

DUTIES OF MANAGEMENT COMMITTEE

- * The duties listed below are intended to highlight the important aspects and should not be considered all-inclusive.
 - * There must be at least five elected members.
 - * Members of the committee serve two-year terms.
 - * Only owners can serve.
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- A. Have a working knowledge of the Declaration, Covenants, Conditions and Restrictions.
 - B. Meet regularly, same time, same place. Quarterly is recommended (i.e., the 3rd Wednesday of each 3rd month). We recommend that meetings be advertised and open to all homeowners within the Phase/Division.
 - C. Establish special committees to assist the management committee so the entire load doesn't fall on a few people. When a homeowner has a complaint or request about something, have them head a committee to investigate the problem and report back to the Management Committee.
 - D. Ensure proper maintenance and repair is carried out in the phase common areas.
 - E. Require architectural uniformity of the phase common areas specified in the Covenants, Conditions and Restrictions community rules.
 - F. Require individual owners to maintain and repair individual units when necessary to protect the common areas or preserve the value of the Development. When necessary the management committee has the right to make entry into any apartment for repairs after proper notice has been given.
 - G. Oversee enforcement of community rules as related to the Phase/Division.
 - H. Determine no improvements or additions to common areas in excess of \$5000 be undertaken without the approval of the majority of owners. Maintenance items are different than improvements and additions. Legal advice may be required to define some projects.
 - I. Establish a Phase/Division annual budget by March 15th annually. This budget should include a reasonable provision for contingencies and replacements.

- J. Establish special assessments as required.
- K. Respond to Right of First Refusal as appropriate.

COMMUNITY RULES ENFORCEMENT PROCEDURE

- A. It is the responsibility of the management committee to enforce the community rules as they relate to the Phase/Division.
- B. If an initial attempt to enforce a rule has failed the Homeowner's Association Manager will provide assistance by sending a letter to the noncomplying owner/tenant. Rule violations must be documented in writing, and sent to our office by a committee member.

FIDUCIARY RESPONSIBILITY OF THE PHASE/DIVISION MANAGEMENT COMMITTEE

Directors of condominium associations are volunteers with big jobs. The fact that you are volunteers does not diminish the magnitude of the job nor the potential legal implications. Your primary job is that of a fiduciary (i.e. relating to and involved in holding something in trust).

Under our legal system there is a law of negligence to directors and officers of condominiums. It is called the "Business Judgement Rule". One of the primary functions of any condominium officer is to observe this rule in order to limit your liability. Under the business judgement rule, to protect yourself as an officer, you should:

- A. Be informed about the association's business generally.
- B. Attend and participate in meetings and if absent, have the minutes reflect the reason.
- C. Register a dissent in the minutes when in disagreement with committee's actions.
- D. Be knowledgeable about the Declaration, Bylaws, Articles of Incorporation, and the association documents and execute policy in accordance with these governing documents.