

# Brookside Homeowners Association

## Adoption and Amendment of Policies, Procedures and Rules Policy

BE IT RESOLVED, that the following policy shall govern the adoption and amendment of policies, procedures, and rules.

**1. Scope:**

To define procedures to be followed when policies, procedures and rules are adopted.

**2. Specifics:**

The Board of Directors will adopt policies, resolutions, procedures, rules, regulations or guidelines to further clarify the governing documents of the Association.

The Board of Directors will adopt rules and regulations to better the community. In many circumstances, these rules and regulations will be formulated based on the needs expressed by owners

Policies, resolutions, procedures, rules, regulations or guidelines will be discussed at Board of Directors meetings, which are open to owners to attend.

Discussion by owners in regards to policies, resolutions, procedures, rules, regulations or guidelines will be held in accordance with the Conduct of Meeting policy.

Once a new policy, resolution, procedure, rule, regulation or guideline is adopted it will be posted online at the managing agent's website at [www.bravandco.com](http://www.bravandco.com) and mailed to each owner via US Postal Service.

The management company will maintain a book containing the policies, resolutions, procedures, rules, regulations or guidelines at its physical office address and is subject to review as listed in the records retention and inspection policy.

**3. Definitions:** Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning therein.

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

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

**6. Amendment:** The Board of Directors may amend this procedure from time to time.

**President's Certification:** The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

**Brookside Homeowners Association**

Shelly L. Neal  
President

Effective Date: 2-19-08

# Brookside Homeowners Association

## Conflict of Interest Policy and Procedure

BE IT RESOLVED, the Association hereby adopts the following procedures to be followed for conflict of interest by a director.

### 1. Scope:

To adopt a procedure and policy outlining procedures to be followed for conflict of interest by a Director.

### 2. Specifics:

A conflict of interest shall be defined as:

- “Conflicting interest transaction” means a contract, transaction, or other financial relationship between the Association and a Director, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest.
- “Director” means a member of the Associations Board of Directors
- “Party related to a Director” means a spouse, a descendant, and ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the Director or a party related to the Director has a beneficial interest. or an entity in which a partly related to a Director is a director or has a financial interest.

A Director that falls under the category of a potential conflict of interest must disclose such conflict if possible prior to any discussion is begun on the subject that a potential conflict does or may exist. The facts about the conflicting interest transaction should be fully disclosed to the disinterested Board members. The director must recuse himself or herself from the discussion in its entirety as a director and may not vote on the subject.

A director who has recused him or herself may participate as a member of the meeting (not as a director) if they have moved away from the directors and are providing additional information as other members of the meeting have the right to provide.

Whenever possible, conflicts of interest should be avoided. This will allow the directors to provide fiduciary duty without the semblance of impropriety.

At times, Directors may receive gifts from contractors or vendors. Whenever possible, these gifts should be refused or shared with the community to remove any semblance of impropriety.

The Association should make no loans to its Directors or officers.

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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.
6. **Amendment:** The Board of Directors may amend this procedure from time to time.

**President's Certification:** The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

**Brookside Homeowners Association**

*Sally Laef*  
President

**Effective Date:** 2-19-08

# Brookside Homeowners Association

## Meeting Policy and Procedure

BE IT RESOLVED, that the involvement and participation of members in the leadership of the Association is valuable and meetings will be conducted in accordance with the following procedure.

### 1. Scope:

To adopt a procedure and policy to be followed when giving notice of meetings and conducting meetings for the good off the community.

### 2. Specifics:

#### Meetings

#### A. Board Meetings

Board meetings are always open to the public and shall be held on at least a quarterly basis. The agenda for the Board meetings will be posted on the managing agents website and if possible in a public place in the Association at least two days in advance.

These meeting dates/times may change to accommodate Board and Manager schedules and emergencies.

Board members will retire to Executive Session when discussing matters such as attorney/client privilege, employee issues or matters concerning owner disputes. Separate minutes will be kept for Executive Sessions.

The general membership will have the opportunity to speak at the end of the Board meeting for a period of time not to exceed 30 minutes. At the discretion of the Board, the floor may be opened for comment prior to voting on the various agenda items.

#### B. Annual Meeting

Annual/budget ratification meetings will be held in August of each year.

Notification will be made in accordance with the "Meeting Notice" section of this policy

The mailing prior to the meeting will contain at a minimum:

A meeting notice and general proxy.

The proposed agenda for the meeting

The proposed budget for the coming fiscal year

A copy of the Associations income and expenses for the year to date

A copy of the Associations balance sheet for the month ending immediately prior to the notice.

C. Special Meeting

Special meetings may be called at any time by the President or by a majority of the Board or upon written request of a member, having twenty percent (20%) of all the votes of the membership.

Notification will be made in accordance with the "Meeting Notice" section of this policy

The mailing prior to the meeting will contain at a minimum:  
A meeting notice and general proxy.  
The proposed agenda for the meeting

Meeting Notices

Written notice of annual and special meetings shall be sent via regular U.S. Mail to members at least ten days but not more than 50 days prior to the meeting date.

If possible, notices will be posted within the subdivision at least one week prior to annual and special meetings.

Notices of annual and special meetings will also be posted on the managing agent's website

Voting and Proxies

Only the owner of record – or the owner's representative by proxy- may vote. One vote per lot is allowed.

At any meeting of the members, each member may vote by proxy if desired.

All proxies must be in writing and filed with the secretary.

Every proxy must be revocable and terminates eleven months after its date, unless specified otherwise.

Voting rights will be suspended for any Owner who is or has been in violation of the CC&R's in the previous thirty (30) days or who is delinquent in paying fines or assessment fees.

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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.

6. **Amendment:** The Board of Directors may amend this procedure from time to time.

**President's Certification:** The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

**Brookside Homeowners Association**

Catherine L. Hoop  
President

Effective Date: 2-19-08

**Brookside Homeowners Association of Grand Junction, Inc**

**Policy and Procedure**

**Enforcement of Covenants and Rules**

The following procedures shall apply to a violation of the Declaration of Covenants, Conditions and Restrictions (CC&R's), Bylaws, or the Policies and Procedures of the Brookside Homeowners Association of Grand Junction, Inc (the governing documents)

a. **Information Resolution**

Any member or agent of the Association may directly request that a member or resident cease or correct any act or omission which appears to be in violation of the governing documents. It is the preference of the Board that member of the Association attempt informal resolution prior to seeking formal resolution.

b. **Formal Resolution**

The Association adopts the following formal procedures to be followed when enforcing the covenants and rules of the Association:

1. **Reporting Violations**

Complaints regarding alleged violations may be reported by an owner or resident within the community in writing to the Board of Directors or the management company should they be under contract.

2. **First Violation/Courtesy Letter of Non-Compliance**

A complaint must clearly indicate the specific nature, the date, time and physical address of the alleged violation, along with the name of the person making the complaint (though their name will not be revealed). A Courtesy Letter will be sent by US Mail by the management company to the owner of the offending property (or designated person/company). If the alleged violator does not come into compliance within five (5) days of the date of the Courtesy Letter, it will be considered a Second Violation.

3. **Second Violation/Second Letter of Non-Compliance**

If an alleged violator has not come into compliance after receiving a Courtesy Letter, a second letter shall then be sent to the alleged violator. If a violation is found to still exist, **a fine will be imposed** pursuant to the schedule of violations adopted by the Board of Directors. The letter shall further state that the Homeowner or (designated person/company) is entitled to a hearing on the merits of the matter provided that such hearing is requested by the alleged violator in writing within seven (7) days of the date of



the second letter of non-compliance. Owner must still correct the violation prior to the hearing.

#### **4. Third Violation/Third Notice of Non-Compliance**

If the alleged violator has not come into compliance, and has not requested a hearing, it will be considered a third violation for which **a fine will be imposed** following notice to the Homeowner or (designated person/company).

#### **5. Hearing Procedure**

\* The Board, through its Chairperson, shall direct the proceedings at the hearing or may appoint a Hearing Board and Chair as needed.

\* The Chair will poll all members of the Board requiring that any members of the Board that cannot be impartial in the determination of this matter recuse themselves from the hearing.

\* The hearing will be conducted informally under the control of the Chair of the Hearing Board or the BOD. The accused will be given the opportunity to be heard, if present. If the alleged violator fails to attend or request a hearing within seven (7) days of the date of the second or further letters of non-compliance the BOD will make a decision with respect to the alleged violation based on: the written complaint, results of the investigation, witnesses and any other available information.

\* If a violation is found to exist, the alleged violator will be assessed a fine pursuant to these Policies and Procedures.

\* After all testimony and other evidence have been presented at the hearing, the BOD shall render its written findings and decision, and impose any fines within seven(7) days of the date of the hearing. A decision, either a finding for or against the Owner, shall be by a majority of the BOD's present at the hearing. If the Hearing Board determines that a violation has occurred, it will then:

A. Determine what corrective action shall be required of the violator including a time frame to complete the corrective action;

B. Assess an appropriate fine based on the Association's Fine Schedule below, and

C. Determine the date payment of the fine is due.

\* The violator may file a written appeal to the BOD of any adverse decision within seven (7) days of the decision. In the event the owner fails to pay the fine consistent with the notification, the fine will be subject to the following schedule:

First Notice of Violation	Courtesy Letter
Second Notice of Violation	\$75.00
Third Notice of Violation	\$75.00
Further Notices of Violation	\$75.00 each week

**6. Continuous Violations**

A continuous violation is defined as having received one or more non-compliance letters within a calendar year for the same Covenant or Rule. If an Owner is determined as having a continuous violation, in accordance with the terms of this Policy and Procedure, such Owner shall be subject to a fine of \$75.00 per week following a notice and opportunity for hearing as set forth above.

For Example: Owner has received three (3) notices of non-compliance for an RV parking and has had or has waived a hearing and continues to violate Article VIII, Section 10 of the CC&R's, the Owner shall then be fined \$75.00 per week until violation is corrected.

**7. Waiver of Fines**

The BOD may waive all, or any portion of the fines, if, in their sole discretion, such waiver is appropriate under the circumstances. Additionally, the BOD may conditionally waive the entire fine, or any portion thereof, upon the violator coming into and staying in compliance with the Governing Documents.

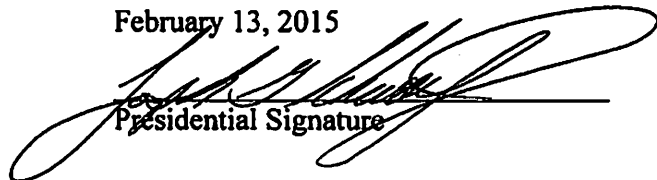
**8. Deviations**

The BOD may deviate from the procedures set forth in this resolution if, in its sole discretion, such deviation is reasonable under the circumstances.

**9. Legal Reimbursement of Fees**

The Association may hire an attorney for collection of fees, place your account into a collection agency, place a lien upon your property and may seek reimbursement of its attorney fees and costs, all collection costs, and lien fees in accordance with the 2014 Collection Policy.

February 13, 2015



Presidential Signature

# Brookside Homeowners Association

## Investment Policy and Procedure

BE IT RESOLVED, the Association hereby adopts the following procedures to be followed for enforcing policies rules and regulations and other governing document of the Association.

**1. Scope:**

To adopt a procedure and policy outlining procedures to be followed for investing replacement reserves.

**2. Specifics:**

No funds shall be deposited or invested except in authorized investments. Authorized investments are those that are in accordance with the declaration and bylaws of the Association and that are obligation of, or fully guaranteed by the U.S. Government.

All accounts, instruments and other documentation of such investments shall be subject to the approval of, and may from time to time be amended by, the Board as appropriate, and they shall be reviewed at least annually.

Investments shall be guided by the following goals, listed in decreasing order of importance.

- Safety of Principal- The long-term goal is the safety of the replacement reserves.
- Liquidity and accessibility – Funds should be readily available for projected or unexpected expenditures.
- Minimal Costs- Investment costs (redemption fees, commissions, and other transaction costs) should be minimized.
- Professional Management – Funds should be invested with professional managers who have good reputations and sound credentials.
- Return – Funds should be invested to seek the highest level of return that is consistent with preservation of the purchasing power of the principle and accumulated interest.

Association directors have the fiduciary duty to prudently manage reserve assets. Accordingly, the directors have set forth an investment policy to pursue association objectives and goals. The policy is based on historical bond rates, money market instruments and inflation. The directors expect that over time the strategy will produce results consistent with history and meet the reserve fund's goals.

**Goals and Objectives**

The Association's capital replacement reserve assets shall be invested to achieve the following objectives;

- Promote and ensure the preservation of the reserve fund's principal.
- Structure maturities to ensure availability of assets.
- Mitigate the effects of interest rate volatility upon reserve assets.

- Achieve long-term investment performance that exceeds inflation by 1-3 percent on a net after-tax basis.

### **Investment Strategy**

Select securities that mature in one to five years. Structure them so that an equal number mature each year. Consistently purchase securities at the long end of the maturity range with new or matured funds.

Reserve assets will benefit from long-term interest rates, which are often higher than short-term rates, while maintaining ready availability of funds and cash flow.

The Association may veer from this strategy when reserving a portion for a specific expense. Use the most recent reserve study to match the effective maturities to the dates of expenses.

Effective maturity may be sooner than stated maturity.

### **Selection Criteria**

Securities will be selected with emphasis on these characteristics: preservation of capital, quality, effective maturity and net after-tax return.

In general the following guidelines shall be utilized:

- Funds needed within 6 months shall be invested in savings accounts or money market funds.
- Funds needed within 6 months to one year shall be invested in certificates of deposit.
- Funds needed beyond one year shall be laddered and invested in certificates of deposit or U.S. treasury notes to liquidate as reserve project needs arise.

### **Fixed Income**

Utilize taxable income securities and annuities for Association income that is taxable in the lower brackets. Invest in tax-exempt securities and annuities above that level if the after-tax return is favorable. The taxable portion shall consist of U.S. treasury securities and insured bank certificates of deposit.

Tax-exempt securities and annuities will be rated in the AAA-quality level by at least one major credit rating agency at the time of purchase or be equivalent quality if non-rated.

An issue-by-issue review will be conducted for each security or annuity that has credit rating lowered after purchase and for each security or annuity presently in the portfolio that falls below these criteria. A decision will be made to either hold and monitor or liquidate.

Beyond quality considerations, selection criteria will emphasize securities' or annuities' maturities before yields. This emphasis is recognized as essential to governing investment strategy.

**Review and Control**

Policy considerations concerning changes of investment strategy or security selection criteria will require a meeting to obtain a consensus.

The performance review will be compared to the goals and objectives of the reserve fund. The directors will recognize the price volatility of fixed-income investments and not the strategy to hold such securities to the fixed value at maturity.

The Association's treasurer will receive monthly reserve statements. These statements will provide detailed accounting of current values, income, and transactions. Reports will be available for members of the Association from the Treasurer upon written request.

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- 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.
- 6. **Amendment:** The Board of Directors may amend this procedure from time to time.

**President's Certification:** The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

**Brooksdie Homeowners Association**

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**President**

**Effective Date:** \_\_\_\_\_

# Brookside Homeowners Association

## Dispute Resolution Policy and Procedure

BE IT RESOLVED, the Association hereby adopts the following procedures to be followed for resolving disputes between Owners and the Association.

**1. Scope:**

To adopt a procedure and policy outlining procedures to be followed for resolving disputes between Owners and the Association.

**2. Specifics:**

An owner may request a hearing with the Board of Directors if the Owner wishes to dispute a fine or decision the Board has made against the Owner. The request for a hearing must be in writing via email, fax or US Postal Service. If the request is in response to a letter from the Board, the Owner must respond within seven days of the date of the letter from the Board.

A hearing date will be scheduled at the earliest convenience for the Board, but not later than 30 days from the date of the request.

At the hearing, the Owner will be provided time to present evidence to dispute the violation. After the evidence has been presented, the Board will hold an executive session to make their decision. The Owner will be notified of the decision in writing within 7 days of the hearing.

If the owner does not like the finding of the hearing, the Owner may elect mediation. The Mediation process must be initiated within 7 business days.

Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. The parties to the dispute must agree to any decision made in mediation before any settlement is binding. The following process will be followed:

- The parties will jointly decide upon an acceptable mediator and the Owner will be responsible for and bear the cost of such mediation.
- If the parties cannot agree upon a Mediator, each party will choose a Mediator and those Mediators will choose an independent third Mediator to hear the dispute. In this case, the Owner and the Association will each pay for the Mediator they choose. The Owner will be responsible for the cost of the third Mediator.
- The mediation, unless otherwise agreed, shall terminate in the event the entire dispute is not resolved within (30) calendar days of

the date written notice requesting mediation is sent by one party to the other at the party's last known address

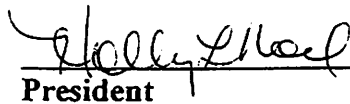
- If the Owner fails to appear for Mediation, the Association shall prevail in the dispute. If the Association fails to appear for Mediation, the Owner shall prevail in the dispute.
- The Mediator will issue a certificate stating the final dispensation of the dispute.

In the event of any arbitration or litigation relating to the Owner's dispute, the arbitrator or court shall award to the prevailing party all reasonable costs and expenses, including attorney and legal fees.

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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.
6. **Amendment:** The Board of Directors may amend this procedure from time to time.

**President's Certification:** The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

**Brookside Homeowners Association**

  
\_\_\_\_\_  
President

**Effective Date:** 2-19-08