

# SILVERTREE CONDOMINIUMS ASSOCIATION, INC.

## 2006 NEW POLICIES & PROCEDURES

### 1. EMERGENCY SERVICE VEHICLES POLICY

An Owner who volunteers for a fire department or is employed by an emergency service provider, and as a condition of such service, is required to maintain an emergency service vehicle, may park a designated emergency service vehicle with a weight rating of ten thousand pounds or less on the Association's private roads, driveways or otherwise within the Project, so long as parking of the vehicle can be accomplished without obstructing emergency access or interfering with the reasonable needs of other unit owners to use the roads and driveways within the Project. The Association reserves the right to request employment documentation or service verification from the Owner and may impose reasonable restrictions on where the Owner may park the vehicle.

### 2. DISPLAY OF FLAGS POLICY

#### 1. Definitions:

- A. American Flag. The flag of the United States of America as defined in Chapter 1 of Title 4 of the United States Code, as amended.
- B. Service Flag. A service flag bearing a star denoting the service of the unit Owner or a member of the unit Owner's immediate family in the active or reserve military service of the United States during a time of war or armed conflict.
- C. All definitions used in the Declaration of Covenants, Conditions and Restrictions of Silvertree Condominiums are adopted by this reference for purposes of this policy.

As used herein, the term "Flag" shall mean collectively American Flags and Service Flags.

#### 2. Installations and Display of the American Flag:

- A. One American Flag may be displayed on each Unit, in the window of the Unit Owner's Unit, or on a balcony adjoining the Unit Owner's Unit if the American Flag is displayed in a the following manner:
  - i. *I. e.* At all times, when displayed, the American Flag shall be displayed in accordance with the requirements of the U.S. Flag Code.
  - ii. If displayed outside of the Unit Owner's Unit, the American Flag may be attached only by means of an outrigger bracket attached to the railing of the patio or balcony of the Unit, or the wood trim surrounding the door of the Unit or a window of the Unit. Other flagpoles are prohibited. The mast of the American Flag may not exceed 6 feet in length and 2 inches in diameter. Except as stated above, no outrigger bracket may be installed on any of the Common Elements without prior written consent from the Board of Directors.
- B. The American Flag may not exceed 3 feet by 5 feet in size.
- C. Masts shall not encroach upon another Owner's Condominium Residence. Masts are required to withstand winds of 80 miles per hour.

#### 3. Installations and Display of Service Flags:

- A. One Service Flag may be displayed for each branch of the military service in which the Unit Owner or members of the Unit Owner's immediate serve. Service Flags may only be displayed from the inside of a window or door of the Unit Owner's Unit.
- B. Dimensions of the Service Flag may not exceed 18 inches by 32 inches.

#### 4. General Rules Regarding Display of Flags.

- A. Flags must be replaced if they become visibly worn. The Board of Directors reserves the right, at its sole discretion, to determine whether a Flag must be repaired or replaced. If not repaired

or replaced within a reasonable time after receiving notice from the Association, as determined by the Board of Directors, the Flag must be removed.

- B. The Flag may not be illuminated.
  - C. Flags other than the American Flag or Service Flags may be displayed only with prior written Board approval. No other flags shall be displayed on an Owner's Unit or the Common Elements.
5. Association Maintenance of Locations Upon Which Outrigger Masts are installed:
- A. If brackets are installed on property for which the Association has maintenance responsibility, Owners retain responsibility for bracket, mast and Flag maintenance. Owners must not install brackets in a manner that will result in increased maintenance costs for the Association or for other residents. If such damage occurs or increased maintenance is required, Owners are responsible for these costs.
  - B. If maintenance to be performed by the Association requires bracket and Flag removal, the Association shall provide Owners with reasonable notice. Owners shall be responsible for removing brackets and masts before maintenance begins. If Owners do not remove brackets and masts by the required time, then the Association may do so, at Owners' expense. The Association is not liable for any resulting damage to brackets, masts or Flags.
6. Enforcement.
- A. This policy may be enforced in accordance with the provisions of the Association's Notice and Hearing and Enforcement Policy and Procedures.

### **3. DISPLAY OF POLITICAL SIGNS POLICY**

#### 1. Definitions.

- A. As used herein, "Political Signs" means a sign that carries a message intended to influence the outcome of an election, including the supporting or opposing the election of a candidate, the recall of a public official, or the passage of a ballot issue.
- B. All definitions used in the Declaration of Covenants, Conditions and Restrictions of Silvertree Condominiums are adopted by this reference for purposes of this policy.

#### 2. Display Of Political Signs.

- A. Association Members may display professionally-lettered, Political Signs in the windows of their Units, no earlier than forty-five days prior to a scheduled election day and no later than seven days following the day of the election to which the sign applies.
- B. No Political Sign displayed within the Association shall exceed the maximum dimensions of thirty-six inches by forty-eight inches or a maximum height of four feet.
- C. No more than one Political Sign per political office or ballot issue that is contested in a pending election may be displayed in any single Unit.

#### 3. Enforcement; General Restrictions.

- A. This policy may be enforced in accordance with the provisions of the Association's Notice and Hearing and Enforcement Policy and Procedures.
- B. Notwithstanding the foregoing, if the city, town or county in which the Association is located regulates the display of Political Signs, such city, town or county regulations shall control to the extent that they are less restrictive than this policy.
- C. Political Signs must be replaced if they become visibly worn. The Board of Directors reserves the right, at its sole discretion, to determine whether a Political Sign must be replaced. If not replaced within a reasonable time after receiving notice from the Association, as determined by the Board of Directors, the Political Sign must be removed.
- D. Political Signs may not be illuminated.
- E. Signs other than Political Signs may be displayed only with prior written Board approval. No other signs shall be displayed on an Owner's Unit or the Common Elements except in accordance with the Declaration of Covenants, Conditions and Restrictions of Silvertree Condominiums, or the Association's rules.

#### **4. HOMEOWNER AND BOARD MEMBER EDUCATION POLICY**

##### **Owner/Member Education**

Annual education on association-related topics shall be provided at the annual meeting or via newsletter or posted on the Silvertree web site. The Board, at its discretion, may choose other means of annual education for Owners.

##### **Board Member Education**

Board members are encouraged to attend educational programs that will help them govern the association more efficiently and responsibly.

With prior Board approval the Board of Directors shall be compensated for the actual and necessary expenses for annual classes and/or seminars that are specific to applicable sections of the Colorado Common Interest Ownership Act (CCIOA).

Board members shall submit proof of attendance prior to reimbursement of the expense.

#### **5. AUDIT AND ACCOUNTING POLICY**

The Board of Directors shall annually cause a review or audit of the books and records using generally accepted auditing standards to be prepared by a Certified Public Accountant.

#### **6. ESCROW AGREEMENTS WITH MORTGAGEES POLICY**

At its discretion, the Board of Directors shall have the authority to enter into an agreement with a member/owner's mortgage holder to collect the member/owner's assessment payments along with the member/owner's mortgage payments.

Any escrow agreement reached under this agreement must comply with any applicable rules of the Federal Housing Administration, Department of Housing and Urban Development, Veterans' Administration, or any other government agency.

The Board of Directors may consult with an attorney to review such agreements to ensure compliance with all applicable federal statutes.

#### **7. AGENTS, EMPLOYEES AND MANAGEMENT CONTRACTS POLICY**

Any manager, employee, independent contractor or any other person acting for the Association shall be made aware within employment and vendor contracts that they are subject to the Colorado Common Interest Ownership Act (CCIOA) to the same extent as the Association.

All contracts shall include wording that substantially states, "contracts may be terminated for cause and without any penalty". Such contracts shall also be subject to renegotiation.

#### **8. GENERAL ASSOCIATION DISCLOSURES POLICY**

The Association's Board of Directors shall be responsible for annual disclosure of the following:

- The Association's name and the name of the common interest community
- The name of any designated agent or management company
- The physical address and telephone number for the association and any designated agent or management company
- The initial date of the recording of the declaration and the declaration's reception number or book and page where the declaration is located
- Association Bylaws, Articles of Incorporation, Declaration of Covenants, Conditions, Restrictions and Easements, Rules and Regulation and Enforcement Procedures
- Board meeting and member meeting minutes for the fiscal year immediately preceding the annual disclosure
- The association's seven responsible governance policies concerning:

1. Collection of unpaid assessments
2. Handling of conflicts of interest involving board members
3. Conduct of meetings
4. Enforcement of covenants and rules, including notice and hearing procedures and the schedule of fines
5. Inspection and copying of association records by member/owners
6. Investment of reserve funds
7. Procedures for the adoption and amendment of policies, procedures, and rules

The Association's Board of Directors shall provide all members/owners with a written notice within 90 days if the association's address, designated agent, or Management Company changes.

The Association's Board of Directors shall provide all members/owners with the association's budget for the current fiscal year, the association's annual financial statements-including any money held in reserve for the fiscal year immediately preceding the current annual disclosure and the results of any financial audit for the fiscal year preceding the current annual disclosure.

The Association's Board of Directors shall provide all members/owners with a list of all association insurance policies, including but not limited to the following:

- Insurance company names, policy limits, policy deductible, additional named insured and expiration dates of all policies listed
- Property
- General Liability
- Association director and officer professional liability
- Fidelity policies

Means of disclosure shall include the following:

- Posting the information on an internet web page with notice of the web address sent either by first-class mail or e-mail to members/owners
- Mailing the information to all member/owners
- Personally delivering the information to all member/owners
- Maintaining a literature table or binder at the association's principal place of business

The Association's Board of Directors shall make the above mentioned information available within five days of a written notice, during standard business hours at no charge. Member/owners may be charged for copies if the information is obtained from a literature table or binder at the association's place of business.

The Association's Board of Directors shall use their best efforts to comply with member/owners request for documents prior to the sale of their residence.

#### **9. ATTORNEY-CLIENT PRIVILEGE POLICY**

Once the Board has resolved any matter for which they sought legal advice or concerned litigation, the Board has the discretion to decide whether to disclose such communications at an open meeting or to preserve its attorney-client privilege.

#### **10. ALLOCATION OF LEGAL COSTS POLICY**

The Association does not need to commence a legal proceeding before having the right to require member/owners to reimburse the Association for monies spent in collection efforts.

When delinquent assessments or certain monies owed to the Association are not at issue, any party, including the Association, a member/owner, or class of member/owners affected by another party's failure to comply with CCIOA or an Association's governing documents may seek reimbursement for costs and attorneys fees without commencing a legal proceeding.

When the court finds in favor of a member/owner in legal actions claiming that the owner/member violated a provision of CCIOA or the Association's governing documents, the court must award the owner/member costs and reasonable attorney fees and may not award costs or attorney fees to the Association.

In the situation described above, the Association shall not allocate any of the Association's costs or attorney fees to the owner/member's account. The Association shall divide the cost among its member/owners and it shall not include the prevailing member/owner in its calculation.

**11. SALE OF PROPERTY POLICY**

The Association shall cooperate to the best of its ability with any requests for documents from member/owners selling their property.

A member/owner selling their property must request the required documents in writing to the managing agent.

The seller, at the seller's expense, has the responsibility to provide by mail, personally deliver or other means acceptable to the Buyer on or before the title deadline as specified in a Contract to Buy Real Estate or within ten days of closing in the case of a sale by owner the following documents:

1. Bylaws,
2. Rules and Regulation,
3. Declaration of Covenants, Conditions, Restrictions and Easements
4. Minutes of the most recent annual owners' meeting and of any board meetings held within the six months preceding the title deadline
5. Operating budget
6. Annual income and expenditure statement
7. Annual balance sheet

The seller must provide the buyer with a statement in bold-faced type the following acknowledgement:

**Buyer hereby acknowledges that the buyer has received copies of the Declaration of Covenants, Conditions, Restrictions and Easements; Bylaws; and Rules and Regulations of Silvertree Condominiums Association in which the property is located, and the buyer understands that these documents constitute an agreement between the Association and the buyer.**

**Buyer also understands that by completing this purchase, the buyer is responsible for paying assessments to the association. If the buyer does not pay these assessments, the Association could place a lien on the property and possibly sell the property to collect the debt.**

**Buyer also understands that any change to the exterior of the property may be subject to architectural review and approval. Failure to secure such review and approval could be a violation of the governing documents and could result in remedial action being taken by the Association.**

**By signing this statement, I/we acknowledges that I/we have read and understand the Association's governing documents.**

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**Buyer                      Date                      Buyer                      Date**

The Seller is responsible for delivering the acknowledgement to the Association as soon as possible after it is acquired.

## **12. ELECTION OF BOARD MEMBERS POLICY**

Votes will be taken for the election of board members by secret ballot. Other votes will be taken with a show of hands unless an owner requests that it be taken by secret ballot. Votes will be counted by a neutral third party or by a unit owner who is not a candidate, who is selected at random from a pool of two or more Members. Proxies are allowed and will be reviewed to confirm that the individual submitting the proxy is not delinquent. Meetings are typically chaired by the Board President, but any one of the board members may chair the meeting. At the Annual meeting, the Board may provide an open forum following adjournment of the meeting.