

**Fox Creek Farm Master Association, Inc.
Board Policy and Procedures Statement**

**Enforcement of Covenants and Rules
Notice and Hearing Procedures
Schedule of Fines**

This statement of board policy is established pursuant to
§38-33.3-209.5(1)(b)(IV), Colorado Revised Statutes.

1. **Covenants and Rules Addressed.** This Statement of Policy addresses all violations of policies, procedures, rules and regulations, and guidelines of the association, whether stated in the declaration of covenants, conditions and restrictions of the association, executive board policy and procedure statements, association bylaws, association rules and regulations, and architectural, landscaping, or other guidelines of the association, other than the failure to pay assessments or any money or sums due to the association, which is addressed in a separate Statement of Policy.

2. **Notice of Violations.** The association, by and through its management company, will give notice of alleged violations of the policies, procedures, rules and regulations, and guidelines, of the association in the following manner:

2.1 First Letter. A first violation or warning letter will be hand delivered to the member/owner believed to be in violation, or mailed by pre-paid first-class U. S. Mail to the address for such member/owner maintained in the records of the association. Such letter shall state:

- the alleged violation,
- a reference to the policy, procedure, rule and regulation, or guideline alleged to be violated,
- the corrective action required to comply with the policy, procedure, rule and regulation, or guideline alleged to be violated, and
- the time (deadline) by which the alleged violation must be corrected.

2.2 Second Letter. If an alleged violation is not corrected by the deadline in the first violation or warning letter, a second letter will be delivered or mailed, as provided in §2.1 above, to the member/owner believed to be in violation. Such letter shall include a copy of the first violation/warning letter, and shall state directly, or by reference to the first violation letter, the following:

- a reference to the first violation/warning letter,
- the alleged continuing violation of the policies, procedures, rules and regulations, and guidelines of the association,
- the corrective action required to comply with the policy, procedure, rule and regulation, or guideline alleged to be violated,
- a new time (deadline) by which the alleged violation must be corrected,
- that the member/owner is subject to a fine for the alleged violation by the association, its controlling documents, and Colorado law,

- that the executive board of the association will consider the alleged violation and whether the member/owner should be fined at a meeting of the executive board to be held on a stated date and time at least ten (10) days after the date of delivery or mailing of this second letter/notice, and the location of such meeting, and
- that the member/owner has a right to be heard at such executive board meeting upon the issue of the alleged violation and any fine for a violation.

2.3 Subsequent Violation. Notwithstanding the provisions of §§2.1 and 2.2 above, if the executive board previously found a violation occurred by a member/owner or unit of the association (whether or not a fine was imposed), in the event a subsequent violation is alleged against the same member/owner or unit of the association of a significantly similar nature to the previous violation, and is alleged to have occurred within twenty-four (24) months of the previous violation, the only notice required of the subsequent alleged violation shall be delivery or mailing of the second letter as described in §2.2 hereof.

2.4 Emergency Situation. In the event of a situation that the executive board or the management company determines is an emergency or an imminent threat to peace, health, or safety, of persons or property, the executive board or the management company may deviate from the notice procedures stated in this §2, provided however, that nothing shall prevent the member/owner from having a right to be heard before the executive board regarding the alleged violation and fine.

3. **Determination of Violation.** Following notices as described in §2 above, the executive board, at the board meeting identified in the notice to the alleged violating member/owner, will consider the alleged violation(s), shall determine whether such violation(s) occurred, and shall determine whether any fine(s) or other sanction(s) available to the executive board regarding the alleged violation(s) shall be assessed. Such determination shall occur after the opportunity of the member/owner or his/her duly appointed representative to be heard before the executive board regarding the alleged violation(s) and the fining authority of the executive board. The alleged violating member/owner shall have the right to call witnesses and present evidence, subject to reasonable time and other controls by the executive board. Final determination of the violation(s) and any fine(s) or sanction(s) shall be made at the meeting scheduled for consideration of the alleged violation(s) and fining, or at a later meeting to which such consideration is continued, but in no event more than thirty (30) days later, unless additional time is requested or agreed to by the alleged violating member/owner or his/her representative, or determined by the executive board to be needed in order to appropriately consider the alleged violation(s) and possible sanction(s).

4. Fine Schedule.

4.1 Fine Schedule. Subject to any maximum fines set by the declaration of covenants, conditions and restrictions of the association, or Colorado law, the executive board will assess fines according to the following schedule:

First violation - \$25.00.

Second violation - \$50.00.

Third and subsequent violation(s) - \$100.00.

4.2 Continuing Violation. If the event, set of circumstances, or situation that constituted a violation, whether a fine was assessed or not, continues to exist after the finding of violation, upon a subsequent finding of another violation, the executive board may move to the next higher level of the fine schedule, as the facts may warrant.

4.3 Recurring Violation. If the event, set of circumstances, or situation that constituted a violation, whether a fine was assessed or not, was corrected and then reoccurs within twenty-four (24) months of the date of the earlier violation, upon a subsequent finding of another violation, the executive board may move to the next higher level of the fine schedule, as the facts may warrant.

4.4 Increased Fine. Notwithstanding the fine schedule in §4.1 above, the executive board shall have the authority, after notice of and an opportunity to be heard as provided by this Statement of Policy and Colorado law, to assess a fine up to \$300.00 for any violation that the executive board determines is either:

- a public or private health or safety concern,
- a particularly egregious violation,
- reflects a significant concern to the common interest community as a whole, or
- reflects a substantial disregard of the policies, procedures, rules and regulations, or guidelines of the association.

Adopted by the Board of Directors on _____

Secretary