

Meeting Minutes - August 5, 2022 - Reviewed 8/11/22

In attendance: Devona Saylor, Bobbie Heisterkamp, Meredith Campie and Bobby Clevenger

The Governance Committee reviewed and discussed all mentions of liens, fines, foreclosures, and notifications in our governing documents that could be affected by HB 1137 and have determined that the following changes should occur to those documents.

Covenants:

Section 4.8 Covenants on Parking, (h) & (i) Pg 22 – No change required (NCR)

Section 5.11 Enforcement Pg 28 - (NCR)

Section 6.2 Personal Liability for Assessments Lien Pg 29 – Remove sentence “Furthermore, in the event of failures to timely pay assessments to BEMA, the Board reserves the right to discontinue water service”

Section 6.5 Specific Special Assessments, (d) Pg 30 – (NCR)

Section 6.7 Assessment Liens Pg 30 – Remove sentence “Furthermore, in the event of failures to timely pay assessments to BEMA, the Board reserves the right to discontinue water service”

Section 6.9 Notice of Assessment of Lien Notice Pg 30 – (NCR)

Section 7.4 Maintenance of the Association, (e) Pg32 – (NCR)

Section 7.5 Failure to Maintain, (d) Pg 33 – (NCR)

Section 10.1 General (Authority and Enforcement (e) Pg 37 (NCR)

Section 10.2 Additional Enforcement Rights (c) Pg 38 (NCR)

By-Laws:

Section 2.2 Assessment Pg 45 – Replace with “Assessment” shall include all Common Expense assessments and any other assessments or special assessments levied on the lots pursuant under the Declaration or the Act. **Removed - including late fees, attorney fees, fines, and costs.**

Section 3.2 Suspension of Voting Rights Pg 47 – (NCR)

Policies and Procedures:

Policy Regarding Procedure for Collection of Unpaid Assessments 3, 5, 6, 7, 8, 10(b), 11, 14, 16, 17 Pg 69-74 – No changes required for sections 3, 5, 6, 8, 16 & 17. Section 7, 10(b), 11 & 14 need edits to reflect changes to payment plans, delinquency, time frames and notifications.

7. Payment Plan – Any owner that becomes delinquent in payment of assessments and other charges, may enter a payment plan with the Association, which written plan would require the owner to repay the debt on monthly installments over eighteen (18) months, allowing the member to choose the payment size, but with a minimum payment of \$25, or such other term as may be approved by the Board of Directors. The member is required to review the plan and respond to the Association within thirty (30) days from the offer date. If the member declines the payment plan and fails to pay at least

three of the monthly installments with fifteen (15) days after the monthly installments were due and following proper notification and payment application requirements required by law, the Association may commence legal action including attorney collections and foreclosure.

10(b). Collection Process – After an installment of an annual assessment or other charges due the Association becomes sixty (60) days delinquent, a second written notice will be sent to the member by the Board of Directors of non-payment including an itemized list of past due dates including late fees and their accruals. If no payment or attempt is made to pay the delinquent amount, then after thirty (30) days, the member will receive a written notice of the Associations intent to file a lien on the property and request for immediate payment.

11. Collection Procedures/Time Frame –

Due Date (day payment is due) – 1st day of the month

Past Due Date (date payment is late if not received by due date – Thirty (30) days after due date

First Notice (notice that late charges have accrued, required disclosures of the Association and the availability of a payment plan) – Thirty (30) days after due date

Second Notice (notice that late charges have accrued) – Sixty (60) days after due date

Lien Filed (Required demand notifications sent to the owner, account may be turned over for collections) – Ninety (90) days after due date.

14. Use of Certified Mail/Regular Mail – Change to: 14. Notification Process - If a delinquency to their account is provided to the Association by the owner, the Association will notify the owner by at least two methods; sending the notice by certified mail with return receipt requested and physically posting a copy of the notice of delinquency at the owner’s home address in Big Elk Meadows and an additional notice will be sent to the owner by one of the following means, First-class mail, Text message to cell phone on file with BEMA, or E-mail address if that has been provided to the Association.

Policies and Procedures for Covenant and Rule Enforcement, 4, 5, 11, 12, 14 Pg 83-85 – No changes required for sections 11, 12 & 14. Sections 4 and 5 should be changed to the following:

4. Violations that Threaten the Public Safety and Health – The association may make a “reasonable” determination whether a violation threatens the public safety or health. Written notice of violation shall be delivered to the owner in English and any Preferred Language.

a. The written notice should inform the owner that the owner has seventy-two (72) hours to cure the violation, or the association may fine the owner.

b. The association has the right to inspect the unit to determine if the violation has been cured

c. If the violation is not cured within seventy-two (72) hours, the association may:

1. Impose fines on the owner every other day; and

2. May take legal action against the owner for the violation.

4(b). Violations that DO NOT Threaten the Public Safety or Health.

a. Written notice of violation shall be delivered to the owner in English and any Preferred Language by certified mail, return receipt requested.

- b. The written notice will inform the owner that the owner has thirty (30) days to cure the violation, or the association may, after an inspection and determination that the owner has not cured the violation, fine the owner.
- c. Before taking legal action against the owner for the violation, the association shall grant the owner two (2) consecutive thirty (30) day periods to cure the violation.

5(a). Curing the violation by the homeowner:

- a. The owner may, within the period to cure, provide visual evidence that the violation has been cured. This could be a photograph or an onsite inspection.
- b. If the owner does not include visual evidence, the association shall inspect the property as soon as practicable to determine if the violation has been cured.
- c. If no notice from the owner that the violation has been cured is received by the association, the association shall inspect the property within seven (7) days after the expiration of the thirty (30) day cure period. If the association determines that the violation was not cured after inspection:
 - i. A second thirty (30) day period to cure commences if one thirty (30) day period to cure has elapsed.
 - ii. If two (2) thirty (30) day period to cure have elapsed, the association may take legal action.

5(b) Notification of Cure by Association:

- a. Once a violation has been cured, the association shall inform the owner in writing, both in English and any Preferred Language:
- b. That the owner will not be further fined for the violation, and
- c. That a final outstanding fine balance is still owed to the association, if any, and what that balance is.
- d. Thereafter, monthly, the association shall send by first-class mail, and by email if the association has a relevant email address, an itemized list of all assessments, fines, fees, and charges. The itemized list should be sent in English and any Preferred Language. The itemized list should be delivered to the owner.

Agreements and Forms:

Water User Agreement, 3G Pg 145 – (NCR) Common Interest Ownership Act.

Motor Vehicle Rules and Regulations, 10 Pg 154 (NCR)