

RESOLUTION #2004-2
FOREST MEADOWS HOMEOWNERS ASSOCIATION
VIOLATION AND FINE POLICY

This Violation and Fine Policy constitutes the Forest Meadows Homeowners Association's policy for imposing fines for violations of the Association's governing documents, rules, regulations and policies pursuant to the First Restated Declaration of Covenants, Conditions and Restrictions recorded November 2, 1989, Bylaws and California Civil Code Section 1363.

Definition of "Violation": A violation of the Governing Documents shall be defined as a single act or omission occurring on a single day. If the detrimental effect of a violation continues for additional days, the discipline imposed by the Board may include one component for the violation and, according to the Board's discretion, a per diem component as long as the violation continues. Similar violations on different days shall justify cumulative disciplinary measures. The Association shall take reasonable and prompt action to repair or avoid the continuing damaging effects of a violation or nuisance occurring within the Common Area at the cost of the responsible Owner.

1.0 Authority of Board of Directors: Subject to the provisions of the CC&Rs, the Board of Directors has the authority to adopt and establish rules and regulations governing the use of Common Areas, the community facilities and the roads within the Subdivision, and to take steps as it deems necessary for the enforcement of such rules and regulations. Enforcement may include imposition of monetary fines or suspension of rights or other disciplinary action all referred to here collectively as "fines."

2.0 Member Responsibility: Under the Association's governing documents and California law, the owners of Lots or Condominiums are members of the Association and are responsible for complying with the governing documents, which include the Association's rules, regulations and policies. Owners are also responsible for ensuring that their tenants, guests and invitees, if any, comply with the governing documents. In the case of violations by tenants who are not members of the Association, the Association will notify the owner of the unit. Any monetary fine for non-compliance will be imposed against the owner/member.

3.0 Notice and Hearing: When the Board of Directors meets to consider imposing a fine upon a member, the Board of Directors will notify the member, in writing, at least fifteen (15) days before the hearing. The notice shall provide the following:

- a) The date, time and place of the hearing.
- b) A statement that the member has a right to attend and address the Board of Directors at the hearing. ***The Board of Directors of the Association shall meet in executive session if requested by the member being disciplined.***
- c) The provision of the governing documents claimed to have been violated.
- d) A description of the violation.
- e) The corrective nature that must be taken by the member and the time within which it must be done.
- f) The intended or possible fine if the corrective action is not taken within the prescribed time.

The notice shall be sent by first-class mail or personal delivery to the last address for the member shown on the Association's records. The hearing shall take place at least five (5) days before the effective date of the fine or other discipline.

4.0 Imposing Fines: The Board of Directors may impose one or more fines when it has determined that the member or his or her tenants, guests or invitees have committed a violation of a particular governing document provision. Fines may be imposed if:

- a) The member, does not appear at the hearing when scheduled and/or does not submit a written explanation to the Board Directors at or before the time scheduled for the hearing.
- b) After the conclusion of the hearing.

If the Board of Directors imposes a fine on a member, the Board of Directors will provide the member a written notification of the disciplinary action, by first class mail, within fifteen (15) days following the action.

5.0 Fines: Fines imposed by the Board may include, but are not limited to, a monetary penalty in accordance with the Schedule of Fines adopted by the Board of Directors, suspension of the right of the member and /or the member's tenants, guests or invitees to use the recreational Common Facilities, and/or suspension of the member's right to vote or right to be a candidate for election.

6.0 Payment of Fines: Fines are due immediately upon imposition by the Board of Directors. The Association may use all remedies permitted by law and by the governing documents to enforce collection of fines. Pursuant to the CC&Rs, fines may be collected as a Special Individual Assessment, which may become a lien against the member's Lot or Condominium. The lien may be enforced in any manner provided by law except right of private sale under Civil Code Section 2924, 2924b, and 2924c.

7.0 Schedule of Fines: The Board of Directors has adopted the following schedule of fines, which will be in effect until changed by the Board of Directors.

7.1 Fines for Traffic Violations: Within the boundaries of the Association, all traffic violations fall under the provisions of the California State Vehicle Code Section 21107.7.

7.2 Fines for Violations of CC&R Use Restrictions: Fines for uncorrected violations of the CC&Rs pertaining to property use shall be \$50. Each subsequent violation within 12 months of the preceding violation shall result in an additional fine of \$100. Each month or portion thereof of continuing violation shall result in an additional fine not to exceed \$25.

7.3 Fines for Violations of Association Rules and Regulations: Fines for violation of the Association's rules and regulations shall be \$50. Each subsequent violation within 12 months of the preceding violation shall result in an additional fine of \$50. Each month or portion thereof of continuing violation shall result in an additional fine not to exceed \$25.

7.4 Fines for Violations of Architectural Review Policies: Fines for uncorrected violations of the CC&Rs relating to architectural review policies shall be \$50. Each subsequent violation within 12 months of the preceding violation shall result in an additional fine of \$100. Each month or portion thereof of continuing violation shall result in an additional fine not to exceed \$25.

7.5 Fines for Violations that Threaten Health and Safety: Fines for violations that threaten the immediate health and safety of members or employees of the Association, the Board of Directors may impose a fine not to exceed \$100, with additional fines of \$200 for each day the threatening condition or conduct continues. If such violation is not immediately corrected, the Association may seek a court order to end the violation. The Association's attorneys' fees and court costs shall be borne by the member responsible for the violation.

7.6 Fines for Violation of the Lot Clearing Process: All members are required to have their Lots cleared by the deadline as established and published by the Board. Owners that have not cleared their respective Lots by the deadline date that has been established by the Board will be subject to a fine of \$125. If the Lot is not cleared within 10 days of fine issuance, the Board of Directors may engage a contractor to clear the offending Lot and charge the expense to the Lot owner as a Special Individual Assessment.

8.0 Association's Right to Impose Fines In Advance of Formal Hearings: As more particularly described in Article XIII of the CC&R's and these enforcement procedures, under most circumstances no penalty or temporary suspension of membership rights or privileges can be imposed by the Association unless the alleged violator is given the notice and hearing rights described herein. Nevertheless, under circumstances involving conduct that constitutes (a) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring owners; (b) a traffic or fire hazard; (c) a threat of material damage to, or destruction of, the Common Area or Common facilities; or (d) a violation of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether a violation has occurred, the Board of Directors, or its duly authorized agents, may undertake immediate corrective or disciplinary action, including the imposition of fines and penalties. Under such circumstances, upon request of the offending Owner (which request must be received by the Association, in writing, within five (5) days

following the Association's disciplinary action), or on the *Boards* own initiative, conduct a hearing as soon thereafter as reasonably possible. If a hearing is requested in a timely fashion, any fine or other disciplinary action shall be held in abeyance and shall only become effective if affirmed at the hearing.

9.0 Other Remedies: The Association reserves the right to utilize any other remedy permitted by law and by the governing documents to enforce the provisions of the governing documents, rules, regulations and policies of the Association including, but not limited to, bringing an action in small claims or superior court or requesting that the matter be submitted to alternative dispute resolution. Such remedies may be taken in addition to or in lieu of any action already taken, and commencement of one remedy shall not prevent the Association from electing at a later date to pursue another remedy.

10.0 Non-Waiver: The Associations' failure to fine or enforce a violation of the governing documents shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability upon the Association or its Board of Directors.

11.0 Appeal: Any member may appeal a decision of the Board of Directors to levy a fine provided that all parties comply with the decision of the Board of Directors until such time, if any, as the Board of Directors amends or reverses its decision. The request for appeal must be submitted to the Board of Directors within 30 days of the fine issuance.

Adopted by Resolution of the Board of Directors: on March 16, 2004

President: *Bill Mortensen*

Secretary: *Don Lloyd, Acting-Secretary*