

| # 2020-0802

Daybreak Community Association Assessment Collection Policy Amendment Regarding Collection of Monetary Fines

WHEREAS, The Daybreak Community Association Board of Directors is empowered to conduct, manage, and control the affairs and activities of the Association, and has this authority pursuant to Chapter 3, C. Powers and Duties of the “By-Laws of Daybreak Community Association”.

WHEREAS, Daybreak has been established and is administered pursuant to various documents, described in Chapter 1 of the Community Charter for Daybreak (the “*Charter*”), that have a legal and binding effect on all Owners, which includes the resolutions adopted by the Board of Directors to establish rules, policies and procedures for internal governance and Association activities.

WHEREAS, The Board of Directors finds there is a need to adopt a policy by resolution to specify the collection policy related to reasonable monetary fines assessed under Section 8.1(a)(i) and pursuant to the Board of Directors’ authority in Sections 12.5 and 12.6 of the Charter.

WHEREAS, to promote and encourage cooperation between the Association and its Owners and residents living in Daybreak for the mutual benefit of the overall Daybreak eCommunity and to minimize the need to escalate fines or take action, the Association deems it beneficial to establish policies and procedures which help promote communication and the exchange of information between the Association and its homeeOwners

NOW THEREFORE, IT IS RESOLVED that the Board of Directors adopts the following modification as an added paragraph 17 to the current Assessment Collection Policy previously approved on May 23, 2012, as follows:

17. **FINES ASSESSED TO A UNIT.** Consistent with section 8.1 of the Charter, any Owner, occupant, and visitor to a Unit shall be subject to sanctions for violations of the Governing Documents. Sanctions for violations of the governing documents may include imposition of a reasonable monetary fine. Any monetary fine(s) assessed against an Owner after prior written notice and an opportunity for a hearing consistent with the Governing Documents and applicable Utah law, shall constitute a lien upon the violator’s Unit consistent with section 8.1(a)(i) of the Charter. Assessed fines may be collected in conjunction with, or separate from any other assessments and in a manner consistent with this Assessment Policy, which may include, but is not limited to, referral to the Association’s counsel, court action, entering into a payment agreement, foreclosure suit, and alternative collection procedures. After a final decision as to the monetary fine is documented or an Owner’s failure to request a hearing, or an Owner’s failure to work in good faith with the association towards a reasonable resolution, -the Association may, in its sole discretion, record a lien with the Salt Lake County Recorder’s Office in the amount of the monetary fine on the Owner’s Unit prior to following the collection process

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as outlined in this Assessment Policy. Owner privileges including internet service and amenity access and voting privileges may be suspended based on nonpayment of assessed fines in a manner consistent with any other type of unpaid assessment. The due date for payment of any assessed fine is at least 30 days after the fine has been imposed after written notice and an opportunity for a hearing. Specifically, the collection of assessed fines under this Assessment Policy includes a reasonable fine assessed to a Unit based on unapproved modifications of a Unit and that such fines may be assessed whether or not such unapproved modifications of a Unit are being reviewed for future approval based on the approval process outlined in Chapter 5 of the Charter. In the event that a previously unapproved modification to a Unit is approved after a fine has been assessed to an Owner, the Board of Directors, in its sole discretion, may waive, reduce, or refund or continue enforcement of an assessed fine.

IT IS FURTHER RESOLVED that this Resolution does not limit the application of Chapter 5 of the Charter to any unapproved modification, nor does this resolution limit the Reviewer's discretion to approve or disapprove a modification to a Unit.

IN WITNESS WHEREOF, the said Board of Directors has caused this Resolution to be signed by its President and Secretary, this _____ day of _____, 2019, and directs its distribution to all homeowners.

DAYBREAK COMMUNITY ASSOCIATION, INC.

By: _____ Date: _____
Rich Sonntag, President

By: _____ Date: _____
Tim Young, Secretary