



FINING PROCEDURES FOR ASSOCIATIONS

By Associated Property Management

In today's associations it is more common for the Association to have the ability to fine for violations of the documents. This is an effective tool for associations to be able to get owners and their guests to comply with the restrictions contained in the documents.

Before an association can fine any of its members, it must have the authority to do so contained in its documents.

The following is a recommended procedure for all associations to follow.

LEVYING OF FINES

Fines can only be levied if the governing documents provide such authority.

Fines may not exceed \$100.00 per violation against any member or any tenant, guest or invitee. The Association can probably levy a \$100.00 fine per day of a continuing violation with each day constituting a separate and distinct violation.

The fine cannot exceed \$1,000.00 for a single violation. The documents will have to provide for this amount of fine. If the ability to fine is already contained in the documents and there is a lower amount stated, the lower amount would prevail.

In order to levy a fine, the Association must provide not less than fourteen (14) days prior notice to the person sought to be fined and an opportunity for a hearing before a Fining Committee. We suggest that Certified Mail be used for the notice.

The Fining Committee would need to be at least three Members appointed by the Board who are not officers, directors, or a direct relative of an officer or director. If the Association is unable to appoint these members, then the Association will not have the ability to fine.

THE FINING COMMITTEE

The Fining hearing is to be heard by a majority of the Fining Committee.

If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed.

Both the Association and the person who is proposed to be fined should be provided the opportunity to present evidence as to why the fine should or should not be imposed.

If the Fining Committee recommends a fine, that fine would be levied by the Association through the Board of Directors

FINING COMMITTEE HEARING AGENDA

The following is a suggested Agenda for the Committee to follow:

- Introduction of proposed fine and owner to be fined.
- Description of reported violation.
- Presentation of evidence by owner proposed to be fined and an opportunity for the owner proposed to be fined to state why a fine should not be imposed.
- Deliberation and review of evidence.
- Determination of imposition of a fine and the amount of said fine.
- If by a majority vote of the Fining Committee, it is determined that a fine shall be levied, notification to the Board of Directors should be provided in writing.
- The Board will then levy a fine at their next Board of Directors Meeting, which will be collectable as an assessment.

Have your association attorney review all of your Fines Committee procedures in order to avoid any conflicts and problems in the future.

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