THE COVE AT HYDE PARK HOMEOWNERS ASSOCIATION, INC. RESOLUTION OF THE BOARD OF DIRECTORS FINE SCHEDULE

March 2021

WHEREAS, "Declaration" is the <u>Declaration of Covenants</u>, <u>Conditions</u>, <u>and Restrictions for The Cove at Hyde Park, a Planned Unit Development in Cache County</u>; and "Association" is <u>The Cove at Hyde Park Homeowners Association</u>, <u>Inc.</u>; and "Board of Directors" is the <u>Board of Directors for the Association</u>; and

WHEREAS, the Board of Directors for the Association desires to honor the intent of the governing documents for the Association for the mutual benefit of the membership; and

WHEREAS, Article 6, Section 6.4 (3) authorizes the Board to establish, promulgate, amend, and repeal Rules governing the conduct of persons and the operation and use of the Association as it may deem necessary or appropriate in order to assure a clean, aesthetically pleasing, peaceful, and orderly use and enjoyment of the Association; and

WHEREAS, Article 6, Section 6.4 (5) of the Declaration authorizes the Association to levy fines as a means of enforcing the provisions of the Governing Documents; and

WHEREAS, the Board of Directors desires to set forth a procedure to enforce the Declaration and Rules and Regulations of the Association; and

WHEREAS, this resolution shall be in effect until otherwise amended, modified, or rescinded by the Board; and

WHEREAS, this resolution shall apply to all units in the Association; and

NOW, THEREFORE, BE IT RESOLVED that the following is adopted by the Board of Directors:

FINE SCHEDULE:

Each and every violation is hereby made specifically subject to and punishable by the specific fines provided for in this section, and are also subject to a \$20 administrative fee. Unless otherwise specifically noted, the fines and penalties are in the specific amounts as follows:

<u>First Violation</u>: The Association shall give a **written warning** to the owner that shall inform the owner that a fine will be imposed if a second similar violation occurs or if a continuing violation is not cured within 48 hours.

<u>Second Violation</u>: Upon the second violation of the same type after a warning in any one-year time period, or a continuing uncorrected violation after the initial 48-hour warning period, a fine of \$50.00 shall be imposed on the owner.

<u>Third Violation</u>: Upon the third violation of the same type after a warning in any one-year time period, or an uncorrected violation continuing at least ten days after the assessment of the second violation fine, a fine of \$100.00 shall be imposed on the owner.

<u>Fourth Violation</u>: Upon the fourth violation of the same type after a warning in any one-year time period, or an uncorrected violation continuing at least ten days after the assessment of the third violation fine, a fine of \$200.00 shall be imposed on the owner.

<u>Fifth Violation</u>: Upon the fifth violation and each additional violation of the same type, or each continuing violation of at least ten days after the assessment of the fourth and each subsequently assessed fine, a fine of \$250.00 shall be imposed on the owner

Cumulative fines for a continuing violation will not exceed \$500 per month.

APPEAL PROCESS:

An owner who is assessed a fine may request an informal hearing to protest or dispute the fine within thirty (30) days from the date the fine is assessed. The hearing shall be conducted in accordance with the standards below:

- 1. If a hearing is requested, no interest or late fees shall accrue related to the fine until after the hearing has been conducted and a final decision has been rendered by the Board of Directors.
- 2. All requests for hearing shall be in writing and shall be mailed or delivered to the Managing Agent.
- 3. The hearing must occur within thirty (30) days after the owner delivers a written request for hearing to the Managing Agent.

Any hearing as a result of such a request shall be governed by the following rules:

- 1. The owner must appear at the time and place designated by the Board of Directors for the hearing.
- 2. At the hearing, the owner contesting the fine shall be entitled to fifteen (15) minutes to present evidence to challenge the alleged occurrence of the violation of the rule or such other evidence and information as the owner believes is pertinent or appropriate to the consideration of the Board of Directors.
- 3. The Board of Directors may establish and announce at the hearing any other reasonable rules regarding the hearing.
- 4. Within ten (10) days of the hearing, the Board of Directors shall issue and mail to the owner a written decision regarding the dispute.
- 5. The Board of Directors' response shall be final.
- 6. The Board of Directors may rely on any reasonable information and evidence in determining whether or not a violation has occurred, both initially and after a hearing.
- 7. Fines not paid by the monthly assessment due date following their issuance shall accrue interest and late fees the same as any other late assessment amount, and may be collected as an unpaid assessment as set forth in the Declaration.