

THE CLUB HOMEOWNERS ASSOCIATION POLICY AND PROCEDURES

10-Year Revision History

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The Board recognizes that it represents the homeowners and the homeowners association (HOA) as a whole; that its actions and purpose will be on behalf of all the members and in all the members' best interests. These Policies and Procedures, established for the efficient functioning of the Board and its committees, may be amended at any time by Board action, after being placed on the agenda at a previous Board meeting for information and discussion by the Board.

Revisions, amendments, additions, changes or deletions shall become effective on the first of the month after Board adoption. Policies and Procedures may be reviewed annually by the Board and will be made available on the HOA web site.

This Policy and Procedures document will be sent to each new and continuing Board and elected or appointed committee member each year in January. When sections are revised, same will be also be distributed as above.

Note that the terms "property manager", "management", "Management Company" and "management company representative" are used interchangeably in this document. Additionally, the terms "HOA", "homeowners association" and "Association" are also used interchangeably in this document.

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THE CLUB HOMEOWNERS ASSOCIATION POLICY AND PROCEDURES

A. MEETINGS OF THE BOARD OF DIRECTORS:

1. **Organizational Meeting:** At the first regular Board meeting after the annual meeting, the Board will elect Board officers as follows: President, Vice President, Secretary, Treasurer and Member at Large. The new Board will establish the day of the month, time and place of Board meetings, agenda format and will appoint Board Liaisons to all committees.
2. **Meeting Conduct:** A quorum shall consist of three (3) Board members. Members may attend meetings remotely through conference calling on a speakerphone or any other method the Board may allow. The President will chair the meeting or the Vice President in his/her absence. Speaker cards will be utilized. The chair will recognize members of the audience who wish to speak, as appropriate.
3. **Meeting Attendance and Resignation:** A Board member who has missed three (3) meetings for any reason in a six (6) month period may be considered to have resigned from the Board. This resignation is subject to Board review for extenuating circumstances. Board resignations not due to missed meetings must be in writing or have two verbal or written confirmations from other Board or Committee Members or the management company.
4. **Board Liaisons to Committees:** Each elected and appointed committee has an assigned Board member liaison. Board liaisons to committees do not vote except that they may break a tie vote. Liaison appointments should be limited to two (2) per board member unless special circumstances exist and approved by the Board. The liaison roll includes:
 - (a) Attending all meetings of the committee(s) to which assigned.
 - (b) Making sure that committee members are aware of and have read the Policies and Procedures and Rules and Regulations.
 - (c) Making sure that committee members follow the Policies and Procedures and Rules and Regulations.
 - (d) Making sure that the needs/priorities of the committees are brought to the Board in a timely manner.
 - (e) Making clear the proper interrelationships of elected residential area committees, appointed committees, HOA management and the Board.
 - (f) Facilitating communication and assisting in making a comfortable environment for committee deliberations.
5. **Meeting Minutes:** The name of the maker of the motion, the seconder and the vote (yes/no) will be recorded in the minutes. Minutes of previous Board meetings will be placed on the HOA website after they have been approved by the Board. Board approved minutes of prior Board meetings will be placed on the HOA web site for up to twelve (12) prior months.
6. **Agenda:** Board members may request that items be placed on a Board agenda by submitting a request through the HOA President with a copy to management. Items requested for agenda placement by Board members should have written back material included in the request for agenda placement. A copy of the agenda will be placed on the HOA website and posted on all gang mailboxes in the HOA at least 48 hours prior to the meeting for executive session meetings and 96 hours prior to general session meetings. Ten (10) copies of the posted agenda will be made available for Board meeting attendees.
7. **Basic Meeting Order:** The general meeting order is as follows, and may be changed from time to time: Call to order, reportable actions from executive session, approval of minutes, annual calendar review, discussion of action items, committee reports, information/discussion, management report, community participation, announcement of the next meeting date and time and adjournment.

8. **Community Participation on Non Agenda Items:** Owners may bring up any topic of concern. Generally owners will be given three (3) minutes per HOA property address per item of concern. The Board may not take action on non-agenda items, and may direct management to research and/or place the item(s) on a future Board meeting agenda for discussion.
 9. **Community Participation on Agenda Items:** Generally owners will be given three (3) minutes per HOA property address per agenda item. Once owner comments are closed, the Board may deliberate on the item before the vote.
 10. **Audience/Participation Standards:** Helpful and constructive comments are welcome and appreciated by the Board. Disruptive behavior during a Board meeting will not be permitted, either by Board members or residents/owners or other attendees. Any person who behaves in a disruptive way during a Board meeting will be asked to leave the meeting.
 11. **Non Owner Participation:** The Board is not required to hear comments from residents who are a non-owners, although they may do so as a courtesy.
- B. FINANCIAL MANAGEMENT:** The Boards' primary duty is as fiduciaries for the 309 homeowners. The Board must protect the value of the homes in the community and monitor monthly operational expenditures against the budget(s).
1. **Operational Budget and Expenditure Management:** The operational budget is developed yearly based on trends of the prior year(s) and anticipated increases in utilities or vendor contracts as may reasonably be available to the Board, committee members and management. See Appendix I for a sample budget calendar.
 2. **Management Company Discretionary Authority:** The management company is given discretionary authority for expenditures up to \$2,000 (and up to \$5,000 in an emergency). An emergency expenditure may be declared by the Board President or Vice President or Treasurer. Emergencies include downed or damaged trees, townhome roof leaks and related damage. Emergency and discretionary expenditures should be placed on the next available Board agenda for discussion and approval.
 3. **Competitive Bids:** Except when using a current, preferred and trusted vendor, expected expenditures over \$5,000 should have three (3) competitive bids/quotes, or rational as to why three (3) bids were not obtained/received. Contracts or expected expenditures for annual or major work (roofs, painting, landscaping and like items) above \$10,000 should also have three (3) competitive bids/quotes or rational as to why three (3) bids were not obtained/received, and also receive a thorough evaluation by the Board and management.
 4. **Non-Budgeted Operational Expenditures:** Non-budgeted operational expenditures require Finance Committee review/recommendation and Board approval. Expenditures on an emergency basis over \$5,000 are permitted through a telephone/email poll of Board members with a 5-0 vote for approval. Any time money is spent from the operational fund that is not part of the budget, a "Reserve or Other Expenditures" form must be completed and sent to the Finance Committee for a recommendation to the Board. Non-budgeted operational expenditures should be placed on the next available Board agenda.
 5. **Reserve Expenditures:** Expenditures for replacements from reserve funds require Finance Committee recommendation and Board approval. Replacements on an emergency basis over \$5,000 are permitted through a telephone or email poll of Board members with a 5-0 vote for approval. Any repair or replacement using reserve funds should include an analysis of the impact, if any, on subsequent reserve studies and adjustments that might need to be made to the reserve allocation(s) in future years. Any time money is spent from the reserve fund that is not part of the recommended allocation, a "Reserve or Other Expenditures" request form must be completed and sent to the Finance Committee for their review/recommendation to the Board.

6. **Reserve Studies:** The Board will select a certified and qualified reserve study consultant, familiar with all aspects of HOA related rules/laws, best practices and requirements, to perform a reserve study each year. At least every three (3) years there must be a physical inventory and inspection of the assets by the selected consultant with an on-site walk-around. The walk-around will include the following representatives: One (1) management company representative, one (1) Board member, one (1) committee member from each townhome committee as selected by the Board (for the Vista/Courtside part of the walk-around), one (1) Common Area Landscape Committee representative, and others as may be invited. See Appendix II for a sample reserve study schedule.
7. **Reserve Study and Budget Approval:** The Board will adjust/modify the reserve study and subsequently approve the final reserve study and budget(s) at a general session meeting, based on recommendations from the reserve study consultant, management and the Finance Committee.
8. **Reserve Items – Useful Life:** At the beginning of each calendar year, the Board will agenize and discuss replacement/action on prior year's and current year's items whose useful life is over/will be over per the reserve study. Discussion will include the status of each item, ie the asset action is completed, in process or calendared for the new year.

C. ELECTION AND RELATED FORMS/PROCESSES

1. **In General:** Elections are held each year to replace expiring terms for both the Board and elected Committees. The self-nominating process starts in July of each year. The Board will elect one (1) of its members to be the Nomination Committee Chair for that year. The Nomination Chair will contact each residential committee for the purpose of each residential committee appointing one (1) of their homeowners to be their representative on the Nomination Committee. Nomination Committee representatives will be approved by the Board. Representatives themselves cannot be running for office and should not live in the same household as someone running for office. See Appendix II for the a sample election process schedule.
2. **Elections:** Elections are held every November at the HOA annual meeting. Received ballots are counted by Inspectors of Election. If 51% of the homeowners (158) have not voted, or less than 158 ballots are not valid, the election will be carried over to the subsequent/adjourned annual meeting. During the adjourned annual meeting, 25% valid votes (78 ballots) are required for a quorum.
3. **Nominating Chair Duties:** Duties include:
 - (1) Preparing and presenting a Nominating/Ballot Calendar to the Board for approval.
 - (2) Preparing the "Notice of Election of the Board of Directors and Area Residential Committees" (in conjunction with the management company) to be sent out in the annual meeting announcement packet, along with a candidate form and ethics form, to all homeowners.
 - (3) Compiling a list of which terms are ending for Board and elected committee use.
 - (4) Personally contacting/soliciting candidate forms from Board and committee members.
4. **Candidate Forms:** Every homeowner will receive a candidate form and ethics form as part of the "Notice of Election" packet. Completed forms must be physically in the hands of the management company by the deadline on the form. Fax'd, scanned and emailed forms are accepted, as well as hand delivery and by US mail. The Nomination Chair and management will meet to review the submitted candidate forms for completion and will contact candidates whose forms are not complete (ie not signed or the ethics form is missing) or those whose forms indicate that they wish to run for an office/position not available to them. Management and the Nomination Chair will place the names of qualified candidate on the Ballot. Issues regarding candidacy qualification that management and the Nomination Chair cannot resolve will be brought to the attention of the Board. See Section D (2) below regarding policies/limitations on running for office/serving on elected committees.

5. **Ballots:** The ballot form will be reviewed and revised every year as needed by the Nomination Chair and the management company. There is a 2/3/2 cycle. A year that has two (2) terms ending on the Board and the residential area committees will be followed by a year with three (3) terms ending on each, and the subsequent year will be a year with two (2) terms ending on each.

D. POLICIES ON RUNNING FOR AND SERVING ON THE BOARD OR ELECTED OR APPOINTED COMMITTEES:

1. **In General:** Running for, serving on or being appointed to an elected or appointed committee requires current ownership in the Club HOA although current residency is not required. Tenants/non-owners may not serve on elected or appointed committees although they may attend meetings and provide input and assistance. There are no residency/ownership requirements related to running for Board office.
2. **One Elected Position at a Time:** No individual may run for or be placed on the ballot for, or appointed to more than one (1) elected position at the same time. This precludes any individual from running for the Board and a residential area elected position at the same time. Additionally, current elected committee and Board members who are in the middle of their terms and submit a candidate form to run for another elected position are considered as having resigned from the elected position they currently hold as of December 31 (mid-point in their term), regardless of the outcome of the election. This is so that the position tentatively vacating may be placed on the ballot or otherwise filled.
3. **Board Membership on Other Committees:** Board members may not serve on any residential area elected committee or any appointed committee as a regular voting member, although they may serve as that committee's Chair or Secretary as needed/selected by the committee (if appointed as Liaison to that committee). Although not a voting member of an appointed or elected committee, a Board member appointed as liaison to a committee may vote to break a tie in a vote of the assigned committee.
4. **Elected Committee Membership:** Elected area committee members may not serve on more than one (1) appointed committee at the same time except as may be permitted and approved by the Board. If permitted and approved by the Board, the maximum number of appointed committees to which a residential area elected committee member may serve on is two (2). However, elected committee members may attend meetings as homeowners and are encouraged to do so.
5. **Appointed Committee Membership:** Appointments to appointed committees are submitted by/through the residential area elected committee with their recommendation to the Board for approval, or may be made directly by the Board. Board approval and a completed volunteer form and ethics form are required for an individual's placement on an appointed committee. Appointees to committees who are not also on the respective residential area elected committee are encouraged to attend residential area elected committee meetings for communication purposes. An individual who is not a Board member and is not an elected area committee member may serve on a maximum of two (2) appointed committees at the same time, as may be approved by the Board.
6. **Meeting Attendance and Resignation:** A committee member who has missed three (3) meetings for any reason in a six (6) month period may be considered to have resigned from the committee. This resignation is subject to Board review. Committee resignations not due to missed meetings must be in writing or have two (2) verbal or written confirmations from other Board or committee members or management.

E. NEWSLETTERS/PUBLICATIONS/LETTER – HOA TITLE USAGE:

- 1. Newsletters and Flyers:** The HOA uses the email system to send out “info blasts” and other notifications. The HOA/management may also produce hard copy newsletters and flyers which shall be approved by the Board prior to publication. A residential elected area committee may also produce individual newsletters or flyers, which do not necessarily need Board approval.
- 2. Letterhead/HOA Title Usage:** No Board or elected or appointed committee member shall use an HOA letterhead/logo of any kind or an HOA title of any kind on any document or correspondence inside or outside the HOA prior to Board approval of their use of same.

F. ANNUAL CALENDAR: The annual calendar will be prepared and maintained by the management company, monitored by an assigned Board member and submitted to the board for adoption at the January board meeting. The calendar will be placed on the agenda and included in the open/general session of the board meeting for discussion and will be updated and changed as needed throughout the year.

G. TOWNHOME RESIDENTIAL AREA COMMITTEES: Although the Board has ultimate fiduciary responsibility for the finances of the HOA, the two (2) townhome committees (Courtside and Vista) will develop budgets and recommend same to the Board, in addition to making recommendations for expenditures specifically related to the maintenance of the buildings’ exterior, front yards and private streets as provided in the CC&R’s. The Board, on the recommendation of the Finance Committee, the Management Company and self-study may change the recommended budgets due to known or anticipated cost increases. Townhome guidelines for carrying out budgetary responsibilities include:

1. Reviewing and recommending annual budget expenditure line items as developed by the Board.
2. Reviewing and recommending projected expenditures for asset maintenance as contained in the annual Reserve Study.
3. Preparing and submitting concepts and work plans for major projects for approval prior to requesting bids and requesting management to solicit bids only after project approval by the Board, and suggesting responsible bidders as applicable.
4. Recording recommended actions in their minutes. Assuring the minutes are correct and submitting the minutes to the management company in a timely manner for submission to the Board via the agenda.
5. Submitting a request for expenditure form to the Finance Committee for its review and recommendation to the Board if reserve funds are requested to be spent, or an unplanned/unbudgeted expense is recommended.
6. Maintaining surveillance of the conditions and events affecting their area/jurisdiction. If a contractor does not appear to be performing as needed or if conditions appear to need improvement/correction, same should be immediately reported to Management. Management is responsible for assuring contractor performance and correcting of unsatisfactory conditions but must be notified of same.
7. Coordinating and working with the Board and other committees with mutual respect, especially in the areas of overlapping interest/jurisdiction.

H. SINGLE FAMILY HOME RESIDENTIAL AREA COMMITTEE: Although the Single Family Home Residential Area Committee does not have its own budget, the committee still assists with projects and is under the same guidelines as the Townhome Residential Area Committees.

I. COMMITTEES (ELECTED AND APPOINTED):

1. **Committee Chairs:** Committee chairs are elected annually from the committee membership. Duties include:
 - a. Setting the meeting date, time and place.
 - b. Producing and distributing an agenda.
 - c. Keeping the meetings running smoothly.
 - d. Checking the draft and final minutes for accuracy and submitting same to the Management Company for processing onto the Board agenda.
 - e. Attending Board meetings to give verbal reports on their committee's activities since the last Board meeting and anticipated activities during the coming month. If the Chair cannot attend a board meeting, he/she should send a representative from the committee in their place.
 - f. Reviewing the Policies and Procedures and Rules and Regulations with committee members at the first meeting of each year and whenever these documents are revised.
2. **Other Committee Positions:** Committees shall elect/appoint a Secretary. The Chair may also hold the position of Secretary. Committees may optionally elect/appoint a Vice Chair. The Board liaison may be the Committee Chair and/or Secretary.
3. **Meetings:** Committee meetings should be held two (2) weeks prior to the scheduled Board meeting so that minutes can be submitted for that Board meeting. Committee members should participate positively in all discussions. Disruptive committee members will not be tolerated. If disruptive/negative behavior continues, the committee member will be subject to censure or removal from the committee. Committee meetings do not have the same strict requirements as Board meetings but they should be structured with basic Robert's Rules of Order to facilitate order and open discussions.
4. **Responsibilities of Committee Members:** Committee members are responsible for reading and being aware of HOA governing documents, including these Policies/Procedures, the Rules and Regulations and the C&R's. Committee members should also be familiar with all HOA forms, the HOA web site and the Maintenance Matrix. Committee members shall participate in walk-arounds/drive-arounds of their area, noting homeowner non-conformity/violations. Committees are advisory and are the "eyes and ears"/"boots on the ground" for the Board.
5. **Committee Agendas and Minutes:** Agendas should be prepared and distributed at least twenty four (24) hours in advance of a meeting, but items can be added during the meeting itself - at the beginning or when the items come up. Minutes need to reflect official votes but not detailed discussion. Draft minutes are to be sent out to each committee member for review and comment/approval before being finalized. Final minutes should be submitted by the committee chair or designee to the management company for agenda inclusion prior to the 22nd of each month. Management Company and/or Board action requests must be listed separately at the end of the minutes so they can be identified.
6. **Committee Items Placed on the Board Agenda:** When a committee sends an item to the management company for placement on a Board agenda, it must include recent and complete back up, especially if the item is in concept and/or not specifically budgeted for the current year consideration.

7. **Quorum – Residential Area Committees:** A majority of the entire committee membership is required in order to hold an official meeting. If the committee has five (5) filled positions, a quorum is three (3). If the committee has three (3) filled positions, a quorum is two (2). Once a quorum is established, a majority of the attending members must vote for an item in order for the decision to be official.
8. **Quorum - Appointed Committees:** No quorum is required in order to hold an official meeting. For voting purposes, a majority of those members present must vote for an item in order for the decision to be official.
9. **Email and Telephone Voting:** It is always preferable to have a physical meeting for voting purposes. However, committees may vote by email or telephone if necessary on urgent items. The committee chair will coordinate email/telephone voting and the results of that email/telephone vote will be emailed to the Board Chair, Board Vice Chair and management company for further action as needed and the results of that voting shall be placed in the minutes of the next regular committee meeting. It should be recorded in the minutes if the vote was taken by email or telephone.
10. **Annual Reports:** All Committees shall provide a report at the annual meeting. The report should cover the major activities of the committee that year and future activities/plans for the year ahead.
11. **Membership/Resignation/Removal:** All appointments to elected committees made by the committee itself due to mid-year resignations shall be ratified by the Board. All appointments to appointed committee must be approved by Board action prior to membership taking effect. All resignations (from elected or appointed committees) will be approved by Board action. Resignations must be in writing or have two (2) verbal confirmations. Elected committees may remove their appointments to appointed committees by majority vote at any time. Elected committees may also remove their own members at any time by majority vote.
12. **Terms:** Elected committee members are elected for two (2) year terms. Appointed committee members are appointed for one (1) year terms. If an elected position vacates mid-term, another homeowner may be selected by the applicable committee to serve for the remainder of the vacated term. If an appointed committee position vacates mid-term, another homeowner may be recommended to the Board for appointment by the applicable committee.
13. **Other Attendees at Committee Meetings:** Homeowners with responsible and constructive input may attend any appointed committee meeting and the residential area committee meeting of their own area. Non-homeowners may attend committee meetings as allowed by the chair of the applicable committee. Homeowners and non-homeowners do not have voting privileges at committee meetings and must not interfere with the activity of any committee. Negative, disruptive or non-solution oriented behavior will not be permitted.

J. APPOINTED COMMITTEES – RESPONSIBILITIES:

1. **Architectural Committee:** The Architectural Committee operates autonomously from the Board, although the Board ratifies architectural approvals and provides oversight and hearings for requesting homeowners whose architectural requests have been denied. Membership is comprised of three homeowners, from each residential area (Vista Courtyard and Single Family). Additionally, the Board may appoint any homeowner, resident or outside expert to the Architectural Committee irrespective of their membership on other HOA committees or the Board. In addition to the powers and duties set forth in the CC&R's, the Architectural Committee will, with assistance from the management company:
 - a. Physically inspect the entire HOA complex at least every six (6) months and notify the management company and applicable residential area committees of HOA addresses/areas having non-conformity with the CC&R's, Rules and Regulations and other requirements.

- b. Assist the Board with hearings on non-compliance or complaints filed.
- c. Make recommendations to the Board regarding actions necessary to enforce the CC&R's/Rules and Regulations in the event that non-compliance continues beyond a reasonable time.
- d. Send copies of architectural approval and rejections to the management company in a timely manner for inclusion in the Board agenda.
- e. Secure the signatures of at least two (2) Architectural Committee members on each approval or denial, one (1) signature of which should be of the Architectural Committee member residing in the applicable residential area (Vista, Courtside or Single Family). In circumstances where a second signature is not available and time is of the essence, the second signature may be that of the Architecture Committee Board Liaison.
- f. Any Board member who has signed an Architectural application must reclude themselves from voting on same initially or any related subsequent hearing or dispute.

2. Landscape Committee(s): The committee has three (3) sections:

- a. The Courtside Townhome Committee will function as its own Landscape Committee and will walk and inspect its landscaped areas and the common area within and immediately surrounding the Courtside Townhomes monthly with management as part of the regularly scheduled monthly Courtside maintenance inspection. A Board member/the Courtside Board liaison and/or a landscape maintenance contractor representative will walk with the group if requested.
- b. The Vista Townhome Committee will function as its own Landscape Committee and walk and inspect its landscaped areas monthly with management as part of the regularly scheduled monthly Vista maintenance inspection. A Board member/the Vista Board liaison and/or a landscape maintenance contractor representative will walk with the group if requested.

The two (2) townhome landscape committees as above will take their own notes and produce minutes/walk notes of their landscape inspection(s) related to their individual landscaping needs. These minutes, complete with landscaping requests, will come to the Board attached to the normal residential area committee minutes. The information and requests regarding landscaping issues for Courtside and Vista townhomes will be presented at the Board meeting general session by the appropriate Board liaison for Board consideration. The Board will review approve or deny requesting bids and the vendor(s) to perform the work as approved. The townhome committees will be kept informed. All bids that Vista and Courtside wish to accept, outside of normal and budgeted landscape maintenance work, are required to be passed through the Finance Committee for review, assessment and recommendation to the Board.

- c. The third committee, the Common Area Landscape Committee, will walk the common areas. Membership is comprised of: One (1) board member and one (1) homeowner from each residential area. A management representative and a landscape maintenance contractor will walk with the group if requested. The Board's landscape committee liaison or committee chair will take notes and produce minutes/walk notes related to common area landscaping needs. These minutes/walk notes will come to the Board at its next regularly scheduled meeting and will be presented for Board consideration by the Board's landscape committee liaison. The Board will approve requesting bids and the vendor(s) to perform the work as approved. All bids the Board wishes to accept, outside of normal and budgeted landscape maintenance work, are required to be submitted through the Finance Committee.

The primary responsibilities of all three (3) landscape committees are to advise the Board regarding the maintenance of the appearance of the community through responsible and consistent landscaping. This requires a preventive maintenance and plant replacement program including fertilization, insect and pest control, the proper trimming and thinning of plants and trees, plant and tree removal, aeration, thatching of lawns, mulching, sidewalk observation for lifting pathways and re-landscaping as may be necessary. The landscape committees will assist the Board in implementing and enforcing these policies. The landscape committees recommend action(s) to the Board but have no decision-making authority. The landscape committees may advocate for or against an issue, but in doing so recognizes that the Board is the final decision-making authority.

- When a landscape committee section desires to spend money on a project which is part of the HOA's Approved Landscape Priority List, a "Reserve or Other Expenditure" form must be completed by the Courtside Committee Chair, Vista Committee Chair or the Common Area Landscape Chair and sent through the Finance Committee for their recommendation. The Finance Committee will review the Reserve Expenditure form and process it through to the Board with its recommendation.
- When a landscape committee section desires to spend money on a project which not a part of the HOA's Approved Landscape Priority List, the applicable committee shall provide the Board will a request regarding the proposed project in concept. The Board will then decide if the project should be considered or not and will request management to secure bids as may be appropriate. If the Board agrees to proceed with the project, the Vista Committee Chair, Courtside Committee Chair or the Common Area Landscape Chair will complete a "Reserve or Other Expenditure" form and process it as above.
- Additional Responsibilities and Duties of the Common Area Landscape Committee Include: Administering and enforcing the HOA's tree policy, reviewing landscape related vendor performance, requesting bids and making recommendations to the Board regarding renewal of current vendor's contracts.
- Additional Responsibilities and Duties of all Three Landscape Committees:
 - a. Develop a draft Annual Landscape Priority List for their respective area and make recommendations to the Board to implement the general landscaping policy. The annual plans must clearly detail the areas and projects and any other information deemed necessary. While the Board will consider the priority desired by the requesting landscape committee/area committee, final priority assignment will be the Board's decision based on the following criteria and in consideration of the cash on hand: Revenue, reserve and asset objectives of the HOA.

Generally, the priority ranking levels/tiers are as follows:

Tier 1 – safety and/or building structure related.

Tier 2 – high traffic areas (pedestrian and vehicle).

Tier 3 – improvement/replacement in non-street visual areas.

Tier 4 – other.

b. Inspect vendor work, make recommendations and register concerns with the management company and provide responsible, constructive, solution-oriented recommendations for improvement, maintenance and replacement of landscape materials.

c. Physically inspect the applicable landscaped areas on a monthly basis, including grass areas, planters, trees and shrubs. This includes regular assessments as to the status and need for mulching and other water retention methods.

e. Observe irrigation operation, turf appearance and report dry/yellowed turf and irrigation issues.

d. Take minutes, keep a punch list for the future landscape walks and take pictures as needed to better define issues/problems.

3. Finance Committee: Duties include reviewing monthly operating expenses for accuracy and consistency, recommending investment strategies and reviewing requests for reserve and non-reserve spending. The committee also reviews the annual draft budgets submitted by the Vista and Courtside elected committees and makes budget recommendations to the Board.

a. Finance Committee membership consist of two (2) homeowners from each residential area (Vista, Courtside and Single family) for a total of six (6) members.

b. Roles and responsibilities include the review and presentation of monthly financial reports, seeking budget development input, developing the annual and operating reserve budgets to recommend to the Board, reviewing the yearly audit, and providing guidance and counsel to the Board and management company to insure that the financial needs and fiscal policies of the Board are maintained.

c. Withdrawals from savings accounts shall only upon the recommendation of the Finance Committee and the Treasurer and by Board resolution and requires the signatures of two (2) Board members. The Treasurer and the President will be the primary signers of a withdrawal request. However, in their absence, any other two Board members may sign.

d. If the Finance Committee recommends an investment, management will poll the members of the Board for an email or phone vote to make that investment if time is of the essence. If there is a unanimous "yes" vote, management will make the investment as recommended by the Finance Committee. The Board vote will be taken/ratified at the next regularly scheduled Board meeting.

e. It is recommended that the HOA retain a monetary amount equal to two (2) times the budgeted monthly expenses for each entity. Doing so provides sufficient funds to cover monthly expenses. As monthly assessments are received, the amounts budgeted for reserves should be transferred to reserves.

f. Any time funds are requested/desired to be spent to replace, repair or refurbish an asset listed in the reserve study report, a "Other or Reserve Fund Expenditure" form must be filled out by the requesting entity/residential area committee chair or Board member and submitted through the Finance Committee for its recommendation, prior to same being considered for approval by the Board.

K. ETHICS POLICY: The ethics policy, contained in the ethics policy form itself, is applicable to all Board members and all members of all elected and appointed committees. The ethics policy is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct.

1. An ethics policy form will be attached to the annual request for candidate forms. Candidates must return the ethics policy, signed on both pages, along with their candidate statement in order to have their name placed on the annual ballot.

2. An individual submitting a volunteer form is required to submit a signed ethics form as above or their volunteer form will not be considered.

3. On or before January 1 or each year, new ethics forms will be required of all Board and elected committee members who are mid-term. These ethics forms must be completed and returned to the management company within thirty (30) days or the applicable individual may be called to a hearing/removed from the applicable committee or Board.

4. On or before February 1 of each year, new ethics forms will be required of all elected and appointed committee members who are not also newly elected committee members. These ethics forms must be completed and returned to the management company within thirty (30) days or the applicable person will be called to a hearing and/or removed from the applicable committee.

- L. RECORDS RETENSION POLICY:** This records policy is for the purpose of saving and storing HOA documents as required by law. Documents shall be stored in a secure, locked facility. Access to the storage facility is limited to Board members and management unless other arrangements are necessary. Two (2) persons should be on site when the records storage area is accessed.

RETENTION SCHEDULE:

1. Permanent Retention – Documents and Related Items: C C& Rs, Articles of Incorporation, Parcel Map(s), Rules and Regulations (current and prior versions), Policies and Procedures (current and prior versions).

2. Permanent Retention - Minutes and Related Items: Board meeting and membership meetings, including executive session minutes, minutes of committees with decision- making authority and agenda packets with attachments (including committee minutes).

3. Other Permanent Retention: Legal opinions, deeds to property owned by the Association, architectural plans for common areas, architectural approvals and denials relate to all 309 residences and legal opinions.

4. Retained for Seven Years:

a. Financial Records: Budgets, general ledgers, journals and chart(s) of accounts, year-end financial statements, accounts payable records, accounts receivable ledgers, trial balances and billing records, cancelled checks and bank statements, expense analysis and expense distribution schedules, vendor invoices, deposit slips, bank reconciliations, petty cash vouchers, purchase and work orders, year-end “auditors Report”, year-end “Financial Report” and year-end statements sent to the membership.

b. Expired Contracts: Contracts including landscape, maintenance, tree trimming and management company contracts.

c. Signed ethics agreements (by year).

d. Insurance Records: Accident reports, settled claims, expired policies, fidelity bonds, certificates of insurance, general insurance correspondence, closed litigation files, newsletters, expired warranties and tax returns.

4. Retained for Three Years: Annual and Other Ballots.

5. Secure Destruction: Association records will be disposed of by shredding through a secure shredding depository or service only.

6. Approval for Destruction: Prior to documents being taken to shredding, a list of those documents to be will be approved by the Board at a regular meeting.

7. Litigation Hold: Records should not be destroyed if the Association has notice of or reasonably believes it will be involved in a lawsuit records to those records.

M. TREE POLICY: Trees are an essential element of our community and one of the HOA's most valued assets. The care of these trees is one of the Board's responsibilities.

1. In order to preserve and maintain the trees within the HOA, trees in the common area and parks will be cared for from common funds. Trees in the Vista area will be cared for from Vista funds and trees in the Courtside area will be cared for from Courtside funds, although nothing precludes the assignment or sharing of tree expenses if a tree is located in one area but mainly benefits another area or benefits are shared. For budgeting purposes, trees are listed as assets in the reserve study along with funds for trimming, removal and replacement.
2. HOA trees will be marked with a gray metal tag, stamped with a letter and number, which identifies their location. The HOA will maintain a tree map and list, updating both annually to show original planting date, trim dates, tree tag number and tree species.
3. Trees throughout the HOA will be regularly observed and evaluated and will be maintained (trimmed, removed, newly planted) through a schedule and process recommended by the Common Area Landscape Committee, in consultation with the tree care contractor's licensed or other licensed arborist.
4. The Management Company will contract with a qualified tree maintenance company to trim the HOA trees. The company will recommend an annual trimming schedule to be reviewed by the Common Area Landscape Committee and approved by the Board.
5. The Common Area Landscape Committee and/or the Vista or Courtside landscape committee will inspect work done to verify proper trimming/removal and satisfactory clean up before payment is released by management.
6. Conditions for tree removal are met when one (1) of the following conditions exist and when such action has been recommended by the Common Area Landscape Committee and approved by the Board.
 - a. Tree is diseased, dead or dying.
 - b. Tree trunk or limbs are endangering structures and trimming provides only a temporary solution.
 - c. Tree roots are damaging walls, driveways, streets (asphalt), walk ways or structures.
 - d. Tree creates a hazard or major maintenance problem or tree maintenance costs do not warrant the tree remaining in place.
 - e. A homeowner requests removal of a common tree for reasons other than those above and the Common Area Landscape Committee and the Board deems same are valid and appropriate.
7. A landscape committee's recommendation for tree removal for any of the above reasons, once approved by the Board, cannot be overturned by any single homeowner or group, even if the homeowner(s) or group agree to accept liability for any damages the tree may cause.
8. In with reserve study recommendations, the appropriate landscape committee will, in consultation with the landscape contractor/arborist and the tree trimming contractor, make recommendation to the Board for tree replacements/additions. The recommendation(s) will be presented to the Board in the form of an Annual Tree Plan, which will include annual trimming recommendations. Recommendations for tree planting must include the location of the new tree and the specific area-appropriate tree species.
9. Individual homeowners or residential area committees may request that a tree be trimmed outside of the regular schedule or removed. If the Common Area Landscape Committee agrees that the request serves a common goal according to existing policy, the homeowner or the residential area committee may then request that the work be done at their/his/her expense as follows:

- a. The homeowner/committee completes the "Request for Tree Trimming/Removal", including the approval signature of other homeowner(s) if the tree work in question will directly affect any other homeowner(s).
 - b. The request will be reviewed by the Common Area Landscape Committee. If there are differing opinions among the homeowners directly affected, the issue will be brought to the Board for its decision. If the work is approved, the homeowner will submit payment in advance or the requesting committee will record its approval in their minutes to have the work done and will be charged for same via the invoice payment process through the Management Company.
10. Emergency tree trimming or removal may be approved by the Management Company via telephone or email approval from a quorum of the Board. If a quorum cannot reasonably be reached, the management representative may use his/her discretion and authority to trim or remove the tree and will notify the Board as soon as possible thereafter. The emergency work will be placed on the next available Board agenda for approval.
 11. Street trees planted within the 9 foot set back line on City streets belong to the City of Claremont, who has the responsibility for planting, trimming, removing and replacing these trees. Note that the setback line may vary slightly. Some City street trees close to HOA trees may have colored tags (examples: In North Park, Middle Park and on Shenandoah). This is for the purpose of differentiating City trees from HOA trees for maintenance responsibility purposes.
 12. Any homeowner or resident may contact the City or the HOA regarding issue(s) with a tree and is encouraged to do so. Examples: Tree appears diseased, tree is damaged, tree needs trimming, tree is leaning, tree roots appear to be damaging the side walk and like items.

N. DONATIONS OF TREES AND PLANTS AND OTHER ITEMS: Residents may pay for trees or plants or for a bench to be installed and like items at their expense by writing a letter to the management company with the specifics, which will then be reviewed by the appropriate residential area committee and the Common Area Landscape Committee.. Residents may also request to donate plants/trees they have purchased or grown or have received from other sources. The donation will be discussed by the appropriate residential area committee and the Common Area Landscape Committee prior to Board approval.

END

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Policies and Procedures – Appendix I

Budget and Reserve Study Development/Approval Process/Schedule

SAMPLE BUDGET CALENDAR:

- **June/July:** No later than the July Board meeting, management shall submit to the Board a list of anticipated increases for the coming year and their recommendations for increased and budget adjustments in the form of a first draft budget. The Board will review management’s recommendations, add their own and send the information to the Finance Committee for their review. At the same time, the two townhome committee chairs will submit their committee’s requested budget adjustments to the Finance Committee.
- **July/August:** The Finance Committee will submit their recommendations back to the Board in the form of a second draft budget.
- **August/September:** No later than the September Board meeting, the Board will review the second draft budget from the Finance Committee and make changes as needed. Special budget review meetings may be held for community comment. The Board will then direct management to prepare the third draft budget.
- **September/October:** Budget appears on the open agenda and may be approved as presented. A fourth draft may be requested of management based on additional discussion.
- **October/November:** Budget is approved by the Board during a regular or the annual meeting.

SAMPLE RESERVE STUDY SCHEDULE:

Every three (3) years management will solicit proposals for a reserve consultant to perform a physical inventory and walkthrough of the HOA to access and value assets. The Request for Proposal (RFP) shall be for a three (3) year agreement with updates in years two (2) and three (3) based on reserve expenditures in the prior twelve (12) months and any changes in asset status.

- **April/May:** Every third year of the reserve cycle, according to California law, the HOA shall conduct a physical assessment of its assets and reserve fund set-aside for asset maintenance for all entities.
- **May/June (every third year):** RFP’s sent out for reserve consultant and consultant selected.
- **July/August:** In the first of the three (3) year cycle, the reserve consultant will schedule and perform a walk-through of all HOA entities and prepare a preliminary reserve study report for review by the Board, the three residential area committees and the Finance Committee. In other years, the reserve consultant will prepare an update based on the reserve expenditure report. This report will be reviewed by the residential area committee and the Finance Committee and will be submitted to the Board no later than its August meeting. Special reserve review meetings may be held for community comment.
- **September or Earlier:** The Board will review input as received and prepare the reserve allocations for all HOA entities to be folded into the budget for the coming year.

Policies and Procedures – Appendix II

SAMPLE BALLOTING/ELECTION PROCESS/SCHEDULE

California Civil Code requires a certain number days between some steps of the annual meeting and balloting process, including annual meeting announcement/candidate form submission/ballot send out and voting/ballot return. The Nomination Chair will develop a calendar with specific dates each year, following the basic schedule below.

- **June:** Nomination Chair (must be a Board member) is appointed by the Board. Chair solicits three (3) nomination committee members, one (1) from each HOA residential area. Chair drafts a candidate form and “Notice of Election of the Board of Directors and Area Residential Committees” letter
- **July:** Management company sends out “Notice of Election of the Board of Directors and Area Residential Committees” which includes the self-nomination form and ethics policy form.
- **August/September:** Deadline for receipt of candidate forms by the management company. Nominating Chair works with management company to review candidate forms and construct three (3) ballots, one for each residential area.
- **September:** Board reviews ballots as needed. Management company mails ballots to all homeowners. Nominating Chair solicits three (3) inspectors of election, one (1) from each HOA residential area. Same may be also be serving as nomination committee members.
- **October:** Ballots are returned to the management company by the homeowners prior to and up to the time of the November annual meeting. Board approves the inspectors of election,
- **November:** Annual Meeting – If a quorum has been achieved (51% of 309 ballots = 158 ballots) the ballots are counted and tallied by the inspectors of election. If a quorum has not been reached, the annual meeting is re-convened during the December meeting.
- **December:** If a quorum has not been reached at the November meeting, ballots may still come in and be counted when the re-convened annual meeting is held in December. At the reconvened meeting a quorum consists of 25% of 309 ballots = 78 ballots.

Policies and Procedures – Appendix III

HOA Forms Available on the Web Site Include:

- Website Update Request: Any committee chair or Board member may request an announcement or management company calendar placement.
- Architectural Application: For use by any homeowner making structural or cosmetic changes to their property
Examples: New windows/sliding doors; new or visually different patio covers, hardscape (driveways and walkways) fences (includes painting existing fences and homes) and like items.
- Renter's Declaration: Homeowners renting their property must have their tenants read and sign the Renter's Declaration form within 30 days of initial occupancy.
- Common Area Use Request form: Homeowners wishing to use any of the common areas for parties or large gathering must obtain permission two (2) weeks in advance, pay a fee and submit a clean-up deposit.
- Western Gate/Claremont Tennis Club (CTC) Gate Activation Request: HOA homeowners who are member of the CTC may request access through the gate located at the end of the Davenport cul-de-sac. There is a fee payable to the HOA for access and the request must be approved by both the HOA and the CTC.
- Ethics Policy Form
- Vista Assigned Parking Application
- Courtside Temporary Park Application
- Request for Tree Trimming or Removal
- Volunteer Form
- CC&R's

Other Information Available on the HOA or Sea Breeze Web Sites Include:

- Link for management contact by phone or chat.
- Calendar for HOA Board and committee meetings.
- Monthly Board Minutes for previous twelve (12) months.
- Monthly Board Agenda for twelve (12) previous months and current month.
- Current Year Budget
- The Club HOA's CC&R's

Other Useful Information

- Internal Dispute Resolution Process (Sent out to each homeowner once a year as required by the Civil Code).
- Alternative Dispute Resolution Process (As above)