

**RESOLUTION OF THE  
PONDEROSA CONDOMINIUMS ASSOCIATION, INC.  
REGARDING RESERVE STUDIES**

Effective January 1, 2014

**RESOLUTION:** Pursuant to Colorado Revised Statute 38.33.3-209.5 (1) (b), the Association hereby adopts the following policy:

The reserve study shall consist of both physical and financial analyses of common area components that the Association is obligated to maintain, repair and/or replace. The physical analysis identifies the current condition of each component, its useful life and remaining useful life. The financial analysis projects future funding requirements and the status of the reserve fund. The reserve study may be prepared internally, or, at the discretion of the Board of Directors, by a consultant with expertise in common interest community reserve studies.

The reserve study (Capital Plan) shall include:

1. A list of common area assets
2. Year acquired
3. Useful life
4. Cost when acquired, if known
5. Assessment of current condition by on-site inspection
6. Estimated current cost (based on Bureau of Labor CPI Inflation calculator, or recent estimate or bid if available)
7. Year asset is due to be replaced or acquired, with estimated cost at that time
8. Projected funds required for the maintenance, repair, and/or replacement of these assets for the next ten years

The Board of Directors, in consultation with the Association manager, shall update the reserve study annually in conjunction with the preparation of the Association's operating and capital budgets for the next fiscal year.

Funding of the Reserve Fund shall be through regular monthly assessments and, when necessary, through special assessments levied by the Association. The reserve fund shall be funded at a level such that the reserve fund shall maintain a positive balance and shall target a surplus contingency amount set by the Board of Directors from time to time.

**CERTIFICATION:** The undersigned, being the president of Ponderosa Condominiums Association, Inc., certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association on December \_\_, 2013.

In witness whereof, the undersigned has subscribed her name.

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By: Beverly Ross, President  
Ponderosa Condominiums Association, Inc.