

ARTICLE III
BOARD OF DIRECTORS

1. **Number and Qualifications.** The business and affairs of the SRPOA shall be managed by a Board of Directors. The Board of Directors shall consist of seven (7) persons. Directors must be property owners of SRPOA, have a right to vote in SRPOA, and be in good standing in SRPOA with regard to payment of the maintenance fees and other fees levied by SRPOA.

2. **Election and Tenure.** Directors shall be elected at the annual meeting of the property owners by plurality vote, normally four (4) being elected one year and three (3) the next. The term of each director shall be for a period of two years. A director, elected to fill a vacancy, shall serve for the unexpired term of his/her predecessor. (Refer to Article III, Section 13 and 14)

3. **Annual meetings.** As soon as is practicable after each annual election of directors, the Board of Directors will meet for the purpose of organization, election of officers, and transaction of any other business.

4. **Officers.** Of the seven (7) persons comprising the board, one will be elected president, one vice-president, one secretary and one treasurer, all by plurality vote of the directors present and voting.

5. **Duties of Officers.**

a. **President.** To chair meetings of SRPOA and the board, to carry out board resolutions, to act in the name of SRPOA as directed or permitted by the board in conducting SRPOA's affairs. The president may assign the following duties to other Directors:

1) Conducting correspondence for SRPOA (including notices of meetings, notices of assessments, solicitation of proxies, and newsletters to property owners; reports required by law to the Colorado Secretary of State; notices concerning recording and removal of liens to the County Clerk and Recorder of Grand County and statements to title companies.

2) Keeping records of names and addresses of current property owners of all lots and tracts in Sunset Ridge

3) Assigning other duties as the president specifies.

b. **Vice-president.** To assist and act as the president in his/her absence.

c. **Secretary.** To record and to submit for approval minutes of all meetings of property owners and of the Board of Directors. To collect, count and organize proxies for all meetings of property owners and Board of Directors. To take attendance at all meetings and to certify quorums.

d. **Treasurer.** To establish and maintain for SRPOA a checking account and such other accounts as may, from time to time, be approved by the Board of Directors. To receive and deposit to SRPOA's account(s) such monies as become available from annual and special assessments and from all other sources. To pay all bills rendered to SRPOA and approved by the Board of Directors, including legal fees, taxes, use permits and licenses. To provide adequate funds on voucher as necessary to cover mailing, typing, telephone calls and production expenses. To establish a simple bookkeeping procedure that reconciles income, expenditures, and bank balances, matching expenditures to vouchers and canceled checks. To prepare a yearly financial statement of past income and expenditures and to prepare a budget for the upcoming year. To keep accounts of the status of payments by property owners of maintenance fees, special assessments and other charges; to keep a running account of property owners' debts to SRPOA; to notify the president of names of property owners and their tract or lot numbers against which liens must be filed and to keep a record of tracts and lots upon which liens have been filed. The treasurer, president and any other board members who are authorized to sign checks for SRPOA shall be bonded in such sum as shall be approximately equal to the bank deposits of SRPOA with the bond premium to be paid by SRPOA.

6. **Regular meetings.** Regular meetings of the Board of Directors shall be held at such times and places as maybe determined by the board and specified in the notices of such meetings.

7. **Special meetings.** Special meetings of the Board of Directors may be called by the president and shall be called by the president or secretary at the request of anytwo(2)directors.

8. **Place of meetings.** Any meeting of the Board of Directors may be held at any place and shall be designated in the notice of the meeting, but normally meetings will be held in Grand County, Colorado.

9. **Notice of Meetings.** Notice of each Board of Directors' meeting shall be given to each director. Whether given by written notice, in person or by telephone, at least one week and preferably two weeks prior notice of the meeting will be given. The notice shall include the place, date, hour and purpose of the meeting.

10. **Quorum.** A majority of the number of directors serving, at the time of any meeting, shall constitute a quorum of the Board of Directors, and the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, other than by announcement at the adjourned meeting, until a quorum is present.

11. **Organization, Agenda.** Procedure. In the absence of the president and vice-president at any meeting, any director chosen by a majority of the directors present shall act as chairperson. In the absence of the secretary, any person appointed by the president shall, act as secretary. The agenda of and procedure for all meetings shall be as determined by the Board of Directors.

12. **Resignation.** Any director of the board of SRPOA may resign at anytime by giving written notice to the board, the president, or the secretary. Such resignation will take place upon receipt of the notice or upon any later date specified in the notice of resignation.

13. **Removal.** Any director may be removed, either with or without cause, at anytime, by the affirmative vote of a majority of the votes of property owners of SRPOA. The vacancy caused by any such removal may be filled by property owners of the SRPOA at a special meeting called for that purpose, or, if property owners fail at such a meeting to fill the vacancy, by the Board of Directors as provided in Section 14 of this Article III. At any time, any director may be removed for cause, in the event that SRPOA has not acted on the matter, by the affirmative vote of all other members of the Board of Directors. The vacancy thus caused may be filled as specified above.

14. **Vacancy.** Except as provided in Section 13 of this Article III, any vacancy in the Board of Directors occurring for any reason may be filled by the affirmative vote of a majority of the directors then in office, though less than a quorum of the board. Any directorship to be filled by reason of an increase in the number of directors (above seven) shall be filled by the affirmative vote of a majority of the directors then in office or by an election at an annual meeting or at a special meeting of property owners called for that purpose. A director chosen to fill a vacancy shall serve for the unexpired term of his/her predecessor.

15. **Executive and Other Committees.** The Board of Directors, by resolution adopted by a majority, of the Board of Directors, may designate from among its members an executive committee and such other committees, each of which, to the extent provided in the resolution and except as otherwise provided by statute, shall have and shall exercise all of the authority of the board. Rules governing procedures for meetings of executive or other committees shall be as established by the board or by such committee. Other committees may be made up of volunteers from among Sunset Ridge property owners and directors. Chairpersons of committees may be appointed by the Board of Directors or by committee members. Responsibilities of committees are outlined in the SRPOA's Protective Covenants or provided by the Board of Directors. Committee chairpersons must report to the Board of Directors. All funds to be spent by committees must receive Board of Directors' approval.

16. **Compensation of Directors.** There will be no compensation for any director of the Board of Directors; however, reasonable expenses incurred by any director or other authorized agent in acting for SRPOA may, if approved by majority vote of the remaining directors, be reimbursed to the director or agent incurring the expense.