

Rosemount Place HOA Governance Committee

GOVERNANCE COMMITTEE DEFINED

Responsibilities: Monitor community to ensure HOA bylaws are being followed. It is the committee responsibility to organize issuance of notices to residents in violation of HOA bylaws and enforce rules and regulations. If violator(s) do not rectify the problem, committee chair is responsible for notifying Board so that appropriate fine is assessed to resident(s). In addition, the committee shall review rules and HOA bylaws annually, and provide recommendations and reasons for changes.

Members of the Governance Committee also have certain obligations. They must pay assessments and comply with restrictions set forth in the CC&Rs and other governing documents

1. The Governance Committee is a standing committee
2. All members of the Governance Committee must be homeowner members in good standing.
3. The Governance Committee should understand that they are a recommending body and that their recommendations may not be approved by the Board and or membership due to other considerations such as cost, timing and other matters with higher priorities.
4. The Governance Committee shall review all related governance rules and guidelines.
5. The Governance Committee shall endeavor to make fair and reasonable rule recommendations to the Executive Board.
6. The Governance Committee is responsible for monitoring compliance, and notifying members involved and the Board of violations.
7. The Governance Committee must maintain the anonymity of the complainant from the member presumed to be in violation of the rules.

Areas of concern:

Rules governing the everyday operation, value and livability of Rosemount Place

Rosemount Place Bylaws:

HOA Board of Directors may appoint the Rules Committee

- *The board is responsible for insuring that a set of rules and regulations governing the entire community is established by which all homeowners and property renters must abide. These rules are in addition to any federal, state and local laws that apply. The rules generally include matters such as appearance and upkeep of homes, tenancies, parking restrictions, use of facilities and other common areas, pet ownership, noise nuisance, waste management, neighbor disputes and resolutions and fines processes.*

Fines or consequences for breaking rules and regulations

- *Owners who do not comply with the rules and regulations will be asked to take remedial action and may be subject to fines as defined in the HOA bylaws. Owners are also responsible for the action of their guests and/or renters and will be held responsible for their failure to comply with the rules and regulations. Similarly, failure to pay monthly*

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HOA fees in a timely manner will lose their right to vote on association matters unless and until dues are current (as defined in governing documents) and may result in fines. Failure to pay fines is a serious matter and can ultimately result in a lien being placed on a property. This means that when the property is sold, all debts and fines pertaining to that lien must be paid from the sale proceeds. A lien can be particularly problematic to the HOA when properties go into foreclosure, since mortgage lenders may not be obligated to pay certain fees and fines.

Rules and Regulations

1. What kind?
Policy, administrative, special and general rules
2. Why have rules?
To protect Association Members
3. How?
Enforce rules *equally*. Ignoring an infraction by one member and enforcing it with another causes confusion and anger among the members. Be consistent. Remember, the rules apply to everyone. Board members, officers and friends are NOT exempt.
4. Establish procedure:
 - a) Publish
 - b) Timelines
 - c) Notifications
 - d) Consequences

Rules and Regulations are used to address rules of conduct. Appropriate topics include:

- Maintenance of homes
- Changes to structure
- Color, finish or materials
- Architecture
- Changes to landscaping
- Pets
- Roads
- Sidewalks
- Yard maintenance
- Gates
- Storm water
- Hours of operation
- Pets
- Parking
- Noise
- Restrictions (use facilities)
- Limitations on guest use.

Procedural rules define items such as how to run board and homeowner meetings.

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Establishing Association Rules

Community association living is a *lifestyle* and it is a *choice*. The problem is, not all associations are created equal and many members do not read and/or understand their governing documents. Establishing rules that balance architectural uniformity with a desire for personal expression is an ongoing challenge for any association. The way in which you approach rule making *and breaking* – will speak volumes about the spirit of your association. To set the right tone, remember these key points:

There must be a need for the rule.

Sounds simple, but how many times is a rule put in place because one set of neighbors can't get along or someone's grandchild acts up at the pool? Members don't want their neighbor to know who is making a complaint so they pressure the association to intervene. Ask yourself if the issue at hand warrants the establishment of a community wide rule. Could a private conversation or carefully written letter of inquiry from the association better serve the situation?

Never adopt a rule under pressure.

Take time to think things through and look at the situation from all angles. Try to predict the consequences of any rule you want to establish. If it's December 1 and you don't have your holiday decoration guidelines in place, wait until next year and use this year as a learning experience. Consider soliciting input from the membership. What do they consider reasonable, based on the decorations being displayed?

Rules must be enforceable.

If you are not willing to enforce a rule unilaterally and consistently, don't bother adopting it. You'll only spread ill will and expose the association to potential discrimination lawsuits.

Base rules on proper authority.

Create rules that are consistent with existing federal, state and local laws as well as your own governing documents. If you not sure if you have the power to make a rule, consult with the association's attorney.

Rules should be reasonable.

The object of any rule is compliance. The vast majority of your community should be more than willing to abide by the rule.

Rules should be simple to understand.

State its purpose clearly and concisely. Make a rule easy to understand by avoiding legal sounding terms. Consider this example: "No signs placed by unit owners or persons other than the association, window displays or advertising, except for the name plate or sign, not exceeding

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nine square inches in area, on the main door to each unit and on each mailbox, with the unit number in a form approved by the association, will be maintained or permitted on any part of the common-interest community or any unit." Huh? Simply restated, this rule says: Residents may not place signs on the common areas or in their windows; however, they may place signs that do not exceed nine square inches on their front door or mailbox.

Adopted rules should be published.

Once adopted, distribute the rule to the membership. Be sure to include the date the rule was adopted as well as the date the rule becomes effective. Don't forget to include rules in a packet given to new members.

Governance