

**AMENDED AND RESTATED RESOLUTION OF THE
TELLURIDE MOUNTAIN VILLAGE OWNERS ASSOCIATION
REGARDING AMENDED AND RESTATED POLICIES AND PROCEDURES FOR
RETENTION, INSPECTION AND/OR COPYING OF ASSOCIATION RECORDS AND
ADDRESSING PERSONAL INFORMATION**

SUBJECT: Adoption of a procedure for the inspection and copying of Association records by members and retention of Association permanent records and to address personal information.

PURPOSE: To adopt a policy regarding a member's right to inspect and copy Association records and identification of records to be permanently retained by the Association. To adopt a standard procedure to be followed when a member chooses to inspect or copy Association records. To address member personal information.

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

EFFECTIVE DATE: June 12, 2019

RESOLUTION

The Association hereby adopts the following policy and procedures (the "**Policy**"):

1. Records Retained. The Association shall retain the following records as required by Colorado law:

A. Detailed 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 those claims;

C. Minutes of all meetings of the Owners and the Board, a record of all actions taken by the Owners or the Board without a meeting, and a record of all actions taken by any committee of the Board;

D. Written communications among, and the votes cast by, Board members that are: (i) directly related to an action taken by the Board without a meeting pursuant to C.R.S. sec.7-128-202; or (ii) directly related to an action taken by the Board without a meeting pursuant to the Association's Bylaws;

E. The names of Owners in a form that permits preparation of a list of the names of all Owners and the physical mailing addresses at which the Association communicates with them, showing the number of votes each Owner is entitled to vote;

F. The current Association Declaration, Bylaws, Articles of Incorporation, rules and regulations, responsible governance policies, and other policies adopted by the Board;

G. Financial statements as described in C.R.S. sec. 7-136-106 for the time periods set forth below, and tax returns of the Association for the time period set forth below;

H. A list of the names, electronic mail addresses, and physical mailing addresses of the current Board members and officers;

- I. The most recent annual report delivered to the secretary of state;
- J. Financial records sufficiently detailed to enable the Association to comply with C.R.S. sec. 38-33.3-316(8) concerning statements of unpaid assessments;
- K. The Association's most recent reserve study, if any;
- L. Current written contracts to which the Association is a party and contracts for work performed for the Association, for the time periods set forth below;
- M. Records of Board or committee actions to approve or deny any requests for design or architectural approval from Owners;
- N. Ballots, proxies, and other records related to voting by Owners for one year after the election, action, or vote to which they relate;
- O. Resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members; and
- P. All formal written communications within the past seven years to all Owners generally as Owners.

2. Overview and General Purpose. In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify or destroy any document with the intent of impeding or obstructing any official proceeding, this Policy provides for the systematic review, retention and destruction of documents receive or created by TMVOA. The purpose of this Policy is to provide instruction for the preservation of pertinent documentation due to threatened, pending or otherwise reasonably foreseeable litigation, audits, government investigations or similar proceedings. This Policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. The Policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate TMVOA's operations by promoting efficiency and freeing up valuable storage space.

3. Document Retention. TMVOA shall follow the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule will be retained for the appropriate length of time.

Document Retention Schedule

Corporate Records

Annual Reports to Secretary of State/ Attorney General	Permanent
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
Bylaws	Permanent
Construction Documents	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Letter	Permanent
Contracts (after expiration)	7 years

Accounting and Corporate Tax Records

Annual Audits and Financial Statements	Permanent
Depreciation Schedules	Permanent
General Ledgers	From 2008 forward
IRS 990 Tax Returns	Permanent
Business Expense Records	7 years
IRS 1099s	7 years
Journal Entries	7 years
Invoices	7 years
Petty Cash Vouchers	7 years
Cash Receipts	7 years
Credit Card Receipts	7 years

Bank Records

Check Registers	Permanent
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years

Payroll and Employment Tax Records

Payroll Registers	Permanent
State Unemployment Tax Records	Permanent
Earnings Records	7 years
Garnishment Records	7 years
Payroll Tax returns	7 years
W-2 Statements	7 years

Employee Records

Employment and Termination Agreements	Permanent
Retirement and Pension Plan Documents	Permanent
Records Relating to Promotion, Demotion or Discharge	7 years after termination
Accident Reports and Worker's Compensation Records	7 years
Salary Schedules	7 years
Employment Applications	3 years
1-9 Forms	3 years after termination
Time Cards	3 years

Legal, Insurance and Safety Records

Appraisals	Permanent
Copyright Registrations	Permanent
Environmental Studies	Permanent
Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Trademark Registrations	Permanent
Leases	7 years after expiration

General Contracts

7 years after termination

RETA Records

RETA Payment Receipts

Permanent

RETA Exemption Applications

Permanent

4. Originals, and Electronic Documents and Records. All TMVOA legal agreements (including but not limited to contracts and leases) that do not contain a provision stating that a digital copy is effective as an original signed agreement shall be maintained in hard copy for the time periods specified above. All other TMVOA records may be maintained only in electronic form. Voice recordings of Board and committee meetings shall be maintained on a permanent basis. All electronic documents and records shall be backup on a daily basis on-site and on a weekly basis in an off-site location.

5. Emergency Planning. TMVOA's records shall be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping TMVOA operating in an emergency will be duplicated or backed up at least every week and maintained off-site.

6. Document Destruction. The President and CEO shall be responsible for the ongoing process of identifying TMVOA's records and overseeing their electronic storage and destruction of any hard copies. Destruction of financial and personnel-related documents will be accomplished by shredding. Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

7. Compliance. Failure on the part of TMVOA Board members, officers, committee members, employees, contractors and volunteers to follow this Policy can result in possible civil and criminal sanctions against TMVOA and its directors, officers and employees and possible disciplinary action against responsible individuals. The President and CEO shall periodically review these procedures with legal counsel and TMVOA's certified public accountant to ensure that they are in compliance with new or revised regulations.

8. Inspection/Copying Association Records. A member or such member's authorized agent is entitled to inspect and copy any of the books and records of the Association, subject to the exclusions, conditions and requirements set forth below:

A. The inspection and/or copying of records of the Association shall be at the member's expense;

B. The inspection and/or copying of records of the Association shall be conducted by appointment during regular business hours of 9 a.m. to 4 p.m. at offices of the Association; and

C. The member shall give the Association a written request describing with reasonable particularity the records sought, at least ten (10) business days before the date on which the member wishes to inspect and/or copy such records.

9. Purpose/Limitation. Without the written consent of the Board, a membership list or any part thereof may not be:

- A. Used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association;
- B. Sold to or purchased by any person; or
- C. Obtained or used by any person for any purpose unrelated to an Owner's interest as an Owner.

In no event shall the Association records be used for any commercial purpose.

10. Exclusions. Pursuant to Colorado law, certain records may be withheld from inspection and/or copying, and certain records must be withheld from inspection and/or copying, as follows.

A. Without the written consent of the Board, Records maintained by the Association shall be withheld from inspection and/or copying to the extent that they are or concern:

- 1. Architectural drawings, plans, and designs, unless released upon the written consent of the legal owner of the drawings, plans, or designs;
- 2. Contracts, leases, bids, or records related to transactions to purchase or provide goods or services that are currently in or under negotiation;
- 3. Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;
- 4. Records of an executive session of the Board; and/or
- 5. Individual units other than those of the requesting owner.

B. The following records shall not be available for inspection and/or copying:

- 1. Information provided to the Association for the purposes of processing Real Estate Transfer Assessment exemptions;
- 2. Email address of a member, unless the member has provided a written consent authorizing the release of the member's email address to other members.
- 3. Any documents that are confidential under constitutional, statutory or judicially imposed requirements;
- 4. Personnel, salary, or medical records relating to specific individuals;
- 5. Any documents, or information contained in such documents, disclosure of which would constitute an unwarranted invasion of individual privacy, including but not limited to social security numbers, dates of birth, bank account information, telephone numbers and driver's license numbers; or
- 6. Records that the disclosure of which would be in violation of the law.

11. Fees/Costs. Any member requesting copies of Association records shall be responsible for all actual costs incurred by the Association, which have been determined to be \$30.00 per hour for the time to search for, retrieve, and copy such records, and \$0.25 per page for copies. For copy requests estimated to be \$10.00 or more, 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 a member copies of such records. If after payment of the deposit it is determined that the actual cost was more than the deposit, member 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 member with the copies.

12. Inspection. The Association reserves the right to have a third party present to observe during any inspection of records by a member or the member's representative.

13. Originals, Means. No member shall remove any original book or record of the Association from the place of inspection nor shall any member alter, destroy or mark in any manner, an original book or record of the Association. The right to copy records under this Policy includes the right to receive copies by photocopying or other means, including the receipt of copies through an electronic transmission, if available, upon request by the Owner.

14. Creation of Records. Nothing contained in the Policy shall be construed to require the Association to create records that do not exist, compile records or information in a particular format or order, or synthesize information.

15. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

16. Protection of Personal Identifying Information. The Association maintains paper and electronic documents during the course of business that contain Owner personal identifying information. The Association shall ensure that such personal identifying information is maintained in a secure fashion and not disclosed to other Owners or to third parties. The Association shall implement and maintain technical controls that are reasonably designed to help protect the personal identifying information from unauthorized access, use, modification, disclosure, or destruction. In the event the Association utilizes a third party service provider to provide security protection, the Association shall require that the third party service provider implement and maintain reasonable security procedures and practices that are appropriate to the nature of the personal identifying information disclosed to the third party service provider and reasonably designed to help protect the personal identifying information from unauthorized access, use, modification, disclosure, or destruction.

17. Disposal of Personal Identifying Information. When such paper or electronic documents are no longer needed, the Association shall destroy or arrange for the destruction of such paper and electronic documents by shredding, erasing or otherwise modifying the personal identifying information in the documents to make the personal identifying information unreadable or indecipherable through any means.

18. Personal Identifying Information. The terms "personal identifying information" or "personal information" mean an individual's first name or first initial and last name in combination with any one or more of the following data elements that relate to the resident, when the data elements are not encrypted, redacted, or secured by any other method rendering the name or the element unreadable or unusable: Social security number; student, military, or passport identification number; driver's license number or identification card number; medical information; health insurance identification number; or biometric data, an individual's username or email address, in combination with a password or security questions and answers, that would permit access to an online account; or an individual's account number or credit or debit card number in combination with any required security code, access code, or password that would permit access to that account.


19. Notice. If and when the Association becomes aware that a security breach may have occurred, the Association shall conduct in good faith a prompt investigation to determine the likelihood that personal information has been or will be misused. The Association shall give notice to the affected individuals unless the investigation determines that the misuse of information has not occurred and is not reasonably likely to occur. Notice shall be made in the most expedient time possible and without unreasonable delay, but not later than thirty (30) days after the date of determination that a security breach occurred, consistent with the legitimate needs of law enforcement and consistent with any measures necessary to determine the scope of the breach and to restore the reasonable integrity of the Association's computerized data system.

20. Supplement to Law. The provisions of this Resolution 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 Association.

21. 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 and is compliance with Colorado laws.

22. Amendment. This policy may be amended from time to time by the Board of Directors.

IN WITNESS, the undersigned certifies that these Amended and Restated Policies and Procedures for Retention, Inspection and/or Coping of Association Records were posted on the Association Website for member comment, and adopted by the Board at its meeting on June 12, 2019. This document is intended to and shall replace and supersede in its entirety the Amended Policies and Procedures for Retention, Inspection and/or Coping of Association Records adopted as of December 16, 2015.

By: 

Bill Jensen, Chairman
Telluride Mountain Village Owners Association

