

LITTLE ROCKY RUN HOMEOWNERS ASSOCIATION

RESOLUTIONS ACTION RECORD

Resolution Type: POLICY No. 2012-4

Pertaining to: RELATING TO COLLECTION of ANNUAL AND SPECIAL ASSESSMENTS

Duly adopted at a meeting of the Board of Trustees held: NOVEMBER 8, 2012

Motion by: John Charters Seconded by: Katie McGovern

Vote: Yes No Abstain Absent

Brian M Bleeze

President: Brian Bleeze

✓

Katie McGovern

Vice President: Katie McGovern

✓

John Charters

Treasurer: John Charters

✓

John Lindsay

Secretary: John Lindsay

✓

Jerre Thomas

Trustee: Jerre Thomas

✓

Scott McAuliffe

Trustee: Scott McAuliffe

✓

Joe Stein

Trustee: Joe Stein

✓

FILE:

Book of Minutes: 2013

Book of Resolutions

Resolution Effective Date: 11/9/12



Board of Trustees Meeting Minutes

November 8, 2012 - 7:00pm
Recreation Center #2
6201 Sandstone Way

Trustees Present (in alphabetical order)

Brian Bleeze
John Lindsay
Katie McGovern
Scott McAuliffe
Jerre Thomas
Joe Stein
John Charters

HOA Staff Present

Lee Kauffman
Lori Mingione
CJ Tierney

Members Present

Jeff Marcaccio

WELCOME – Brian Bleeze welcomed members, guests and Trustees to the meeting.

CALL TO ORDER & QUORUM 7:02 PM – Brian Bleeze verified that a quorum of Board members was present and called the meeting to order.

RESIDENT COMMENTS: Trash Policy

CONSENT AGENDA- By unanimous consent, the Board accepts the minutes of the September 17 ARB Meeting and the October 24 Tennis Committee.

a.) Architectural Review Board: Needs more hearings to catch up.

BOARD MEETING MINUTES – The Board approved the October 25, 2012 minutes.

TREASURER'S REPORT: 3 waiver requests.

FINANCIALS: John Charters answered questions regarding the Financial Statements, Balance Sheet, Prepaid Expenses, Income/Expenses, and interesting statistics.

UNFINISHED BUSINESS:

ASPHALT - Maintenance Manager, CJ Tierney presented schedule of Asphalt for Sequoia Lee.

HVAC- Investigate options for a gas system to replace HVAC.

POOL CONTRACTS –Motion made by Brian Bleeze, upon successful termination of Premier Pools, LRR would like to go into negotiations with NV Pool- 2nd John Charters, unanimous consent.

TRASH POLICY UPDATE. Trash policy was sent to ARB for revisions last month, Table to January to await ARB Board response. Resident asked we change the 5pm allowance (changed from 6pm) night before to place trash on curbside.

NEW BUSINESS:

OFFICE PHONE SYSTEM – Table from October to December BOT Meeting.

LATE FEE POLICY – John Charters Motion to approve with amendments, 2nd by Katie McGovern, unanimous consent. 2012-4

DMA RESERVED STUDY- Reserve sub-committee formed – John Lindsay, Jerre Thomas, Scott McAuliffe.

STAFF SAFETY- Jerre Thomas 1st, John Charters 2nd- All in favor.

MANAGER'S REPORT – Lee Kauffman, Community Manager, delivered the manager's report.

EXECUTIVE SESSION – 9:40 PM – By unanimous consent, the BOT moved into the Executive Session to discuss matters subject to attorney-client privileges, obligations of individual lot owners, and personnel matters.

OPEN SESSION – 11:20 PM – The Board reconvened into Open Session

NEXT MEETING DATE – The next regular meeting of the Board of Trustees is Thursday, December 13, 2012 at 7 pm in RC #2.

ADJOURNMENT – By unanimous consent, the meeting adjourned at 11:21 PM



John Lindsay
Secretary

LITTLE ROCKY RUN HOMEOWNERS ASSOCIATION

POLICY RESOLUTION 2012-04

(Relating to Collection of Annual and Special Assessments)

WHEREAS, the Board of Trustees of Little Rocky Run Homeowners Association ("Association") is charged with the responsibility of collecting assessments for common expenses from Lot Owners pursuant to Article III, Section 3 of the Declaration of Covenants and Restrictions (Declaration"); and,

WHEREAS, Article V Sections 1 and 4 of the Declaration obligates each Lot Owner to pay the Association's Annual Assessments which consists of General Assessments and Neighborhood Assessments, as established by the Board of Trustees; and,

WHEREAS, Article V, Sections 1 and 5 of the Declaration authorizes the Association to levy Special Assessments, consisting of Capital Improvements Assessments and Restoration Assessments; and,

WHEREAS, Article V, Section 7 of the Declaration specifies remedies the Association may seek when a Lot Owner becomes delinquent in payment of Annual Assessments and Special Assessments; and,

WHEREAS, Section 55-513(A) of the Virginia Property Owners' Association Act ("the Act") authorizes the Board of Trustees to establish, adopt and enforce rules and regulations with respect to such areas of responsibility assigned to the Association by the Declaration except where expressly reserved by the Declaration to the Lot Owners; and,

WHEREAS, Section 55-513(B) of the Act authorizes the Board of Trustees to suspend Lot Owners' rights to use facilities and services provided directly through the Association for non-payment of assessments that are more than sixty (60) days past due after the delinquent Lot Owner has received notice and an opportunity to be heard, and provided that any suspension does not preclude access to the owner's lot or endanger the health, safety or property of any owner, tenant or occupant; and

WHEREAS, the Board deems it in the best interest of the Association to adopt a uniform and systematic procedure for the manner in which the Board of Trustees, the Association's managing agent, its staff and financial management deal with delinquent accounts. Further, after attempts by management to bring a Lot Owner's delinquent account current prove unsuccessful, the Board believes it to be in the best interest of the Association to refer these accounts promptly to the Association's legal counsel for collection so as to minimize the Association's loss of assessment revenue.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees adopts the following policies and procedures applying to the collection of delinquent accounts.

I. ROUTINE COLLECTIONS

- A. Annual Assessments. The annual assessment levied by the Board shall be paid in monthly assessments. The due date of each of these monthly assessments shall be the first day of each month. A book of twelve (12) coupons to be used with each monthly payment will be sent to Lot Owners no later than two weeks before the start of the fiscal year.
- B. Special Assessments. All special assessments shall be due as specified in the Notice of Special Assessments provided that the due date is not less than thirty (30) days after the delivery of the Notice of Special Assessment to the owner.
- C. Correspondence. All documents, correspondence and notices relating to assessments or charges shall be mailed to the address which appears on the books of the Association or to such other address as is designated in writing by the Lot Owner. Non-receipt of coupons or statement shall in no way relieve the Lot Owner of the obligation to pay the amount due by the due date. Refusal or failure to accept a certified or registered mailing will not invalidate the notice.
- D. Charges. Charges assessed pursuant to section 55-513(B) of the Act and the governing documents concerning the imposition of monetary charges shall be collected as an assessment or in such manner as shall be determined by the Board of Trustees.

II. REMEDIES FOR NON-PAYMENT OF ASSESSMENTS

- A. Late Fees. Any assessment which is not paid within thirty (30) days of Due Date shall be assessed a late fee of \$25.00. Such late fee shall be part of the continuing lien established pursuant to Article V, Section 1 of the Declaration and Section 55-516 of the Act.
- B. Interest. In addition, interest shall accrue at the maximum statutory rate on the principal amount from the due date until paid. Such interest shall be part of the continuing lien established pursuant to Article V, Section 1 of the Declaration and Section 55-516 of the Act.
- C. Returned Check Charge. When a Lot Owner's payment is returned for insufficient funds or because the check is drawn on a closed account, a \$25.00 returned check charge or other reasonable amount as permitted by law will be added to the assessment account. Such charge shall be part of the continuing lien established pursuant to Article V, Section 1 of the Declaration and Section 55-516 of the Act. If the Association receives from any Lot Owner in any fiscal year two or more returned checks, the Board may require all future payments to be made by certified check or money order for the remainder of the fiscal year.
- D. Other Costs. All costs incurred by the Association as a result of any violation of the Governing Documents by a Lot Owner, his family, employees, agents or invitees, shall

be assessed against such Lot Owner and are collectible in the same manner as other assessments imposed against a lot.

III. ADMINISTRATIVE PROCEDURE FOR NON-PAYMENT OF ASSESSMENTS

A. Late Notices. The Community Manager shall cause notification to be sent to Lot Owners who have not paid assessments or charges in full by the date such assessments or charges are due, as follows:

1. A statement shall be sent to Lot Owners who have not paid assessments or charges in full approximately thirty (30) days after the due date ("First Notice"). The statement shall show the amount of past due assessments as well as a late fee.
2. If the full payment is not received within thirty (30) days of the First Notice and the account is delinquent in the amount of \$50.00 or more, a "Last Notice Before Your Account is Turned Over to the Association's Legal Counsel for Purposes of Filing a Lien and a Lawsuit Against You" shall be sent to the Lot Owner ("Second Notice"). See Attached Exhibit A.
3. If an account remains delinquent for more than sixty (60) consecutive days and the account is delinquent in the amount of \$50.00 or more, the delinquent Lot Owner's account shall be turned over to the Association's legal counsel.

B. Other Remedies Upon Default. In the event that an account is not paid in full for two (2) successive months, the Community Manager shall cause the following actions to be taken:

1. Refer the account to the Association's legal counsel for collection with the direction to file a memorandum of lien against the property; and,
2. Accelerate the remaining installments of the annual assessment in accordance with Article V, Section 7 of the Declaration; and,
3. Suspend voting privileges and recreation facilities for delinquent Lot Owners who are in arrears for more than sixty (60) days as outlined in Part V of this Resolution.

C. Bankruptcy Foreclosure. The Community Manager may consult with the Association's legal counsel and immediately refer for collection any account not previously referred for legal action where the Lot Owner files or is subject of a petition for relief in bankruptcy or where a deed of trust beneficiary or any other party has commenced foreclosure against the property.

IV. LEGAL PROCEDURE FOR NON-PAYMENT OF ASSESSMENTS

- A. Contacts with Delinquent Lot Owner. Once an account is referred for legal action, all contacts with a delinquent Lot Owner shall be handled through the Association's legal counsel. If a Lot Owner contacts any Association officer or trustee or any management personnel about the Lot Owner's delinquent account, such person shall direct the Lot Owner to communicate with the Association's legal counsel.
- B. Authority to Receive Payment. Association's legal counsel is authorized to receive payments on delinquent accounts until the account is no longer delinquent.
- C. Legal Fees and Costs. Pursuant to Article V, Section 7 of the Declaration, the Association shall charge for all reasonable costs incurred in the collection of the Assessments.
 - a. Liens. Pursuant to Article V, Section 1 of the Declaration, all such assessments, together with interest thereon and costs of collection thereof, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made.
 - b. Lawsuits. Pursuant to Article XIV of the Bylaws, if the Association prevails against a Member or Members in a proceeding at law for the enforcement of any condition, covenant, rule, regulation, guideline or lien, imposed by or promulgated by the Declaration or Supplementary Declaration, then the Association so prevailing shall be entitled to recover from such Member(s) all costs, including reasonable attorney fees, incurred by the Association in such enforcement proceeding.
 - c. Foreclosure. The Association may authorize legal counsel to foreclose on the memorandum or memoranda of liens and/or judicial lien(s). Pursuant to Article XIV of the Bylaws, if the Association prevails against a Member or Members in a proceeding at law for the enforcement of any lien, imposed by or promulgated by the Declaration or Supplementary Declaration, then the Association so prevailing shall be entitled to recover from such Member(s) all costs, including reasonable attorney fees, incurred by the Association in such enforcement proceeding.

V. SUSPENSION OF USE OF FACILITIES

- A. When it has been established that a Lot Owner has been delinquent in the payment of common expenses for more than sixty (60) days from the due date, the Board of Trustees may direct the Community Manager to withhold the use of facilities or services (e.g. the use of common area parking and recreational facilities) from the delinquent Lot Owners or their tenants, guests or invitees provided that any such suspension shall not preclude a Lot Owner's access to their lot through the common areas. Such suspension shall not endanger the health, safety, or property of any owner, tenant or occupant subject to the procedure set out in this Resolution and

Section 55-513(B) of the Act. In addition, the voting privileges of any Lot Owner who is in arrears in the payment of a common expense assessment by more than sixty (60) days shall hereby be suspended and shall remain suspended until the assessment has been paid in full, pursuant to Article V, Section 7 of the Declaration.

- B. The Community Manager shall cause the delinquent Lot Owner to be notified, in writing via certified or registered mail, return receipt requested or via hand delivery to the Lot Owner's address of record with the Association, that voting privileges, the use of facilities and certain services will be withheld until such time as the unpaid assessments owed to the Association are satisfied in full. The letter shall further advise the Lot Owner of his or her due process rights under Virginia law and shall conform to the requirements found in section 55-513(B) of the Act. A copy of the letter will be sent to the Association's legal counsel, the Board of Trustees and maintained in the Association's Office.
- C. If the Community Manager has knowledge that the Lot Owner has leased the lot, a copy of the notification letter shall be mailed to the tenant via first class mail. The tenant will not be considered a party to any proceedings or hearings. However, upon a determination by the Board of Trustees, use of facilities and services will be denied to the tenant if the Lot Owner's assessment delinquency is not cured.
- D. Once the hearing has occurred, the hearing result shall be hand delivered or mailed by registered or certified mail, return receipt requested to the Lot Owner at the address of record with the Association within seven (7) days of the hearing.
- E. Sanctions to be imposed against a Lot Owner shall also be applicable to the Lot Owner's tenants, guests or invitees, and shall consist of the denial of the use of the following facilities and services:
 - 1. Use of swimming pools.
 - 2. Use of tennis courts.
 - 3. Use of basketball courts.
 - 4. Use of hiking paths.
 - 5. Use of tot lots.
 - 6. Use of picnic tables.
 - 7. Rental of community centers.
 - 8. Common area parking privileges.

VI. PROCEDURE FOR FEE WAIVER REQUEST

A. Fee Waiver Request. In the event a delinquent Lot Owner requests that some or all late fees, administrative fees, legal fees, and/or collection costs be waived by the Association such request must be made in written form. If the delinquent Lot Owner's account has not been referred to the Association's legal counsel, such written request must be sent to the Community Manager. If the delinquent Lot Owner's account has been referred to the Association's legal counsel, such written request must be sent to the Association's legal counsel. After a fee waiver request has been received in writing, one of the three procedures will occur:

1. Requests for fee waivers up to \$100.00. Requests for fee waivers up to \$100.00 will be evaluated and subsequently approved or rejected by the Treasurer of the Board of Trustees.
2. Requests for fee waivers from \$100.00 to an amount equal to the total annual assessment for the Lot. Requests for fee waivers from \$100.00 to an amount equal to the total annual assessment for the Lot will be evaluated and then subsequently approved or rejected by the Treasurer of the Board of Trustees and another member of the Board of Trustees, which will be designated by the Board of Trustees by a formal motion. In the event the Treasurer and the designated trustee are unable to agree, the waiver requests will be forwarded to the Board of Trustees for its evaluation. The Board of Trustees is then charged with approving or rejecting the waiver request.
3. Requests for waivers in excess of an amount equal to the total annual assessment for the Lot. Requests for fee waivers in excess to the total annual assessment for the Lot will be evaluated and then subsequently approved or rejected in part or whole by the Board of Trustees.

The effective date of this Resolution shall be the 1st day of April 2013 and shall supersede any previously adopted Policy Resolution regarding the collection of assessments.


LITTLE ROCKY RUN HOMEOWNERS ASSOCIATION

By: Brian M Bleeze
BRIAN BLEEZE, President of the Board of Trustees

By: John Lindsay
JOHN LINDSAY, Secretary of the Board of Trustees

Certificate of Posting and Mailing of Rules and Regulations

I, Walter Lee Kauffman IV, Community Manager for Little Rocky Run Homeowners Association, hereby certify that copies of this Policy Resolution No. 2012-04, were mailed to all Lot Owners in prior to the Effective Date of the resolution and were conspicuously posted prior to the time when the resolution became effective.



Walter Lee Kauffman IV, Community Manager