

RESPONSIBLE GOVERNANCE POLICY: HOUSE BILL 09-1359

HAMPDEN VILLAS PROPERTY ASSOCIATION, INC.  
RESOLUTION REGARDING RESERVE STUDIES AND FUNDING  
PLAN FOR SUCH RESERVE STUDIES

WHEREAS, the Hampden Villas Property Association, Inc. Board of Directors/Managers is empowered to govern the affairs of the Association pursuant to Article VII Section A of the Association's Bylaws;

WHEREAS, there is a need to adopt a specific governance policy in compliance with House Bill 09-1359, regarding "When the Association has a reserve study prepared for the portions of the community maintained, repaired, replaced, and improved by the Association; whether there is a funding plan for any work recommended by the reserve study and, if so, the projected sources of funding for the work; and whether the reserve study is based on a physical analysis and financial analysis. For the purpose of this subparagraph (IX), an internally conducted reserve study shall be sufficient.";

NOTE: House Bill 09-1359 does not state whether Associations are actually required to have reserve studies conducted.

WHEREAS, it is the intent that this resolution shall be applicable to the Association and shall remain in effect until otherwise rescinded, modified or amended by a majority of the Board of Directors/Managers;

NOW, THEREFORE, BE IT RESOLVED that the following governance policy regarding reserve studies and funding for such reserve studies is hereby adopted by the Board of Directors/Managers:

The Board of Directors/Managers may commission a reserve study to be provided by a professional such as an engineering firm OR internally utilizing information provided by the Association's management company and the Association's contractors and vendors.

The Board of Directors/Managers in accordance with the Association's governing documents may commission an updated reserve study from the providers noted in the paragraph above.

Action to obtain reserve studies and to update such reserve studies is to be determined by the Board of Directors/Managers acting in the best interest of the Association in its entirety, in accordance with the Colorado Common Interest Ownership Act (CCIOA) and the Colorado Revised Non-profit Corporation Act.

To the extent feasible, funding for such reserve studies should be incorporated in the Association's annual fiscal budget in a section noted as "RESERVE INCOME AND EXPENSE."

PRESIDENT'S CERTIFICATION:

The undersigned, being the President of the Hampden Villas Property Association, Inc. Board of Directors/Managers, a Colorado non-profit corporation, certifies that the foregoing Resolution was adopted on DECEMBER 15, 2009, and in witness thereof, the undersigned has subscribed his/her name.

HAMPDEN VILLAS PROPERTY ASSOCIATION, INC.  
A Colorado non-profit corporation

BY:

Melannee Lovell