

HIGHLINE COURT HOMEOWNERS ASSOCIATION

RESERVE STUDY POLICY

The following policy was adopted by the Board of Directors of Highline Court HOA ("the Association") pursuant to Colorado law at a regular meeting of the Board.

RECITALS:

A. Colorado Revised Statute ("C.R.S.") 38-33.3-209.5(1)(b)(ix) provides that Colorado Common Interest shall adopt policies, procedures, and rules and regulations concerning preparation of a reserve study.

B. Article IV, Section 3 of the Declaration of Covenants states that annual assessments shall include an adequate reserve fund to meet the expected needs of the Association. Annual assessments shall include an adequate reserve fund for the maintenance, repair and replacement of those items that must be maintained, repaired or replaced on a periodic basis and for insurance deductibles

C. Article 6 of the Articles of Incorporation authorizes the Association to administer the affairs of the Association.

THEREFORE, IT IS RESOLVED THAT:

1. The Board of Directors shall commission a reserve study at least once every three (3) years for all portions of the community maintained, repaired, replaced and/or improved by the Association.

2. An internally conducted reserve study shall be sufficient; however, at any time the Board may determine that a professional study is fiscally responsible and warranted.

3. The reserve study should be based on both physical and financial analysis and include projected sources of funding for the work.

4. Upon conclusion of the study, the discussion, and opinions of professionals (if any) the Board of Directors shall prioritize needs and make reasonable and fiscally responsible reserve funding decisions based on what they believe is in the best interest of the Association.

5. The study should be reviewed annually before preparation of the annual budget with particular attention to previously established priorities and budgetary considerations.

Policy adopted this thirteenth day of October 2009 by Resolution of the Board of Directors of Highline Court Homeowners Association.



Signed

October 13, 2009

Date