

**RESOLUTION OF THE  
GRASS MESA HOMEOWNERS ASSOCIATION  
REGARDING POLICY AND PROCEDURE FOR INSPECTION, COPYING,  
RETENTION AND DESTRUCTION OF ASSOCIATION RECORDS**

**SUBJECT:** Adoption of a procedure for the inspection and copying of Association records by Owners, and the retention and destruction of Association records.

**PURPOSE:** To adopt a policy regarding an Owner's right to inspect and copy Association records and identification of records to be permanently retained by the Association. To adopt a standard procedure to be followed when an Owner chooses to inspect or copy Association records. To adopt a document retention schedule for the retention of Association documents. To adopt a standard procedure to be followed for the destruction of Association documents.

**AUTHORITY:** The Declaration, Articles of Incorporation, Bylaws of the Association, and Colorado law.

**EFFECTIVE**

**DATE:** April 1, 2016

**RESOLUTION:** The Association hereby adopts the following Resolution:

1. Association Document Retention.

a. *Sole Records of the Association.* In addition to any records specifically defined in the Association's Declaration or Bylaws, the Association shall maintain the following, all of which shall be deemed the sole records of the Association for purposes of document retention and production to Owners:

- i. Detailed records of receipts and expenditures affecting the operation and administration of the Association;
- ii. Minutes of all meetings of its Lot Owners and Board of Directors, a record of all actions taken by the Lot Owners or Board of Directors without a meeting, and a record of all actions taken by any committee of the Board of Directors;
- iii. Written communications among, and the votes cast by, the Board of Directors that are:
  1. Directly related to an action taken by the Board of Directors without a meeting pursuant to C.R.S. 7-128-202; or
  2. Directly related to an action taken by the Board of Directors without a meeting pursuant to the Association's Bylaws;
- iv. The names of Lot Owners in a form that permits preparation of a list of the names of all Lot Owners and the physical mailing addresses at which the

Association communicates with them, showing the number of votes each Lot Owner is entitled to vote;

- v. The Association's governing documents, including its Declaration, Bylaws, Articles of Incorporation, Rules and Regulations, Responsible Governance Policies adopted pursuant to C.R.S. 38-33.3-209.5, and other policies adopted by the Board of Directors;
- vi. Financial statements as described in C.R.S. 7-136-106 for the past three years and tax returns of the Association for the past seven years, to the extent available;
- vii. A list of the names, electronic mail addresses, and physical mailing addresses of its current Board of Director members and officers;
- viii. Its most recent annual report delivered to the secretary of state, if any;
- ix. Financial records sufficiently detailed to enable the Association to comply with C.R.S. 38-33.3-316(8) concerning statements of unpaid assessments;
- x. The Association's most recent Reserve Study, if any;
- xi. Current written contracts to which the Association is a party, and contracts for work performed for the Association within the immediately preceding two years;
- xii. Records of Board of Director or committee actions to approve or deny any requests for design or architectural approval from Lot Owners;
- xiii. Ballots, proxies, and other records related to voting by Lot Owners for one year after the election, action, or vote to which they relate;
- xiv. Resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members; and
- xv. All written communications within the past three years to all Lot Owners generally as Lot Owners.
- xvi. Within ninety days after the end of each fiscal year thereafter, the Association shall make the following information available to Lot Owners upon reasonable notice in accordance with Section (2) of this policy:
  - 1. The date on which its fiscal year commences;
  - 2. Its operating budget for the current fiscal year;
  - 3. A list of the Association's current assessments, including both annual and special assessments;
  - 4. Its annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
  - 5. The results of its most recent available financial audit or review;
  - 6. 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 insureds, and expiration dates of the policies listed.

- b. *Email Retention.* The Association recognizes that written communications as described in Section 1(a)(iii) of this Policy may include emails. The Association's



manager shall be copied on all such emails. The manager shall have an affirmative responsibility, under contractual obligation with the Association, to either save such emails electronically or print them out and maintain a physical file.

2. Inspection/Copying Association Records. An Owner or his/her authorized agent is entitled to examine and copy any of the books and records of the Association, subject to the exclusions, conditions, and requirements set forth below:
  - a. *Location.* The Association shall make the requested records available for inspection and/or copying within ten (10) business days of the Owner's request or at the next regularly scheduled Owner or Board of Directors meeting if the next regularly scheduled Owner or Board of Directors meeting is scheduled within thirty days of the Owner's request, in the sole discretion of the Board of Directors. The Board of Directors shall advise the Owner of the time and place of such inspection in writing within five business days of the Owner's request.
  - b. *Written Request.* An Owner must submit a written request, describing with reasonable particularity the records sought, at least ten (10) days prior to inspection or production of the documents. For an Owner's convenience, an Agreement Regarding Inspection and Copying of Association Records is attached to this policy. Failure to properly complete or sign a request (or the Agreement Regarding Inspection and Copying of Association Records) shall be valid grounds for denying an Owner the right to inspect and/or copy any record of the Association. (Note: The Association may not condition the production of records upon the statement of a proper purpose.)
  - c. *Membership Lists.* A membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a Lot Owner's interest as a Lot Owner without consent of the Board of Directors. Therefore, a membership list may not be used for such purposes including, but not limited to,
    - i. Soliciting money or property unless such money or property will be used solely to solicit the votes of the Lot Owners in an election to be held by the Association
    - ii. Any commercial purpose; or
    - iii. Selling to or purchasing by any person.
  - d. *Optional Withholding of Association Documents.* The Association may choose to withhold Association-maintained records from inspection and copying to the extent that they are or concern:
    - i. Architectural drawings, plans, and designs, unless released upon the written consent of the legal owner of the drawings, plans, or designs;
    - ii. Contracts, leases, bids, or records related to transactions to purchase or provide goods or services that are currently in or under negotiation;
    - iii. Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;
    - iv. Disclosure of information in violation of law;
    - v. Records of an executive session of an Board of Directors; or
    - vi. Individual Lots other than those of the requesting Owner.



- e. *Mandatory Withholding of Association Documents.* The Association must choose to withhold Association-maintained records from inspection and copying to the extent that they are or concern:
    - i. Personnel, salary, or medical records relating to specific individuals; or
    - ii. Personal identification and account information of members, including bank account information, telephone numbers, electronic mail addresses, driver's license numbers, and social security numbers.
  - f. *Fees/Costs.* Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association, which have been determined to be \$0.10 per page, including the cost to search, retrieve, and copy the record(s) requested. The Association will charge a deposit equal to the anticipated actual cost of the requested records if the anticipated cost is over \$25.00. Failure to pay such deposit shall be valid grounds for denying the Owner copies of such records. If after payment of the deposit it is determined that the actual cost was more than the deposit, the Owner shall pay such amount prior to delivery of the copies. If after payment of the deposit it is determined that the actual cost was less than the deposit, the difference shall be returned to the Owner with the copies. There shall be no cost to any Owner accessing records which are required to be disclosed by Colorado law at no cost to Owners. The charge may not exceed the estimated cost of production and reproduction of the records.
  - g. *Right to Receive Via Alternate Means.* A right to copy records under this Section includes the right to receive copies by photocopying or other means, including the receipt of copies through an electronic transmission if available, upon request by the Lot Owner.
  - h. *Compilation.* The Association is not obligated to compile or synthesize information.
  - i. *No Commercial Purpose.* Association records and the information contained within those records shall not be used for commercial purposes.
  - j. *Third Party.* The Association reserves the right to have a third party present to observe during any inspection of record by an Owner or the Owner's representative.
  - k. *Originals.* It is the policy of the Association that original records of the Association shall be appropriately protected from damage, loss, or spoliation. No Owner shall remove any original book or record of the Association from the place of inspection, nor shall any Owner alter, destroy, or mark in any manner any original book or record of the Association.
  - l. *Agent.* The Association has designated its management company as its agent to maintain all records and provide all such access as required by Colorado law and/or this Resolution. Therefore, such management company shall have all rights of the Association with respect to such obligations.
3. Creation, Destruction, and Retention of Records.
- a. *Creation of records.* Nothing contained in this Resolution shall be construed to require the Association to create records that do not exist or compile records in a particular format or order.

- b. *Destruction of records.* Records shall be destroyed in a manner which preserves confidentiality. Acceptable destruction methods include shredding, incinerating, and pulverizing. If someone other than the Association destroys the records, including a property manager or records management company, such destruction shall take place only after consent has been received from the Association. "Consent" may include notice to the Association stating that the Association has 30 days to pickup the documents or such documents will be destroyed.
- c. *Record Retention.* Section (1) of this document lists the documents which shall be maintained, all of which shall be deemed the sole records of the Association for purposes of document retention. Where a specific retention period is not explicitly stated for a type of document under Section (1), the retention term of that type shall be "permanent."

4. Other Provisions.

- a. *Definitions.* Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
- b. *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 laws of the State of Colorado governing the Association.
- c. *Deviations.* The Board of Directors may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
- d. *Amendment.* This policy may be amended from time to time by the Board of Directors.
- e. *Sole Records Policy.* This policy shall be the sole existing policy of the Association regarding inspection, copying, retention, and destruction of records. This policy replaces any previously adopted policy which describes the same, or substantially the same, subject matter.

**PRESIDENT'S**

**CERTIFICATION:** The undersigned, being the President of the Grass Mesa Homeowners Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution 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 MARCH 21, 2016 and in witness thereof, the undersigned has subscribed his/her name.

**GRASS MESA HOMEOWNERS ASSOCIATION,**  
a Colorado non-profit corporation,

By: Michael M. M.  
President



**AGREEMENT REGARDING INSPECTION AND COPYING OF RECORDS  
OF THE GRASS MESA HOMEOWNERS ASSOCIATION**

I have requested to inspect and/or obtain copies of the following records of the Grass Mesa Homeowners Association (be as specific as possible): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I understand that under the terms of the Colorado Revised Nonprofit Corporation Act and H.B. 1237, Association membership lists, or any part thereof, may not be obtained or used for any purpose unrelated to an Owner's interest as an Owner without consent of the Board of Directors. I further understand and agree that Association records may not be:

(A) Used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election held by the Association;

(B) Used for any commercial purpose;

(C) Sold to or purchased by any person; or

(D) Any other purpose prohibited by law.

In the event any document requested, including a membership list, is used for an improper purpose, I will be responsible for any and all damages, penalties, and costs incurred by the Association, including attorney fees resulting from such improper use. I will additionally be subject to any and all enforcement procedures available to the Association through its governing documents and Colorado law.

I acknowledge that any access to records must fully comply with the Policy and Procedure for Inspecting, Copying, Retention and Destruction of Association Records. I further agree that the Association may impose a fee of \$25.00 per occurrence as a cost to restore any original document or record that I alter, destroy, or mark in any manner.

Understood and agreed to by:

\_\_\_\_\_  
Homeowner/Agent

Date: \_\_\_\_\_

\_\_\_\_\_  
Address