**Proposed Policy/Procedure Updates Required by SB 89**

The following revisions to the AGHA Policies and Procedures were approved at the 2/21/07 Board Meeting.

**Old wording:**

A.  General – The AGHA intends to fulfill all requirements of SB100.

**New wording:**

A.  General – The AGHA intends to fulfill all requirements of SB100, as amended by SB89 (Senate Bill 06-89, Concerning Common Interest Communities).

C.  Review of AGHA’s financial records

**Old wording:**

1.  AGHA’s accounting records will be kept using generally accepted accounting principles (GAAP).

2.  Review will be conducted at least once every two years using generally accepted auditing standards.

**New wording:**

1.  AGHA’s accounting records will be kept on a cash basis.

2.  A review will be conducted at least once every two years, or if requested by 1/3 of homeowners.  The review will be performed by an individual who has a basic understanding of accounting due to prior business experience, education above the high school level, or bona fide home study.

H.  Enforcement of covenants and rules – including notice and hearing procedures and the schedule of fines

**New section:**

9.  Responsibility for following the AGHA covenants applies to tenants and other occupants as well as homeowners.

 I.  Retention of Association Records Policy

**New wording:**

8. Association records including membership lists, shall not be used by any owner for any purose unrelated to an owners interest as an owner; shall not be used for soliciting money or property; shall not be used for any commercial purpose; shall not be used for the purpose of giving, sellling or distributing to any person; and shall not be used for any improper purpose as determined in the sole discretion of the Board.

N.  Seller Requests for Information Required to be Provided to the Buyer Policy

**Old wording:**

1.  The AGHA will use its best efforts to assist the seller in obtaining information by providing information on the AGHA website, and/or dealing with other requests as received. Copies of records will be provided at cost to the requestor.

**New wording:**

1.  The AGHA will use its best efforts to assist the seller in obtaining information by providing information on the AGHA website, and/or dealing with other requests as received. Copies of records will be provided at cost to the seller or buyer.

Q.  Homeowner insurance claims

**Old wording:**

1.  Any homeowner wishing to file a claim against one of AGHA’s insurance policies as if they were a named insured should contact the President for assistance.

**New wording:**

1.  Any homeowner wishing to file a claim against one of AGHA’s insurance policies as if they were a named insured should contact the President for assistance.

2. Any homeowner has the right to file a claim as a named insured if the following conditions are met:

􀁸 The homeowner must provide written notice to the Board regarding the subject matter of the claim

􀁸 The Board has 15 days to respond in writing

􀁸 If requested, the homeowner must allow the Board reasonable opportunity to inspect damages; and

􀁸 The subject matter of the claim must be within the association’s insurance responsibilities

S.  Alternative dispute resolution policy

**Old wording:**

1. Where reasonable, the AGHA will try to resolve disputes through mediation or arbitration rather than lawsuits.

**New wording:**

1.  Where reasonable, the AGHA will try to resolve disputes through mediation or arbitration rather than lawsuits.  A homeowner is invited and encouraged to meet with the Board of Directors to resolve a dispute informally and without the need for litigation.  If the homeowner requests to meet with the Board, the Board shall make a reasonable effort to comply with the homeowner’s request. Nothing in this Policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet.  Neither AGHA nor the homeowner waives any right to pursue whatever legal or other remedial actions available to either party.