

**RESOLUTION OF THE  
PORTICO (A COUNTRY HAVEN) HOMEOWNERS ASSOCIATION  
REGARDING: SURPLUS FUNDS FROM OPERATING BUDGET**

**SUBJECT:** Adoption of a Policy for the handling of surplus funds from the annual operating budget.

**PURPOSES:** To adopt a policy for the handling of surplus funds.

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

**EFFECTIVE DATE:** **October 23, 2013**

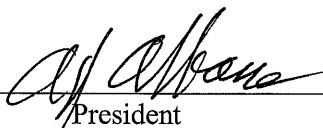
**RESOLUTION:** The Association hereby adopts a Policy as follows:

1. Scope. In order to properly maintain areas in the Community that are the responsibility of the Association, to comply with state statutes, to manage reserve funds, and to protect the market value of Owners' homes and livability in the Community, the Board of Directors determines that it is necessary to have policies and procedures for the handling of surplus funds.
2. Surplus Funds. Annually the Association will collect through assessments and other miscellaneous income amounts greater and lesser than the expenses of the association. The Board of Directors of the Association shall apply the surplus funds or deficit as follows:
  - A. Surplus: Any surplus will be applied to the Association's Reserve Fund.
  - B. Deficit. Any deficit will be funded from the Association's Reserve Fund.
  - C. Operating Fund Balance. The Operating Fund Balance will be adjusted at the end of each fiscal year to between zero and \$5,000.00 or an amount determined by the Board of Directors.
  - D. Budget. The Board of Directors will take into consideration the total Reserve Fund and anticipated operating expense's when establishing the Assessments needed for the new fiscal year.
3. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
4. 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 community.
5. 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.
6. Amendment. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT'S  
CERTIFICATION:**

The undersigned, being the President of the Portico (A Country Haven) Homeowners Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on 10/23/2013 and in witness thereof, the undersigned has subscribed his/her name.

**PORTICO (A COUNTRY HAVEN) HOMEOWNERS  
ASSOCIATION**, a Colorado nonprofit corporation

By:  10/23/13  
President