



POLICIES AND PROCEDURES

Document Date: August 16, 2023

Version: 1.3

The signature below certifies that all Policies and Procedures and all other content in this document are duly adopted by the Board of Directors (BOD) of San Pedro Creek Estates (SPCE) Homeowner's Association, Inc. (HOA) on the 16th day of August, 2023.

Andre Biane, President

SPCE Board Officer Name & Title

Andre Biane

SPCE Board Officer Signature

Table of Contents

- 1. Purpose 1
- 2. Authorization..... 1
- 3. Scope 2
- 4. Definitions 2
- 5. Organization of Policies and Procedures..... 3
- 6. BOD General Duties 5
 - 6.1. Policy for Adoption of Policies and Procedures..... 5
 - 6.2. Policy on Code of Conduct for Directors and Committee Members..... 7
 - 6.3. Procedure for Action by Directors Without a Meeting 11
 - 6.4. Procedure for Pro/Con Statement Development..... 14
- 7. BOD Fiscal Duties..... 16
- 8. BOD Committee Oversight..... 16
- 9. BOD Community Relations..... 16
 - 9.1. Policy for BOD Communications with Our SPCE Community 16
- 10. SPCE Document Management 20
- 11. SPCE Website..... 20
- 12. Committees 21
- 13. Governing Documents 21
- 14. Association Management Company 21
 - 14.1. Policy for Assessment Collection 21
- 15. Change Log 25

SPCE POLICIES & PROCEDURES

1. Purpose

This document contains the Board of Directors (BOD) Policies and Procedures for the San Pedro Creek Estates (SPCE) Homeowner's Association (HOA). The intent of this document is to define, at a reasonable level of detail, those Policies and Procedures.

2. Authorization

Federal Law, New Mexico State Statutes (The Law) and our SPCE Governing Documents give the BOD the authorities necessary for the management of the affairs of SPCE-HOA and provides that the BOD may create Policies and Procedures to manage the Association, as long as they are not in conflict with The Law or our Governing Documents. As allowed by those authorities, the BOD will create, adopt, and update written Policies and Procedures in order to be more efficient, consistent, and transparent, and to provide continuity for Board Directors, Committees and the Community. Below shows where this document falls in the hierarchy of The Law and SPCE Governing Documents:

1. Federal Law, as applicable by topic
2. New Mexico Nonprofit Corporation Act
3. New Mexico Homeowners Association Act
4. The Declaration of Restrictions ("Declaration")
5. Articles of Incorporation
6. By-Laws
7. Policies and Procedures (Board Actions)

If it is found that a Policy or Procedure in this document conflicts with The Law or our SPCE Governing Documents, The Law or Governing Document shall take precedence. The Policy or Procedure in which the conflict is found shall be revised or deleted as soon as reasonably possible.

Policies and Procedures within this document supersede all other SPCE Policies and Procedures similar or identical to those contained in this document.

SPCE POLICIES & PROCEDURES

3. Scope

Once adopted, Policies and Procedures shall be followed for the various activities and actions required to fulfill the BOD's duties.

This document shall be considered a living document and can be expanded and amended, by current and/or future BOD's, by following the "Procedure for Adoption of Policies and Procedures" defined in this document.

4. Definitions

Policy – the philosophies, general goals, and rules applied to the management of affairs to guide decisions and set conditions for a function or entity. A Policy may contain a Procedure.

Procedure – the steps taken, typically in order, to accomplish a task.

Director – a Member of the SPCE Board of Directors comprised of all currently serving Directors.

Committee – Ad-hoc group of SPCE-HOA Members tasked by the BOD to perform a project or address a defined need for the community.

5. Organization of Policies and Procedures

Below is a list of categories under which Policies and Procedures are organized along with brief description of what types of Policies and Procedures fit into each category.

BOD General Duties

This category contains Policies and Procedures pertaining the duties carried out by the BOD. Some of these duties may be routinely performed while others may be occasionally or rarely performed.

BOD Fiscal Duties

This category contains Policies and Procedures pertaining to the fiscal duties and responsibilities of the BOD. Among several fiscal duties carried out by the BOD, this category also includes policies and procedures associated with placement and management of contracts for acquisition of goods and services for the HOA.

BOD Committee Oversight

This category contains Policies and Procedures pertaining to guidelines, delegations, general operations and reporting requirements for HOA committees.

BOD Community Relations

This category contains Policies and Procedures pertaining to interactions and communications with the SPCE Community.

Document Management

This category contains Policies and Procedures pertaining to documentation created and maintained by the SPCE HOA.

SPCE POLICIES & PROCEDURES

SPCE Website

This category contains Policies and Procedures pertaining to the creation, maintenance, and use of the SPCE Website.

Governing Documents

This category contains Policies and Procedures pertaining to following, clarifying, interpreting, amending and enforcing the SPCE Governing Documents.

Association Management Company

This category contains Policies and Procedures pertaining to requirements, roles and responsibilities, and interactions between the HOA and the Association Management Company.

6. BOD General Duties

This section includes Policies and Procedures that the BOD will follow while executing duties routinely carried out by the BOD.

6.1. Policy for Adoption of Policies and Procedures

The purpose of this Policy is to establish the guidelines and define the procedure for the creation, review, adoption, amending, or deletion of Policies and Procedures initiated at any level of the San Pedro Creek (SPCE) Home Owner's Association (HOA).

- 6.1.1. This Policy was adopted on April 19, 2023. Version 1.0. Last updated April 19, 2023.
- 6.1.2. The SPCE BOD has sole decision-making authority for review, adoption, amending, and deletion of Policies and Procedures.
- 6.1.3. Any Director, Committee Member, or Community Member may submit Policy and/or Procedure recommendations and drafts for Board consideration.
- 6.1.4. All Policy and Procedure CREATION recommendations will be reviewed by the BOD which will make the determination if the Policy or Procedure is deemed necessary and, if so, will move the submission through the steps below.
- 6.1.5. Each Policy and Procedure shall be appropriately categorized per the Organization of Policies and Procedures section defined earlier in this document.
- 6.1.6. Each Policy and Procedure shall include:
 - 6.1.6.1. Simple Title
 - 6.1.6.2. Purpose Statement
 - 6.1.6.3. For a Policy – the Policy statement(s) and associated procedural steps if needed.
 - 6.1.6.4. For a Procedure – the Procedure's steps
 - 6.1.6.5. Other pertinent details such as:
 - 6.1.6.5.1. Timing and/or scheduling

SPCE POLICIES & PROCEDURES

6.1.6.5.2. Any requirements and/or conditions to bring the HOA into compliance with this Policy or Procedure.

6.1.6.5.3. Financial implications

- 6.1.7. At their discretion, the BOD may seek legal review or seek input and/or review from SPCE Committees, the SPCE Community, or from any subject matter expert.
- 6.1.8. The BOD shall review and modify content as it deems necessary.
- 6.1.9. Hold a BOD vote to adopt, amend, or delete the Policy or Procedure via allowable BOD voting methods.
- 6.1.9.1. A positive majority BOD vote is required for a Policy or Procedure to be adopted, amended, or deleted.
- 6.1.9.2. A tie vote shall go to the negative.
- 6.1.10. If the BOD vote passes to ADOPT a new Policy or Procedure, it shall be added to the appropriate section within this document.
- 6.1.11. If the BOD vote passes to AMEND an existing Policy or Procedure, the existing Policy or Procedure in this document shall be replaced with the new language approved by the BOD.
- 6.1.12. If the BOD vote passes to DELETE an existing Policy or Procedure, the existing Policy or Procedure shall be deleted from this document.
- 6.1.13. A new Policy or Procedure will include a line stating "This [Policy or Procedure] was created on [Date]. Version [X.X]. Last updated [Date]"
- 6.1.14. An amended Policy or Procedure shall have its Version number and Last Updated [Date] updated.
- 6.1.15. An entry will be made in the Change Log Section with a brief description of the change made to this document.
- 6.1.16. This document's version number and date shall be updated and the new version of this document shall be posted on the SPCE Website.

SPCE POLICIES & PROCEDURES

6.2. Policy on Code of Conduct for Directors and Committee Members

The BOD of San Pedro Creek Homeowners' Association (SPCEHOA) has the authority and responsibility to make decisions for the benefit of the entire community and wishes to ensure that it and its individual members (Directors), Committee Chairs and their Members (Leaders) maintain a high standard of ethical conduct in the performance of the Association's business, and that the Association's members maintain confidence in and respect for its Board and Committees.

- 6.2.1. This Policy was adopted on April 19, 2023. Version 1.0. Last updated April 19, 2023.
- 6.2.2. This Code of Conduct delineates standards of ethical behavior applicable to all members of the Board ("Directors"). It is also adopted that Committee Chairs and Members ("Leaders") serving the community will review and agree to similar standards of ethical behaviors
- 6.2.3. Directors are the elected leaders and fiduciaries of the financial trust and personal confidence of all of the members of the Association. Directors are required to deliberate and act in the best interests of the Association as a whole. Directors serve for the benefit of the entire community and will not use their positions for private gain.
- 6.2.4. Leaders are assumed to maintain the trust and personal confidence of all of the members of the Association. Leaders are required to deliberate and act in the best interests of the Association as a whole. Leaders serve for the benefit of the entire community and will not use their positions for private gain.
- 6.2.5. Each Director and Leader as of the date of the adoption of this Policy, shall sign his/her acceptance of the responsibility to comply with this Code of Conduct. Each Board Director and Leader shall sign annually to acknowledge his/her acceptance of this responsibility.
- 6.2.6. At the beginning of each BOD Meeting, Directors will review the agenda items and will inform the BOD if there are any discussion items that may pose an actual, perceived, or potential conflict of

SPCE POLICIES & PROCEDURES

interest. Should a Director find him/herself in this position, the BOD shall pursue a responsible and ethical course of action. Similarly, Leaders will advise the BOD immediately if there is a question of actual, perceived, or potential conflict of interest in researching, contracting, or discussing community business on behalf of the Association and its members.

- 6.2.7. Directors and Leaders shall treat members of the Association with courtesy and respect and should expect such treatment in return. However, Directors and Leaders must be prepared to extend courtesy and respect even when they do not receive it.
- 6.2.8. Directors and Leaders shall conduct themselves professionally at all times. Directors or Leaders may challenge each other on professional conduct, but any discussion or challenge of another Director's conduct should only take place in Executive Session, or in the case of Committee issues, with the BOD directly.
- 6.2.9. Directors and Leaders will not knowingly misrepresent or distort facts to the Board or the Association. Directors should make best efforts to gather the information required to make an informed decision based on facts instead of relying exclusively on second-hand information.
- 6.2.10. Directors, Committee Chairs, and their Members shall not seek to have a contract implemented that has not been duly approved by the BOD.
- 6.2.11. Directors and Leaders shall not interfere with the duties of management staff or any contractor executing an existing contract. All communications with contractors must be in accordance with BOD policy.
- 6.2.12. Directors and Leaders shall, at all times, maintain the confidentiality of all legal, contractual, personnel, management or personal matters involving the Association unless and until the Board has taken official action to release specific information.
- 6.2.13. Directors and Leaders agree to respect and abide by the decisions of the BOD and of the Association members, whether by majority or

SPCE POLICIES & PROCEDURES

supermajority, as applicable to the issue decided according to the Bylaws.

- 6.2.14. Directors and Leaders shall not attempt to subvert such BOD or Association decisions.
- 6.2.15. Directors and Leaders shall comply with Governing Documents and relevant laws.
- 6.2.16. Directors will be familiar with the Articles of Incorporation, Bylaws, CC&Rs, and other Governing Documents of the Association. Directors shall comply with and make decisions that are consistent with these Governing Documents.
- 6.2.17. Leaders will be familiar with specific Articles of Incorporation, Bylaws, CC&Rs, and other Governing Documents of the Association as they pertain to the information and authority of the Committee served. Leaders shall comply with and make decisions that are consistent with these Governing Documents.
- 6.2.18. Directors and Leaders will lead by example and provide guidance and understanding of the documents of the Association to the Association membership. This Code of Conduct will be periodically reviewed for reasonableness, clarity, and best practices.

SPCE POLICIES & PROCEDURES

6.2.19. As Directors and Leaders of the SPCE HOA, we pledge ourselves to adhere to the above professional behavior in the conduct of SPCE HOA affairs. Each Director and Leader certifies that they have read the Governing Documents, will work to uphold the Governing Documents and Policies and Procedures to the best of their ability, and will faithfully discharge their duties to the Association.

Name	Position	Signature	Date

6.3. Procedure for Action by Directors Without a Meeting

The purpose of this Policy is to establish the circumstances in which the BOD is permitted by The Law to take an action without a meeting, and the Procedures that are followed to take that action.

Occasionally, the BOD is presented with an emergency that requires a vote on a matter prior to the next scheduled BOD meeting. An emergency is defined as a situation that could not have been reasonably foreseen, which requires immediate attention and possibly action by the BOD.

This PROCEDURE was adopted on May 17, 2023. Version 1.0. Last updated May 17, 2023

In this type of emergency, the BOD will follow the steps below:

- 6.3.1. A Director (the initiator) of the BOD will notify all other Directors of the issue by email or phone. The notification will include:
 - 6.3.1.1. the details of the situation,
 - 6.3.1.2. why it is considered to be an emergency, including any critical timeline or dates by which action must be taken,
 - 6.3.1.3. a suggested Action that should be taken by the Directors without a Meeting and
 - 6.3.1.4. the proposed text for the resolution that is to be approved by all Directors (i.e., a motion).
- 6.3.2. All Directors should respond as soon as possible to the initiator with questions, comments or changes that they have, if any.
- 6.3.3. Once the initiator has collected responses per 1.1.2, she/he will communicate by email or phone to all Directors with any modifications to the proposed text sent per 1.1.1.4. Each Director must respond to the initiator clearly stating either “I agree” or “I disagree.”
 - 6.3.3.1. If all Directors respond “I agree,” then the Action by Directors Without a Meeting process may continue with step 6.3.4.

SPCE POLICIES & PROCEDURES

- 6.3.3.2. If any Director does not respond to the notification per Section 6.3.1, or responds “I disagree,” then the BOD cannot proceed with the Action by Directors Without a Meeting. In this case, the BOD has the option to call a Special Board meeting to discuss and vote on the matter according to normal BOD meeting and voting requirement. Otherwise, the matter could be addressed at the next regularly scheduled BOD meeting.
- 6.3.4. The initiator will complete Section 6.3.8 “Written Consent of All Directors to Action by Directors Without a Meeting” (the Form) and email it to all of the Directors requesting an email or verbal reply stating that they support the Action by Directors Without a Meeting and will sign the Form at the next BOD Meeting.
- 6.3.5. This constitutes unanimous approval to take the Action without a Meeting, and unanimous approval of the proposed Resolution.
- 6.3.6. The initiator, or his/her designee, will complete the emergency Action that the BOD authorized, as applicable to the specific situation.
- 6.3.7. At the next BOD meeting, in the appropriate section of the agenda, the initiator will announce that the BOD has taken an Action by Directors Without a Meeting. She/he will describe the Action and request that all Directors sign the Form and that the completed Form be made part of the minutes from that BOD meeting.
- 6.3.8. See next page for the FORM for Procedure for Action by Directors Without a Meeting.

SPCE POLICIES & PROCEDURES

WRITTEN CONSENT TO ACTION WITHOUT MEETING OF ALL
THE DIRECTORS OF

San Pedro Creek Estates Homeowner's Association, Inc.

A New Mexico Corporation

The undersigned, being all the Directors of San Pedro Creek Estates Homeowner's Association, Inc. a New Mexico corporation, pursuant to the NM Nonprofit Corp Act Section 53-8-97, hereby consent to the following action, without a meeting, and waive all notice or other meeting requirements.

RESOLVED, [Text of Resolution]

Officer/Office

[Name], PRESIDENT

Dated as of _____

The undersigned, being all the Directors of San Pedro Creek Estates Homeowners Association, Inc., waive the required notice of meeting and consent to all actions taken hereof.

[Name], Vice President

[Name], Secretary

[Name], Treasurer

[Name], Director

[Name], Director

[Name], Director

6.4. Procedure for Pro/Con Statement Development

A Pro and Con (Pro/Con) statement can be helpful in many situations when evaluating and making a decision on a complex or controversial issue. A properly developed Pro/Con statement will include a factual introduction and summary which adequately conveys the situation including potential benefits, advantages, and positive outcomes along with the drawbacks, disadvantages and negative outcomes of the issue. The intent is to help individuals make an informed decision that is based on the available factual information about an issue, as well as the opinions of others. A Pro/Con statement may help the BOD determine if an issue is relevant or significant and therefore may require action by the BOD.

Pro/Con statements should take a structured and balanced approach that incorporates a reasonable level of information and relevant perspectives. Below outlines a recommended procedure for the development of Pro/Con statements.

- 6.3.1. This Procedure was adopted on August 16, 2023. Version 1.0 Last updated August 16, 2023
- 6.3.2. Assignments
 - 6.3.2.1. There are typically three assignments for development of a Pro/Con statement. One for the Introduction and Overview, one for the Pro and one for the Con.
 - 6.3.2.2. A Director most familiar with the issue should volunteer as the owner of the Introduction and Overview and compiling the overall document.
 - 6.3.2.3. A Director in favor of the issue should volunteer as the owner of the Pro statement.
 - 6.3.2.4. A Director opposed to the issue should volunteer as the owner of a Con statement.
 - 6.3.2.5. There should be different Pro and Con owners, but either can also serve as the owner of the Introduction and Overview if appropriate.
 - 6.3.2.6. In the case when the BOD deems a Pro/Con Statement is required but no Directors volunteer, the President will assign an owner.

SPCE POLICIES & PROCEDURES

- 6.3.2.7. Any owner can seek assistance from any SPCE member or subject matter expert.
- 6.3.3. Define the topic
 - 6.3.3.1. Clearly state the issue at hand, ensuring that the topic is specific, well defined, and objectively stated.
- 6.3.4. Gather information
 - 6.3.4.1. Collect as much information as possible on the issue which may include facts, data, statistics, expert opinions, and SPCE Owner experiences. Conduct research from credible sources such as government reports, news articles, and community members.
- 6.3.5. Introduction and Overview development
 - 6.3.5.1. This should be a summary, yet adequately detailed to allow someone unfamiliar with the issue to understand the situation.
 - 6.3.5.2. It should be completely unbiased and include only facts such as historical information and data.
 - 6.3.5.3. In the case of a Pro/Con statement being associated with a ballot issue or amendment to a Governing Document, the Introduction and Overview should include what occurs if the voting results are for or against the ballot issue.
 - 6.3.5.4. This should include input and feedback from both sides of the issue.
 - 6.3.5.5. It is recommended that the Introduction and Overview be no longer than one page.
- 6.3.6. Pro and Con statements development
 - 6.3.6.1. These two statements should be clear, concise, persuasive, and are biased by nature.
 - 6.3.6.2. The Pro statement should be written to communicate the benefits, advantages, and positive outcomes of the issue.
 - 6.3.6.3. The Con statement should be written to communicate the drawbacks, disadvantages, negative outcomes, and unintended consequences related to the issue.
 - 6.3.6.4. Both statements can include opinion.

SPCE POLICIES & PROCEDURES

- 6.3.6.5. Opposing Pro/Con owners cannot provide comments other than requests to correct inaccuracies.
- 6.3.6.6. Both statements should be similar in length and recommended to be no longer than ½ page each so that both can be placed on a single page.
- 6.3.7. Pro/Con Submissions
 - 6.3.7.1. Committees or SPCE Lot Owners may submit Pro/Con Statements to the BOD to be considered in decision making or for sharing with the SPCE Owners as appropriate.
 - 6.3.7.2. It is recommended, but not required, that this procedure be used to develop Pro/Con Statements.
 - 6.3.7.3. The BOD has sole discretion of the use or modification of submitted Pro/Con Statements.
- 6.3.8. Review and Approval
 - 6.3.8.1. All Pro/Con Statements must be reviewed and approved by the BOD before it is Posted, Blasted, or incorporated into an Annual Meeting Packet, or distributed in any manner by the SPCE-HOA.

7. BOD Fiscal Duties

8. BOD Committee Oversight

9. BOD Community Relations

9.1. Policy for BOD Communications with Our SPCE Community

The purpose of this Policy & Procedure is to establish the methods and protocols used by the BOD to communicate accurately and effectively with the members of our community. This Policy & Procedure does not replace or modify the formal notice required for BOD meetings and members' meetings, as stipulated in The Law and Governing Documents.

Effective communication is crucial to the success of our HOA, and a clear policy regarding communication from the BOD to our HOA members is necessary to ensure the community is well informed, involve the community in HOA affairs and activities, promote transparency, and avoid misunderstanding. In addition, the

SPCE POLICIES & PROCEDURES

Directors must also be available to respond within a reasonable timeframe to any questions or concerns raised by members.

- 15.1.1. This Policy & Procedure was adopted on June 21, 2023. Version 1.0. Last updated June 21, 2023.
- 15.1.2. The SPCE BOD uses two mechanisms to send messages and share information with the entire SPCE community:
 - 15.1.2.1. emails (“email blasts”)
 - 15.1.2.2. SPCE website postings
- 15.1.3. To receive email blasts or access to SPCE website postings, the Member must have registered an email address on the SPCE website.
- 15.1.4. Social media or other media outlets shall not be used for SPCE BOD messaging or communication.
- 15.1.5. Responsibilities and authorizations
 - 15.1.5.1. The Secretary is the primary individual responsible for sending email blasts and managing web website postings on behalf of the BOD.
 - 15.1.5.2. The Secretary is responsible for setting SPCE Website access control permissions and shall designate an alternate who can set SPCE Website access control permissions when the Secretary is not available.
 - 15.1.5.3. Only currently serving Directors may be given the appropriate permissions to send email blasts or post to the SPCE Website. Any Director can make a request to the Secretary for permissions to send email blasts and/or post to the SPCE Website.
 - 15.1.5.4. In some cases, the BOD may approve a committee chair to have permission to send email blasts but not be given permissions to post to the SPCE Website.
 - 15.1.5.5. The Secretary shall review and update SPCE Website access permissions following every annual election or whenever Board member changes occur or a committee chair no longer needs email blast permissions.
 - 15.1.5.6. The BOD may revoke permissions from a Director or a committee chair through a BOD majority vote.

SPCE POLICIES & PROCEDURES

15.1.6. Email Blasts

- 15.1.6.1. The phrase “email blasts” or “blasts” is used to describe a mechanism of the SPCE Website used to send an email message to registered SPCE members.
- 15.1.6.2. Email blasts are usually used to make announcements, share information, or send other notifications relevant to the entire SPCE community.
- 15.1.6.3. Directors and committee chairs shall use good and ethical judgement when deciding on the purpose and content of an email blast. See the Policy on Code of Conduct for Directors and Committee Members for detailed information.
- 15.1.6.4. For complex, significant, or controversial matters, it is highly recommended that at least two Directors be involved in the creation of the initial draft and the Director must send the draft to the entire board for feedback and seek BOD approval prior to the email blast being sent.
- 15.1.6.5. The draft email blast should include:
 - 15.1.6.5.1. A short, descriptive subject line
 - 15.1.6.5.2. A clear statement of the intent of the message
 - 15.1.6.5.3. A clear and concise message
 - 15.1.6.5.4. Any expectations of the SPCE members
 - 15.1.6.5.5. Any timing requirements or constraints associated with the email blast
- 15.1.6.6. Directors may submit their draft content for email blasts to the Secretary for review and sending. The Secretary can choose to request amendments or consult with other Directors before sending but must do so in a timely manner.

15.1.7. SPCE Website Posting

- 15.1.7.1. “Website Postings” is the phrase used to describe the action of adding content to the SPCE Website by either uploading documents, or adding or modifying text or images in order to share information with SPCE Members and create archives of information.

SPCE POLICIES & PROCEDURES

- 15.1.7.2. A Director shall use good and ethical judgement when creating content to be posted. See the Policy on Code of Conduct for Directors and Committee Members for detailed information.
- 15.1.7.3. For complex, significant, or controversial matters, it is highly recommended that at least two Directors be involved in the creation of the website content and the Director must send a draft of the content to the entire board for feedback and seek BOD approval prior to the content being posted.
- 15.1.7.4. Posting of new website content and changes to existing website content are made by emailing the content to the Secretary with a request to post to include:
 - 15.1.7.4.1. The draft of the content which may be a document attached to the email
 - 15.1.7.4.2. A brief description of what the content is
 - 15.1.7.4.3. A recommendation for where the content is to be posted on the website
 - 15.1.7.4.4. Any time constraints for when the content must be posted
- 15.1.7.5. The Secretary can choose to request amendments or consult with other Directors before making the posting but must do so in a timely manner.
- 15.1.8. Responding to messages from SPCE Members
 - 15.1.8.1. Handling of formal complaints which may result in violations being issued is beyond the scope of this Policy & Procedure.
 - 15.1.8.2. The specific details for responding to questions and comments to the Board shall be handled on a case-by-case situation but must be done in a timely fashion.
 - 15.1.8.3. A response must be sent within 4 days of receipt of the message. In the case of a complex question or comment, an initial courtesy response can be sent to simply state that the question or comment was received and a follow-on reply will be made once more information is gathered.

SPCE POLICIES & PROCEDURES

- 15.1.8.4. For those situations when significant time is required to research the situation, occasional status messages should be sent.
- 15.1.8.5. For simple, straight-forward matters, the Director most familiar with the subject can respond, copying the entire BOD on his/her response. If no Directors respond or volunteer to do so, the President will either take the lead or assign the responsibility to one or a team of Directors.
- 15.1.8.6. In the cases where an inquiry falls within the purview of a specific committee (e.g., ACC-related question), the Secretary can make the decision to forward the question or comment to the appropriate committee requesting they respond. The Secretary should either request that the committee include the Secretary in the response distribution or ask for a status within 4 days of the request.
- 15.1.8.7. A Director shall use good and ethical judgement and always respond in a respectful manner, knowing that he/she is likely to be perceived as speaking on behalf of the entire BOD.
- 15.1.8.8. The response may be through direct email, virtual or face-2-face meeting, phone conversation, or text messaging. In some situations where the response applies to the entire community, an email blast response may be appropriate.
- 15.1.8.9. For complex, significant, or controversial matters, it is highly recommended that at least two Directors be involved in the creation of the response and the Director must send the draft of the response to the entire board and integrate their feedback prior to sending the response. All responses of this nature must be sent via email with all directors copied on the emailed response.

10. SPCE Document Management

11. SPCE Website

12. Committees

13. Governing Documents

14. Association Management Company

This section contains Policies and Procedures pertaining to requirements, roles and responsibilities, and interactions between the HOA and the Association Management Company.

14.1. Policy for Assessment Collection

The following procedures and practices are established for the collection of Assessments owing and to become owing by the Owners of Lots in the Association and the same are to be known as the "Assessment Collection Policy" for the Association in the discharge of its responsibilities regarding collection of Assessments levied against Lots:

- 14.1.1. This POLICY was adopted on March 8, 2023. Version 1.1. Last updated April 19, 2023
- 14.1.2. POLICY OBJECTIVE. The Association will pursue collection of all Assessments pursuant to the Declaration and this Assessment Collection Policy. The term "Assessment" shall include Regular Assessments and Special Assessments or any other fees or taxes allowable in the Declaration of Restrictions, Covenants and Conditions.
- 14.1.3. OWNERSHIP INTERESTS. Pursuant to the Declaration, the person who is the Owner of a Lot as of the date an Assessment becomes due is personally liable for the payment of the Assessment. The personal obligation for delinquent Assessment shall not pass to the successors in title of the Owner unless expressly assumed by them.
- 14.1.4. HANDLING CHARGES AND RETURNED CHECK FEE. In order to recoup costs incurred because of the additional administrative expenses associated with collecting delinquent Assessments, collection of these fees and charges are part of the Collection Policy. These fees and charges, including a Collection Notice Fee, will be added to the amount

SPCE POLICIES & PROCEDURES

outstanding and are collectible to the same extent and in the same manner as the delinquent Assessment.

- 14.1.5. APPLICATION OF FUNDS RECEIVED. All moneys received by the Association will be applied to amounts outstanding to the extent of and in the following order:
 - 14.1.5.1. First to the unpaid Assessment amount;
 - 14.1.5.2. Next, to interest accrued;
 - 14.1.5.3. Last to late fees, returned item fee, lien fees, collection costs and attorney's fees incurred by or on behalf of the Association.
- 14.1.6. PARTIAL PAYMENTS AND APPLICATION OF FUNDS. Partial payments will not prevent the accrual of interest on the unpaid portion of the Assessment. The owner will still be considered to be delinquent upon making partial payments.
- 14.1.7. OWNERSHIP RECORDS. All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of the Lot for which Assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Assessment Collection Policy until such time as there is actual receipt by the Association of written notification of any change in the identity or status of such Owner or its address or both.
- 14.1.8. NOTIFICATION TO OWNER. –
 - 14.1.8.1. 10 DAYS DELINQUENT - LATE NOTICE. A payment by a member is deemed delinquent if it is unpaid Ten (10) or more days after the due date. A late notice will be sent via regular first-class mail.
 - 14.1.8.2. 30 DAYS DELINQUENT - 2nd LATE NOTICE. No sooner than Thirty (30) days after the due date, the Association will send a notice via regular first-class mail to the Owner setting

SPCE POLICIES & PROCEDURES

forth the amount of the delinquent Assessment owing. A late fee of \$25 will be charged to the Owner's account and all fees associated with this letter will be charged to the Owner's account, including an additional Collection Notice Fee. Interest will be charged at the rate 18% per annum as allowed in the Declaration.

- 14.1.8.3. 60 DAYS DELINQUENT - INTENT TO LIEN NOTICE. No sooner than Sixty (60) days after the due date, the Association will send a notice of Intent to Lien to the Owner making formal demand for immediate payment for all outstanding amounts. The Intent to Lien notice will be sent via regular first-class mail. All fees associated with this letter, including an Intent to Lien fee, will be charged to the Owner's account.
- 14.1.8.4. 90 DAYS DELINQUENT - RECORDATION OF LIEN. Ninety (90) days after the due date, if an Owner fails to pay in full the entire amount conveyed in the Intent to Lien notice by the date specified, a written notice of lien will be prepared and recorded with the County Clerk. A lien fee will be charged to the Owner's account.
- 14.1.9. ALTERNATIVE COLLECTION COURSES. The BOD, acting with input and recommendation from management and/or counsel, will evaluate which course of legal action is deemed to be in the best interest of the Association for recovery of unpaid Assessments. Where foreclosure of the Assessment lien in favor of the Association against a Lot, together with pursuit of personal judgment against the Owner, is determined to be advisable, or personal judgment alone, the Board will direct counsel to proceed accordingly.
- 14.1.10. OWNER'S AGENT OR REPRESENTATIVE. If the owner expressly or impliedly indicates to the Association that the owner's interest in the property is being handled by an agent or representative, any notice from the Association to such agent or representative pursuant to this

SPCE POLICIES & PROCEDURES

Collection Policy shall be deemed to be full and effective notice to the owner for all purposes.

- 14.1.11. IT IS FURTHER RESOLVED THAT this Assessment Collection Policy replaces and supersedes in all respects all prior resolutions with respect to the collection of Assessments by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified, or amended.

15. Change Log

- April 16, 2023. Draft of this document ready for BOD adoption and posting to website. This new document includes 3 policies. Policy for Adoption of Policies and Procedures, Policy on Code of Conduct for Directors and Committee Members, Policy for Assessment Collection.
- April 19, 2023. SPCE BOD voted to adopt this document along with the 3 policies listed above.
- May 17, 2023. Corrected dates in revision control line in the Policy for Assessment Collection
- May 17, 2023. SPCE BOD voted to adopt Procedure for Action by Directors Without a Meeting.
- June 21, 2023. SPCE BOD voted to adopt Policy & Procedure for BOD Communications with Our SPCE Community
- August 16, 2023. SPCE BOD voted to adopt Procedure for Pro/Con Statement Development