

**CRYSTAL LAKES ROAD AND RECREATION ASSOCIATION
RESERVE STUDY POLICY
September 21, 2013**

In accordance with the Colorado Common Interest Ownership Act (CCIOA), CRS 38-33.3-209.5, CLRRRA has adopted the following Reserve Study Policy:

1. CLRRRA will have a professional reserve study prepared every five years for the portions of the community maintained, repaired, replaced, and improved by the association.
2. CLRRRA will review the reserve study on an annual basis as part of the annual budget process.
3. The reserve study will be based on a physical analysis which will include:
 - a. A component inventory identifying those portions of the community CLRRRA is obligated to maintain, including the useful life of each component.
 - b. A condition assessment of each component on the component inventory by on-site inspection.
 - c. Estimates of the remaining useful life and replacement costs of each component.
4. The reserve study will be based on a financial analysis which will include:
 - a. An analysis of the funds currently held in CLRRRA's reserve fund in relation to the expected needs of the Association per the reserve study.
 - b. A funding plan to meet the requirements of the reserve study.
5. CLRRRA will utilize a threshold funding approach, with a goal to keep a minimum, predetermined amount in the reserve fund at all times.
6. The Finance Committee is responsible for incorporating the reserve study findings and funding plan into the annual budget process.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of the Crystal Lakes Road and Recreation Association (the "Association") certifies that the foregoing Policy was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on September 21, 2013.

CRYSTAL LAKES ROAD AND RECREATION ASSOCIATION:

10/20/13	Barbara J. Groves	//Signed//
_____	_____	_____
Date	Print Name	Signature