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CENTRAL PARK

Memorandum

To: Board of Directors
From: Jack Seward, Community Services Coordinator
Date: May 11, 2023
Subject: Adoption of Policy Concerning Procedures for The Retention and Inspection of Association Records

Dear Members of the Board,

At your request the Master Community Association (Association) opened rule making pursuant to the Associations Policy and Procedure for Adopting and Amending Policies, Procedures, Rules & Committees regarding a Policy Concerning Procedures for the Retention and Inspection of Association Records.

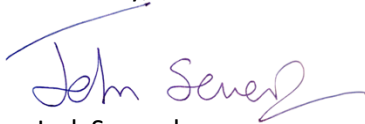
During the regular board meeting held February 15, 2023, you expressed desire to amend the existing policies regarding Association record retention and access. Staff determined that amendment of the existing policies was unfeasible and opted instead to create a new policy consolidating the two existing policies. The delegates were invited to engage in the drafting of the policy, none chose to participate.

On April 10, 2023, the Association published a public notice of the proposed policy and provided all interested parties thirty (30) days to provide public comment on the proposed policy. The period for public comment closed on May 10, 2023. No public comment was received.

The Policy Concerning Procedures for the Retention and Inspection of Association Records is attached here for your approval or amendment. A board member must make the following motion:

I move adoption of the Policy Concerning Procedures for the Retention and Inspection of Association Records.

Sincerely,



Jack Seward
Community Services Coordinator

**POLICY
OF THE MASTER COMMUNITY ASSOCIATION, INC.
ADOPTING PROCEDURES FOR THE RETENTION AND
INSPECTION OF ASSOCIATION RECORDS**

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

PURPOSE: To adopt a policy and procedure identifying, retaining, storing, protecting, and disposing of the Association's Documents and an Owner's right to inspect and copy Association records.

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

EFFECTIVE

DATE: May 17, 2023

RESOLUTION: The Association hereby adopts the following policy and procedures regarding the retention and inspection of Association records:

1. Document Retention. It shall be the policy of the Association to maintain complete and accurate Documents. Documents are to be retained for the period of their immediate use unless longer retention is required for historical reference, contractual or legal requirements, or for other purposes as set forth in this policy. Documents that are no longer required or have satisfied their recommended period of retention are to be destroyed in an appropriate manner. This policy is not intended to be all inclusive, and accordingly must be tailored to meet the specific needs of the Association. The retention periods set forth herein are guidelines based on the current retention periods set forth in federal, state, and local statutes and regulations and industry custom and practice.
2. Records of the Association. The following are the Records of the Association for purposes of inspection by Owners:
 - a. Records of receipts and expenditures affecting the operation and administration of the Association.
 - b. Records of claims for construction defects and amounts received pursuant to settlement of any such claims.
 - c. Minutes of all meetings of Owners.
 - d. Minutes of all meetings of Board members (except records of executive sessions of the Board).

- e. Records of actions taken by the Owners without a meeting.
- f. Records of actions taken by the Board without a meeting, including written communications and e-mails among Board members that are directly related to the action so taken.
- g. Records of actions taken by the Board or any committee of the Board without a meeting.
- h. A list of the names of the Owners in a form that permits preparation of a list of the names and mailing addresses of all Owners, as well as the number of votes of each Owner is entitled to vote.
- i. The Association's governing documents which are comprised of:
 - i. The Declaration.
 - ii. The Bylaws.
 - iii. The Articles of Incorporation.
 - iv. Any rules and regulations and/or design guidelines.
 - v. Any policies adopted by the Board, including the Association's responsible governance policies.
- j. Financial statements for the last three years, which at a minimum shall include the balance sheet, the income/expense statement, and the amount held in reserves for the prior fiscal year.
- k. Federal, state and local tax returns.
- l. The operating budget for the current fiscal year.
- m. A list, by unit type, of the Association's current assessments, including both regular and special assessments.
- n. The result of the Association's most recent available financial audit or review, if any.
- o. A list of the Association's insurance policies, which shall include the company names, policy limits, policy deductibles, additional named insured, and expiration dates of the policies listed.
- p. A list of the names, e-mail addresses and mailing addresses of the current Board members and officers.
- q. The most recent annual report delivered to the Secretary of State and a record showing the date on which the Association's fiscal year begins.
- r. The most recent reserve study, if any.

- s. Current written contracts and contracts for work performed for the Association within the prior two years.
 - t. Records of Board or committee actions to approve or deny any requests for design or architectural approval from Owners.
 - u. Ballots, proxies and other records related to voting by Owners for one year after the election, vote or action to which they relate.
 - v. Resolutions adopted by the Board.
 - w. All written communications sent to all Owners.
 - x. A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant.
3. Exclusions from Records of the Association. The Association shall withhold from inspection and copying certain records as provided by Colorado law, which shall not be deemed to be Records of the Association, which shall include, but are not limited to:
- a. Architectural drawings, plans and designs, unless released upon the written consent of the owner of such drawings, plans or designs.
 - b. Records of covenant violations except to the Owner that is the subject of the violation.
 - c. Complaints alleging Covenant violations.
 - d. Contracts, leases, bids or records related to transactions currently under negotiation.
 - e. Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine.
 - f. Records of executive sessions of the Board.
 - g. Individual unit files other than those of the requesting Owners.
 - h. Personnel, salary or medical records relating to individuals.
 - i. Personal identification and account information of Owners, including bank account information, telephone numbers, e-mail addresses, driver's license numbers, and social security numbers.
4. Period of Document Retention. The Association shall retain the following Documents for

the following periods of time:

Accounting Records	Retention Period
Accounts Payable	7 years
Account Receivable	7 years
Audit Reports	Permanent
Chart of Accounts	Permanent
Depreciation Schedules	Permanent
Expense Records	7 years
Financial Statements (Annual)	Permanent
Fixed Asset Purchases	Permanent
General Ledger	Permanent
Inventory Records	7 years
Loan Payment Schedule	7 years
Federal and State Tax Returns	Permanent
Bank /Finance Records	Retention Period
Bank Reconciliation	2 years
Bank Statements	7 years
Deposit Tickets	6 years
Cancelled Checks	7 years
Cash Receipts and Cash Disbursement Journals	7 years
Owner Ledgers	While an Owner + 7 years
Electronic Payment Records	7 years
Audit Reports	Permanent
Personal Property Tax Returns	Permanent
Budgets	1 year
Reserve Study	All current plans
Corporate Records	Retention Period
Board Minutes	Permanent
Committee Minutes	Permanent
Member Meeting Minutes	Permanent
Governing Documents (The Declaration, Bylaws, Articles of Incorporation, Rules and Regulations, Policy and Guidelines)	Permanent
Record of Action Without a Meeting	Permanent
Board Resolutions	Permanent
Records of Waivers of Notice for Board or Committee Meetings	Permanent
Email Communication (Among Staff the Board and Committee Members)	1 year
Business Licenses	Permanent
Contracts	Term of the contract + 7 years
Correspondence from Legal	Permanent
Counsel	
Insurance Policies	Term of the policy + 4 years
Leases/Mortgages	Permanent
Periodic Reports Filed with the Secretary of State	1 year
Videotapes and Audiotapes of Board Meetings	Permanent

Proxies and Ballots	1 year
Employment Records	Retention Period
Employment Files	Term of employment + 7 years
Employment Applications	3 years
Payroll Records	7 years
Tax Records	7 years
Benefit Plans	Permanent
Real Estate Records	Retention Period
Construction Drawings	Permanent
Warranties	Permanent
Leases	Permanent
Real Estate Purchases	Permanent
Owner Files	Retention Period
Owner Files	Term of ownership + 2 years
Enforcement Actions (Including covenant violations and delinquent assessments)	Term of ownership + 4 years
Correspondence Regarding Architectural and Design Review	Term of ownership + 4 years

5. Inspection/Copying Association Records. An Owner or their authorized agent is entitled to inspect and copy any Records of the Association, subject to the exclusions, upon submission of a written request to the Association describing with reasonable particularity the records sought. The Association shall provide access to the requested records by:
 - a. Making the requested records available for inspection and copying by the Owner within 10 days of the Association's receipt of such written request, which inspection shall be during the regular business hours of 8:00 a.m. to 5:00 p.m. at the Association's office.
 - b. Making the requested records available for inspection and copying by the Owner during the next regularly scheduled Board meeting occurring within 30 days of the Owner's request.
 - c. E-mailing the requested records to the Owner within 10 days of the Association's receipt of such written request, if so requested by the Owner.

6. Use of Records. Association records and the information contained within the records shall not be used for commercial purposes. Furthermore, while Owners are not required to state a purpose for any request to inspect the records of the Association, the membership list may not be used for any of the following without the consent of the Board:
 - a. 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. For any commercial purpose.
 - c. Sold to or purchased by any person.

7. Fees/Costs. Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association to copy such records for the Owner. The Association may require a deposit equal to the anticipated actual cost of the requested records. Failure to pay such deposit shall be valid grounds for denying an Owner copies

of such records. If after payment of the deposit it is determined that the actual cost was more than the deposit, 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.

8. Purging of Documents. The Association shall no less than annually purge all Documents for which this Policy directs can be purged. All Documents to be purged or destroyed pursuant to this Policy shall be shredded, or permanently deleted electronically, if stored in an electronic format.
9. Inspection. The Association reserves the right to have a third-party present to observe during any inspection of records by an Owner or the Owner's representative.
10. Original. 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.
11. Creation of Records. Nothing contained in this Policy shall be construed to require the Association to create records that do not exist or compile or synthesize information.
12. Supplement to Law. The provisions of this Policy shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Community.
13. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
14. Definitions. Unless otherwise defined in this Policy, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
15. Amendment. This policy may be amended from time to time by the Board.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of Master Community Association, Inc. certifies that the foregoing Policy was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on May 19, 2023 and in witness thereof, the undersigned has subscribed their name.

Master Community Association, Inc., a
Colorado nonprofit corporation

By: _____
Shalise Hudley-Harris
President