

**The Reynolds Farm Condominium Association  
Board Policy and Procedures Statement**

**Adoption of Budget  
Financial Review and Audit**

This statement of board policy is established pursuant to  
§38-33.3-303(b)(I), (II), and (III), Colorado Revised Statutes.

1. **Budget Adoption.** The annual budget of the association shall be adopted, pursuant to Colorado Revised Statutes §38-33.3-303(4), in the following manner:

- A proposed budget, based upon a calendar year, shall be adopted annually by the executive board in a scheduled board meeting prior to the next annual meeting of the association membership.
- Thereafter, the association membership shall be given notice of such annual meeting as required by executive board policy and Colorado law.
- Such notice of the annual meeting shall include a copy of the proposed budget.
- The proposed budget, so served upon the association members, will be deemed approved as adopted by the executive board unless such budget is vetoed at the annual meeting by a majority of all members in the association, as provided by Colorado law.
- A budget may be considered at an association membership meeting other than the annual meeting of the membership, so long as the required notices are given.

2. **Review of Financial Records.** The books and records of the association shall be maintained using generally accepted accounting principles. The books and records of the association shall be reviewed by May 31 of 2007 and every odd numbered year thereafter. Such review shall use statements on standards for accounting and review services. Such review shall be by an individual or firm selected by the executive board, and does not need to be performed by a certified public accountant.

3. **Review Copy.** A copy of biennial reviews shall be available to members of the association upon request to the management company more than thirty (30) days after completion of a review.

Adopted by the Board of Directors on October 16, 2006

  
Secretary