

STAGECOACH PROPERTY OWNERS ASSOCIATION RESPONSIBLE GOVERNANCE POLICIES

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Definitions: **"SPOA"** means: Stagecoach Property Owners Association.

"Board" means: the Board of Directors of **SPOA**.

"Director" means: a **Member** of the **SPOA** Board of Directors

"Member" means: a member of the **SPOA** which is defined by its Articles of Incorporation as:

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including Contract Sellers.

"Manager" means: a person or entity who is employed or contracted with by the **Board** to manage **SPOA** affairs or property.

"Governing Documents" means the Stagecoach Declaration of Covenants, Conditions and Restrictions dated November 19, 1971, the Articles of Incorporation and By-Laws of **SPOA**, these Responsible Governance Policies and any Rules and Regulations duly adopted by the **Board**.

I. COLLECTION OF UNPAID ASSESSMENTS

1. Annual assessments shall be billed on or about December 1st of each year.
2. Payment of assessments shall be made no later than February 1st or sixty (60) days after the billing date, whichever is later. Interest at the rate of eight percent (8%) per annum shall accrue upon any past due assessment as of the first day of default.
3. The voting rights of any **Member** who is in default of assessments shall be suspended. Notice of suspension, together with amounts owed, shall be mailed to **Members** each June. Voting rights shall be reinstated upon payment in full.
4. It shall be in the **Board's** discretion as to when and how to enforce past-due assessments. The **Board** may choose amongst foreclosure of **SPOA's** lien, suit in small claims, county or district court for personal judgment, against a **Member** individually, or by suit against multiple defendants. Pursuant to the Colorado Common Interest Ownership Act (CCIOA), **SPOA** has a lien without further filings; however the **Board** may choose to file a Statement of Lien against the Lot of a defaulting **Member** as a further incentive and reminder for payment.

In exercising its discretion, it is the policy of the **Board** to treat delinquencies in a uniform manner while recognizing that there may be extenuating circumstances which make deviation from identical treatment necessary.

5. Not less than thirty (30) days prior to taking any collection action, including the filing of a Statement of Lien, the **Board** shall provide notice to the **Member(s)** of the action (e.g. suit, filing statement of lien). Notice shall be by certified mail to the address on record with **SPOA**.
6. Any defaulting **Member** shall be responsible for any attorney fees, costs, or fees incurred by **SPOA** caused by the non-payment or untimely payment of assessments.
7. Upon obtaining a judgment against any **Member**, **SPOA** is entitled to all collection remedies available at law.
8. Payments received from each **Member** shall be applied to the **Member's** account in the following order:

- a. Attorney's fees and costs incurred by **SPOA** and for which the **Member** is responsible pursuant to the Act or the **Governing Documents**;
 - b. Interest which has accrued on all unpaid amounts;
 - a. Fines, late charges or other monetary charges or penalties;
 - b. Past due Special Assessments;
 - c. Past due monthly installments of Annual Assessments;
 - d. Current Special Assessments; and
 - e. Current monthly installment for Annual Assessments.
9. Any fine, late charge or other monetary charge or penalty levied by **SPOA** pursuant to the **Governing Documents** or the Colorado Common Interest Ownership Act (the "Act"), including attorney's fees and costs incurred by **SPOA** and for which the **Member** is liable, shall be collectible as an "Assessment" as that term is defined by the Colorado Common Interest Ownership Act.
10. Before **SPOA** turns a delinquent account over to a collection agency or attorney for collection or enforcement, it shall send the **Member** a notice of delinquency that at the minimum specifies:
- a. The total amount due, with an accounting of how the total was determined;
 - b. Whether the opportunity to enter into a payment plan exists and instructions for contacting **SPOA** to enter into such a payment plan;
 - c. The name and contact information that the **Member** may contact to request a ledger to verify the amount of the debt;
 - d. That the **Member** must take action to cure the delinquency and that failure to do so within thirty (30) days may result in the **Member's** account being turned over to a collection agency, a lawsuit being filed against the **Member**, the filing and foreclosure of a lien against the **Member's** property or other remedies available under Colorado Law.

11. With the exceptions listed below, **SPOA** shall negotiate in good faith a payment plan with any **Member** who timely responds to the Notice of Delinquency that allows a minimum of six equal monthly installments. **SPOA** is not required to offer a payment plan to the following:

- a. Any **Member** who does not occupy the **LOT** and has acquired the property as a result of:
 - (i) A default of a security interest encumbering the **LOT**; or
 - (ii) Foreclosure of the Association's lien
- b. Any **Member** who has previously entered into a payment plan after the effective date of this policy.

12. **SPOA** shall only initiate an action to foreclose its lien if and when:

- a. The amount of assessments and charges secured by the lien is equal to at least six months of regular assessments; and
- b. The Board has duly voted an authorization of the foreclosure of the lien on the specific **LOT** being foreclosed and such vote is duly recorded.

13. This Policy applies to **SPOA** and any assignee or holder of the debt to **SPOA**.

Effective date of Policy: October 26, 2013

II. BOARD MEMBER CONFLICT OF INTEREST

These definitions shall apply to this policy:

“Conflicting Interest Transaction” means:

A contract transaction or other financial relationship between the **SPOA** and a **Director** of **SPOA** or between **SPOA** and a **Related Person** or between **SPOA** and an entity in which a **Director** is a director or officer or has a financial interest.

“Related Person” means: A spouse, ancestor, descendant or sibling of a **Director**, the spouse or descendant of a sibling of a **Director**, an estate or trust in which the **Director** or a party related to a director has a beneficial interest, or an entity in which a party related to a director is a director, officer, or has a financial interest.

1. If any proposed contract, decision or other action on behalf of the **Board** would financially benefit a **Director** or a **Related Person** to the **Director**, the **Director** may participate in the discussion of the proposed contract, decision or other action but may not vote on the issue.
2. Prior to any discussion of a proposal in which a **Director** or a **Related Person** to the **Director** has a financial interest or which proposal would otherwise be a **Conflicting Interest Transaction**, the **Director** shall declare a conflict of interest for the issue in an open meeting.
3. No **Conflicting Interest Transaction** shall be void or voidable or be enjoined, set aside or give rise to an award of damages or other sanctions in a proceeding by a **Member** of **SPOA** or by or in right of **SPOA**, solely because the **Conflicting Interest Transaction** involves a **Director** or solely because the **Director** is present at or participates in the meeting of the **Board** which authorizes, approves, or ratifies the **Conflicting Interest Transaction** if:
 - a. The **Director** declared the conflict of interest at an open meeting prior to the discussion of the issue, disclosing the material facts as to the **Director’s** relationship or interest and as to the **Conflicting Interest Transaction**; and
 - b. The **Board**, in good faith, authorizes, approves or ratifies the **Conflicting Interest Transaction** by an affirmative vote of a

majority of the disinterested **Directors**, even though the disinterested **Directors** total less than a quorum; or

c. The **Conflicting Interest Transaction** is authorized, approved, or ratified in good faith by a vote of the members entitled to vote thereon; or

d. The **Conflicting Interest Transaction** is fair to **SPOA**.

III. CONDUCT OF MEMBERS' AND BOARD MEETINGS

1. Member Meetings

a. Annual Meeting

- 1) The Annual Meeting shall be held on a Saturday in July each year. The specific time and date shall be set by the **Board** no later than May 15th of each year.
- 2) Notice: Notice of the meeting shall be included in the 2nd (calendar) quarterly Newsletter which shall be mailed not less than twenty and not more than fifty days prior to the meeting and shall be posted on the **SPOA** website.

b. Special Meetings

- 1) Special Meetings may be called by the President of the **Board of SPOA**, a majority of the **Board** or twenty percent (20%) of the votes in **SPOA**.
- 2) Special Meetings shall be held upon not less than twenty and not more than fifty days from notice.¹

c. Notice

- 1) Notice of the Annual Meeting and any Special Meeting shall include the agenda and a general description of any proposed amendment to the Declaration or By-Laws, budget changes, and/or any proposal to remove an **officer** or **Member** of the **Board**.
- 2) Notice shall be sent via U.S. Mail, and if it falls within requisite notice period, shall be in a quarterly Newsletter, and shall be posted on the **SPOA** website.²
- 3) Notice shall be sent via electronic mail to any **Member** who makes written request to **SPOA** c/o the Board Administrative Assistant, or if none the **Board** Secretary together with the electronic address.

¹ Amended Board of Director Meeting April 26, 2008

² Amended Board of Director Meeting April 26, 2008

d. Conduct of Meetings

All meetings shall be conducted upon parliamentary procedure following Robert's Rules of Order. Meetings shall be planned and conducted so as to consume not more than four hours. The **Board** may provide for informal discussion or focus groups following the meeting.

e. Quorum and Voting

- 1) The presence at a meeting, in person, or by proxy of one-tenth (1/10th) of votes in good standing shall constitute a quorum.
- 2) Voting by proxy shall be governed by the By-Laws and C.R.S. §38-33-3-310.
- 3) Voting for positions on the **Board** shall be conducted by secret written ballot. Ballots shall be counted by a neutral third party selected by the **Board** or by a **Member** who is not a candidate, present at the meeting at which the vote is held and who is selected at random by two or more **Members**. The results of the vote shall be reported without reference to names, addresses or other identifying information.
- 4) Upon request by 20% of the **Members** a secret ballot shall be used for any other matter affecting **SPOA** upon which all **Members** are entitled to vote.

2. **Board of Directors Meetings**

a. Quarterly Meetings

The **Board** shall hold at least four meetings per year on an approximate quarterly basis. One meeting shall be held immediately following the Annual **Members** Meeting in July. The other meetings shall be scheduled by the President.

b. Special Meetings

Special Meetings may be called by the President or by any two **Directors**, after not less than three days notice to **Directors**.

Special Meetings may be conducted telephonically.

c. Notice

Notice shall be posted on the **SPOA** website and electronic notice sent to any **Member** who has requested electronic notification. There shall be at least twenty-four hours notice prior to any meeting. Whenever possible, notice of the quarterly **Board** minutes shall be included in the Newsletter.

d. Attendance

- 1) Any **Board** meeting is open to attendance by any **Member** or **Member's** designated representative. **Members** shall be given an opportunity to speak, upon which reasonable time restrictions may be placed, prior to any formal action taken by the **Board**. If several members wish to speak on the same side of the issue, the **Board** shall allow a reasonable number of people to speak on each side of the issue. **Members** shall not be allowed to otherwise participate in discussion or deliberation by the **Board** unless authorized by a majority vote of a quorum of the **Board**.
- 2) Any **Member** or **Member's** representative wishing to attend a **Board** meeting must do so in person unless the **Board** meeting is being held telephonically. If a **Member** wishes to attend a telephonic meeting, it must notify current Board Administrative Assistant no later than four hours prior to the meeting.

e. Closed Sessions

The **Board** or any committee of the **Board** may hold an executive or closed door session and may restrict attendance to **Board Members** and such other persons requested by the **Board** during a regular or specially announced meeting or a part thereof for any of, but limited to, the following matters:

- 1) Matters pertaining to employees of **SPOA** or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of **SPOA**;

- 2) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
- 3) Investigative proceedings concerning possible or actual criminal misconduct;
- 4) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
- 5) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;
- 6) Review of or discussion relating to any written or oral communication from legal counsel.

Upon the final resolution of any matter for which the **Board** received legal advice or that concerned pending or contemplated litigation, the **Board** may elect to preserve the attorney-client privilege in any appropriate manner, or it may elect to disclose such information, as it deems appropriate, about such matter in an open meeting.

IV. ENFORCEMENT OF COVENANTS AND RULES, NOTICE AND HEARING PROCEDURES AND SCHEDULE OF FINES

The following definitions shall apply to this policy:

“**Rules Committee**” shall mean a committee created and convened by the **Board** for the purposes stated in this Policy, or if none, shall mean the **Board**.

“**Violation**” shall mean a failure of a **Member**, or through its agents or representatives, to comply with any **Governing Document**, whether the **Violation** is by reason of action or omission. **Violation** shall also include non-compliance with any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any property owned by a **Member** which is subject to assessment under the Declaration of Covenants.

1. **Members** are encouraged to informally request any other **Member** to cease or correct any other action or omission which appears to be a **Violation**.
2. Any **Member**, **Manager**, or the **Board** may initiate a formal review of an alleged **Violation**. A **Member** or **Manager** shall file with the **Board** a written statement which shall state in ordinary and concise language the acts or omissions which the author believes occurred and shall include as many specifics as are available as to time, date, location and persons involved, so that the complaint may be investigated and verified. Depending on the severity and immediacy of the alleged **Violation**, the **Board** may direct the **Manager** to attempt to obtain an informal resolution. Unless there is need for immediate action, the **Rules Committee** shall first refer the matter for resolution to the association board or rules committee, if any, for the subdivision or common interest community in which the lot is located. If the **Rules Committee** determines that the complaint is insufficient, then the **Member** making the complaint shall have the right to have the **Board** hear the matter.
3. Letter to Member

Should the **Rules Committee** determine that an alleged **Violation** has occurred, and informal resolution or referral to another governing association, rules committee or board has not been successful, the **Manager** shall send a letter to the **Member** identifying the **Violation**. The letter shall require the alleged

Violation cease within such period of time as the **Board** deems reasonable, based upon the nature of the alleged **Violation**. The letter shall be mailed to the last known address of the **Member**, via certified and regular mail.

4. Notice of Hearing³

Should the alleged **Violation** not be cured in the manner and by the date set forth in the letter to the **Member**, then a second letter shall be sent informing the **Member** that fines and costs per the Governance Policies shall be imposed unless within fourteen days of the date of the letter the Member requests in writing a hearing before the **Rules Committee**. If the **Member** does not request a hearing; or if following hearing, it is determined that a violation has occurred, the **Rules Committee** has the authority to levy fines, charges, attorney's fees and other monies, and to take such other action as is authorized by the Governing Documents and Colorado law. If the **Board** is sitting as the **Rules Committee**, the hearing shall be held at the next regularly scheduled board meeting if at least 14 days after notice of hearing, or at a special time as set by the Board. If there is a separate **Rules Committee**, the hearing shall be held not less than 14 and not more than 45 days from notice.

5. Constraints on the Committee

It shall be incumbent upon each **Member** of the **Rules Committee** to make a determination as to whether he or she is able to function in a disinterested fashion. If such **Member** is incapable of objective consideration in the case, he or she shall disclose such to the committee and remove himself or herself from the proceedings and have it so recorded in the minutes.

6. Hearing

The hearing will not be conducted according to technical rules relating to evidence and witnesses. Generally, any relevant evidence may be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Decisions of the **Rules Committee** may be made "under advisement," i.e. at a later date and time. All decisions of the **Rules Committee** are effective three

³ This section was amended April 2010 by the Board of Directors

days after written notice is sent to the **Member** (via regular, first class mail.) The Notice shall include the decision of the **Rules Committee** as to whether or not a **Violation** has occurred and the amount of the fine according to the Fine Schedule. If there is a **Rules Committee** separate from the **Board** and should the **Member** desire to appeal the decision of the **Rules Committee** to the **Board**, he or she shall deliver written request to the **Board** by sending or delivering the same to the Board Administrative Assistant no later than fifteen days after the date of the letter to the **Member**. The **Board** shall hear any such appeal at its next regular meeting. However, the decision of the **Rules Committee** shall be binding until otherwise overturned by the **Board**.

7. Fine Schedule

Upon determination that a **Violation** exists, the **Board** shall impose a fine according to the following table:

Covenant of Rule	1 st Violation	2 nd Violation	3 rd and Subsequent Violation(s)
Building Issues (§§ a-g of Covenants)	\$250	\$1,000	\$5,000
Clearing of Trees and Storage of fire hazards	\$150	\$500	\$1,000
Nuisance	\$75	\$150	\$500
Refuse and Rubbish	\$75	\$150	\$500
Commercial Vehicles	\$100	\$250	\$500
Signs	\$75	\$150	\$500
Animals	\$50	\$150	\$250
Aerials, Antennas, Clotheslines	\$100	\$250	\$500
Exterior tanks	\$50	\$100	\$300
Landscaping	\$100	\$250	\$500
Any other Violation	\$75	\$150	\$500

A second **Violation** shall be any new incident of the same **Violation** or shall be a continuing **Violation** that has not been removed or cured within thirty (30) days of the deadline for cure given to the **Owner** in the Letter to **Member** noticing the **Violation**.

A third **Violation** shall be a third new incident of the same **Violation** or a continuing **Violation** that has not been cured or removed within sixty (60) days of the deadline for cure given to the **Owner** in the Letter to **Member** noticing the **Violation**.

8. Payment of Fines

Fines shall be due and payable within 15 days of Notice and thereafter shall bear interest at the rate of 8% per annum. Unpaid fines shall be added to and become a part of the **Member's** assessment and shall be subject to the collection procedures set forth in Policy I, collection of Unpaid Assessments.

9. Exterior Maintenance

If the **Violation** is a **Member's** failure to maintain its property or improvements in a manner reasonably satisfactory to the **Board** and commensurate with the standards of the community, upon a two-thirds vote of the **Board**, it shall have the right, on behalf of **SPOA**, through its agents and employees, to enter upon the property and repair, maintain and restore the property and the exterior of the buildings and any other improvements erected upon the property. The cost of such exterior maintenance shall be added to and become part of the assessment to which the lot is subject.

10. Immediate Action

If the nature of the **Violation** threatens immediate destruction, injury, or damage to any person, to another lot, or to **SPOA** property; or if the nature of the remedy of the **Violation** would be to deconstruct or remove a planned or in-construction permanent improvement, the **Board** may immediately seek injunctive relief from the Routt County District Court.

11. Arbitration

In the event a **Member** disputes the **Board's** enforcement of covenants contained in Article V of the Declaration of Covenants, Conditions and Restrictions of **SPOA**, the matter shall be submitted to binding arbitration. The **Members** shall choose one arbitrator,

the **Board** shall choose one arbitrator and such arbitrator shall choose one additional arbitrator, and the decision of the majority of all the arbitrators shall be final and conclusive of the question involved.

12. Additional Enforcement Procedures

If a third **Violation** occurs, **SPOA** shall deem said third **Violation** as constituting obnoxious or offensive conduct to Section J, Article V. of the Declaration and a judicial proceeding may be brought to abate the conduct for the third or subsequent **Violation**.

13. Joint and Several Liability

Each **Member** of the lot upon which the **Violation** occurs shall be jointly and severally liable for any fine imposed pursuant to the enforcement of the **Governing Documents**, including but not limited to, all attorneys fees, expert witness fees and costs incurred by **SPOA** resulting from or in any way related to the **Violation** or the collection of fines.

14. Attorney's Fees and Costs

In the event the **Rules Committee** and/or **Board** determines a **Violation** has occurred, the non-complying **Member(s)** shall be responsible to pay all attorney fees and costs and fees incurred by **SPOA** arising from the **Violation**.

15. Remedy

Each remedy set forth in these Policies shall be in addition to all other remedies, whether available at law or in equity, and all such remedies, whether or not cumulative.

V. INSPECTION AND COPYING OF SPOA RECORDS⁴

1. Any **Member** may request to inspect and copy **SPOA** records on the following conditions:
 - a. The request must state with reasonable particularity the records requested;
 - b. Not less than ten days notice is given; however records may be made available at the next regularly scheduled meeting if such meeting is scheduled within thirty days of request.
2. Copies shall be charged to the requesting **Member** at the actual cost to **SPOA**, including administrative time and may be collected in advance.
3. Requests for copies shall be made to the **Manager**. Records shall be available for inspection only by appointment with the **Manager**.
4. No membership lists or any part thereof shall be obtained or used for any purpose unrelated to a **Member's** interest as an owner without consent of the **Board**.
5. The following **SPOA** records shall be posted regularly on the **SPOA** website:
 - Declaration of Covenants;
 - By-Laws
 - Responsible Governance Policies;
 - Most recent Minutes of **Members** and **Board** Meetings;
 - Most recent Approved Budget;
 - Rules and Regulations;
 - List of name and home or business address of current **Directors** and officers.
6. Hard copies of the following **SPOA** records shall be maintained as permanent records and kept at the principal office.
 - Detailed records of receipts and expenditures affecting the operation and administration of the association.
 - Records of claims for construction defects and amounts received pursuant to settlement of those claims;
 - Minutes of all meetings of **Members** and the **Board**;

⁴ Entire policy amended October 26, 2013

- A record of all actions taken by the **Members** or **Board** without a meeting;
- A record of all actions taken by any committee of the **Board**;
- Written communications among, and the votes cast by, **Board** members that are:
 - a. directly related to an action taken by the **Board** without a meeting pursuant to the Colorado Revised Nonprofit Corporation Act; or
 - b. directly related to an action taken by the **Board** without a meeting pursuant to the bylaws.
- The names of **Members** in a form that permits preparation of a list of the names of all **Members** and the physical mailing addresses at which the **Association** communicates with them, showing the number of votes each **Member** is entitled to vote; except that this does not apply to a unit, or the **Member** thereof, if the unit is a time-share unit;
- Declaration;
- Covenants;
- Bylaws;
- Rules and Regulations, Responsible Governance Policies and any other policies adopted by the **Board**;
- Financial statements for the past three years;
- Tax returns for the past seven years, to the extent available;
- A list of the names, electronic mail addresses, and physical mailing addresses of the **Association's** current **Board** member and officers;
- The Association's most recent annual report;
- Financial records sufficiently detailed to enable the Association to provide a written statement setting forth the amount of unpaid assessments currently levied against a requesting **Member's** unit;
- The Association's most recent reserve study, if any;
- Current written contracts to which the Association is a party and contracts for work performed from the Association within the immediately preceding two years;
- Records of **Board** or committee actions to approve or deny any requests for design or architectural approval from **Members**;
- Ballots, proxies, and other records related to voting by **Members** for one year after the election, action, or vote to which they relate;
- Resolutions adopted by its **Board** relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;

- All written communications within the past three years to **Members** generally as **Members**; and
- Records the associations is required to make available within 90 days after the end of each fiscal year as set forth in CCIOA. See C.R.S. 38-33.3-209.4(2). *

* 38-33.3-109.4(2) states: The association shall make the following information available to unit owners upon reasonable notice in accordance with subsection (3) of this section:

- a. The date on which its fiscal years commences;
- b. Its operating budget for the current fiscal year;
- c. A list, by unit type, of the association's current assessments, including both regular and special assessments;
- d. Its annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
- e. The results of its most recent available financial audit or review;
- f. 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;
- g. All the association's bylaws, articles, and rules and regulations;
- h. The minutes of the executive board and member meetings for the fiscal year immediately preceding the current annual disclosure; and
- i. The association's responsible governance policies adopted under section 38-33.3-209.5.

7. **SPOA** may withhold the following records from inspection and copying to the extent they are a concern:

- a. Architectural drawings, plans, and designs, unless released upon the written consent of the legal owner of the drawings, plans, or designs.
 - b. Contracts, leases, bids, or records related to transaction to purchase or provide goods or services that are currently in or under negotiation.
 - c. Communications with legal counsel that are otherwise protected by the attorney client privilege or the attorney work product doctrine.
 - d. Disclosure of information in violation of the law.
 - e. Records of an executive session of a **Board**.
 - f. Individual units other than those of the requesting **Member**.
8. **SPOA** shall withhold the following records from inspection and copying:
- a. Personnel, salary, or medical records relating to specific individuals.
 - b. Personal identification and account information of **Owners** including:
 - 1) bank account information
 - 2) telephone numbers
 - 3) electronic mail addresses
 - 4) driver's license numbers
 - 5) social security numbers

VI. PROCEDURES FOR ADOPTION AND AMENDMENT OF POLICIES, PROCEDURES AND RULES

1. The **Board** may adopt or amend policies, procedures and rules to govern or manage **SPOA** or **SPOA** property at a special or regular meeting in open session.
2. Prior to formal action, the **Board** shall give notice of the proposed policy(ies), procedure(s) or rule(s) in a regular quarterly Newsletter, but in any event, not less than 30 days prior to action. The Notice in the Newsletter may be a general summary of the proposal if the full text of the proposed policy procedure or rule is posted on the **SPOA** website at least 30 days before the action.
3. Any **Member** may submit a comment orally or in writing regarding the proposal before or at the meeting at which the action is taken.
4. Once a policy, procedure or rule has been adopted or amended, it shall be posted on the **SPOA** website within 20 days of the action.

VII. INVESTMENT OF RESERVE FUNDS

1. The Annual budget shall address any reserve fund assessments.
2. The **Association** shall account for reserve fund assessments separately from operating assessments in its general ledger and financial statements.

Reserve funds shall only be invested in accounts or investment products (e.g. certificates of deposit) that are insured by FDIC.

VIII. DISPUTE RESOLUTION

TO BE DECIDED