

**RESOLUTION OF  
DEER CREEK AT NORTHGATE HOMEOWNERS ASSOCIATION  
REGARDING  
RESERVE STUDIES AND FUNDING**

**SUBJECT:** Adoption of policies and procedures regarding reserve studies and funding in compliance with Colorado law.

**PURPOSE:** To establish policies and procedures regarding reserve studies and funding of reserves.

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

**EFFECTIVE DATE:** May 21, 2014

**RESOLUTION:** The Association hereby adopts the following policies and procedures, contained herein.

**PRESIDENT'S CERTIFICATION:** The undersigned, being the President of Deer Creek at Northgate Homeowners Association, a Colorado nonprofit corporation, certifies that the following 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 21, 2014 and in witness thereof, the undersigned has subscribed his/her name.

DEER CREEK AT NORTHGATE HOMEOWNERS ASSOCIATION,  
INC.

a Colorado nonprofit corporation

By:  \_\_\_\_\_  
President

*This document alone does not constitute Full Public Disclosure as required under Colorado Law.*

### Reserve Study and Funding Policies.

1. Purpose of the Reserve Fund. The purpose of the Reserve Fund is to responsibly fund and finance the projected repair and replacement of those portions of the Community that the Association is responsible for and for other funding as the Board of Directors may determine. The portions of the Community that the Association is responsible for typically have limited but reasonably predictable useful lives.
2. Reserve Study Policy. The Association is not required under the Community's governing documents to have a reserve study. The Association has determined to establish policies on reserve studies as follows:
  - a. The Board of Directors will review the Reserve Study and reserve funding periodically, as determined in the sole discretion of the Board..
  - b. Reserve studies are preferred to be performed by a professional reserve specialist or by the Association's managing agent.
  - c. Reserve studies are preferred to be based on a physical examination of the Community by the person preparing the reserve study, but may be performed by the person preparing the study without a physical examination.
3. Reserve Funding Policy. The Association has determined to establish policies on reserve funding as follows:
  - a. Funding for replacement is preferred to be based on a financial analysis performed by a professional reserve specialist or the Association's managing agent, or may be performed without a financial analysis.
  - b. Funding for replacement is planned and projected to be through the Association's assessment of the Owners, as determined from year-to-year, by the Board, or from the following sources:
    - i. Cash then on hand, including the operation and the reserve accounts;
    - ii. Assessments of owners;
    - iii. Special assessments of owners;
    - iv. A loan as may be obtained by the Association; and/or
    - v. Any combination of the above.

Adopted: \_\_\_\_\_

Effective: \_\_\_\_\_