees, court costs or other charges incurred by the Association connected with an action that is dismissed for this reason may be assessed against the Owner of such Lot.

As to any delinquent assessments and/or dues, the Board has the discretion to waive any late fees, interest, fine or penalty and/or negotiate any settlement of any delinquent assessment and/or dues owed to the Association by an Owner except as otherwise required herein or under Colorado law. Except as to any matter contained herein which is required or prohibited under CCIOA or Colorado law, the Board may take any other action as allowed by law.

Any amount due which is enforced by foreclosure of the defaulting Owners Lot by the Association shall be in a like manner as a mortgage on real property. In such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorneys fees.

The Association, through the Board of Directors, may also bring an action at law against an Owner personally liable to pay for any assessment and/or dues. In the event a judgment is obtained such judgment shall include interest on the assessment and/or dues, charge or fine and a reasonable attorneys fees to be fixed by the court, together with the costs of the action.

Nothing contained herein shall prohibit the Association from retaining an attorney to assist the Association in requiring any Owner to comply with the governing documents of the Association, such as writing a letter to an Owner for a violation of the covenants, without prior notice to an Owner as required in section (B) so long as such assistance does not include the collection of assessments and/or dues as described herein.

Upon a written request, delivered personally or by certified mail, first class postage prepaid, return receipt requested, to the Association's registered agent, the Association shall furnish to an Owner, an Owner's designee or to a holder of a security interest or its designee, a written statement setting forth the amount of unpaid assessments and/or dues currently levied against such Owner's Lot. The statement shall be furnished within fourteen calendar days after receipt of the request and is binding on the Association, the Board and every Owner. IF NO STATEMENT IS FURNISHED TO THE OWNER OR HOLDER OF A SECURITY INTEREST OR HIS/HER/ITS DESIGNEE, DELIVERED PERSONALLY, OR BY CERTIFIED MAIL, FIRST-CLASS POSTAGE PREPAID, RETURN RECEIPT REQUESTED TO THE INQUIRING PARTY, THEN THE ASSOCIATION SHALL HAVE NO RIGHT TO ASSERT A LIEN UPON THE LOT OF SUCH OWNER FOR UNPAID ASSESSMENTS AND/OR DUES, WHICH WERE DUE AS OF THE DATE OF THE REQUEST. Notwithstanding the foregoing, the failure to provide such a statement shall not impair the Association's right to enforce any other right it has in collecting such past due assessments and/or dues, including but not limited to filing suit against such Owner.

All Owners of a Lot are jointly and severally liable for all assessments and/or dues incurred during such Owner's ownership of said Lot which shall include any reasonable attorneys fees incurred by the Association in enforcing the covenants or collecting any assessments, and/or dues, including but not limited to any fees incurred before a lien is placed on the Lot or a suit is filed. No Owner may waive or otherwise escape liability for assessments, dues, charges, attorneys fees, fines or penalties by the nonuse of the common area or abandonment of his or her Lot or asserting that services, duties or obligations of the Association have not been performed.

Adopted on 11-8-2014
Jane Skene
Secretary

HOMEOWNER/BOARD MEMBER EDUCATION

The Association shall provide, or cause to be provided, education to lot owners, at no cost to them, at least on an annual basis as to the general operations of the Association and the rights and responsibilities of owners, the Association and the Board under Colorado law. The criteria for compliance with this section shall be determined by the Board.

The Board may authorize, and account for as a common expense, reimbursement of Board members for their actual and necessary expenses incurred in attending educational meetings and seminars on responsible governance of homeowners' associations. The course content of such meetings and seminars shall be specific to Colorado, and shall make reference to applicable sections of the Colorado Common Interest Ownership Act.

Adopted on 11-8-2014

Jane King
Secretary

RESERVE FUND INVESTMENT

The Association shall strive to adhere to the following investment policies:

Short Term Requirements:

Since the need for major repairs or replacement of the infrastructure for the HOA is difficult to foresee, the Association should begin to accrue funds in a reserve fund to pay for the repair and/or replacement of such infrastructure. Annually, the Board should estimate what repairs/replacement of infrastructure will occur within the following three (3) years. Such amount of the reserve fund should be invested in federally insured money market accounts or certificates of deposit with a maturity of 6 months or less.

Long term Requirements:

If the short term requirements are funded as described above, and repairs and/or replacements are anticipated in three years or longer, any excess funds in the reserve fund may be invested in certificates of deposit, US Treasury bills, or notes with a maturity date of no more than five (5) years, or short term no load mutual funds.

Treasurer Review:

The Treasurer shall report the results of reserve fund performance to the Board of Directors on at least a quarterly basis, or upon request. The results of performance shall also be reported to the members at the annual meeting.

Adopted on 11-8-2014

Jane L King
Secretary