



Mt. Royal
Airpark

COMPLIANCE AND FINES COMMITTEE MEETING

Mount Royal Airpark Pavilion

109 Airport Drive

Crescent City, FL 32112

May 22, 2024

6:00 P.M.

DRAFT MINUTES

COMMITTEE MEMBERS

Janet Simoneaux, Chair

Becki Poston, Assistant Secretary

Natalie Stamp

Marybeth Tocco

I. Introductions/Opening Remarks/Call to Order Janet Simoneaux

Chair Simoneaux called the meeting to order at 6:03 P.M. All committee members were present. The committee waived the reading of the May 9, 2024, committee meeting minutes and unanimously approved.

II. Discussion

Chair Simoneaux reviewed the Bylaws to determine the structure of the Rules and Compliance Committee (R&CC) and suggested a package be prepared for the Board and/or the R&CC to help educate the members on their duties and responsibilities related to enforcement. Members serving on the R&CC do not have defined terms of service and are appointed by the Board. Members may not be the Association's officers, directors, or employees or the spouse, parent, child, brother, or sister of an officer, director, or employee. Consensus was not reached regarding whether a member of the R&CC should attest to the understanding of the Covenants and Restrictions (C&Rs) as the Board of Directors.

Ms. Stamp provided the attached documents for the committee's review: 1) Definitions; 2) Process to Enforce Compliance Obligations; 3) Permissible Actions and Fines in the Enforcement Process with Citations; 4) Permissible Fines in the Enforcement Process with Citations; and 5) Fines and Violations; 6) Proposed Notice language. She also provided the Fines spreadsheet regarding violations in Article IX of the C&Rs and ARB violations found in Article VIII.

1. Definitions

Ms. Stamp suggested that there should be a definition section to establish a common understanding of a term's meaning. Definitions help explain the meaning of a term that may be obscure or difficult by using commonly understood terms whose meaning is clear. Defined terms include but are not limited to:

- Notification of Violation refers to a written notice from an official informing a responsible party of code violations and ordering them to take specific steps to correct the violations within a set period.
- Responsible Party is defined as the owner, the owner's family, the tenant, the guest, or the invitee in the owner's absence. The Committee suggested that the notification be sent to the owner and the tenant, guest, or invitee in the owner's absence.
- Rules and Compliance Committee refers to a group within MRAPPOA responsible for ensuring adherence to regulations and internal controls.

2. Process to Enforce Compliance Obligations (Deliverable 4)

Ms. Stamp outlined the process for enforcing compliance obligations. Cases will be closed if the violation is cured within the estimated timeframe specified informally or formally in the Notification of Violation, R&CC determines no violation occurred, or the Board of Directors overturns the R&CC's decision.

If a potential violation is reported, the board will investigate to determine whether the violation occurred. Suppose a violation is found to have happened. In that case, the responsible party may have the opportunity to correct it, request a hearing before the R&CC, and, depending on the R&CC's decision, further appeal to the Board. The responsible party is subject to fines up to liens and, if a violation has not been cured, may lose the use of common property and voting privileges.

3. Permissible Actions and Fines in the Enforcement Process with Citations (Deliverable 2)

Ms. Stamp reviewed the information in Section 720.305(2), Florida Statutes, that authorizes an association to impose reasonable fines for violations of its declaration, bylaws, or reasonable rules and Article XII Section 12.04(c) in the Second Amended and Restated Declaration 2014.

- **2023 Florida Statutes Chapter 720.305, paragraph 2**
Fines may not exceed \$100 per violation or \$1,000 in the aggregate unless otherwise provided in the governing documents.
- **Second Amended and Restated Declaration: Article XII, paragraph 12.04 (c)**
Fines may be levied for each day of a continuing violation, with a single notice and opportunity for hearing as provided in the Bylaws and this Restated

Declaration. There will be no aggregate ceiling on the total fine that may be imposed for a recurring violation. Fines are treated as a Specific Assessment due to the Association.

4. Permissible Actions in the Enforcement Process with Citations (Deliverable 3)

The Board of Directors may take the following actions related to enforcing compliance obligations.

Right of Entry

Second Amended and Restated Declaration: Article XII, Section 12.03

- The Association or its agent may enter a Lot or any portion of the Common Property to decrease or remove, at the Owner's expense, any structure, thing, or condition that violates the Compliance Obligations.

Suit, Judgment, and Foreclosure for Unpaid Specific Assessments

Second Amended and Restated Declaration: Article XII, Section 12.04(e)

- Unpaid Specific Assessments (fines) will be a charge and continuing lien upon each Lot against which the fine(s) is made until paid. Such lien may be enforced by suit, judgment, and foreclosure.

Suspension of Use of Common Areas and Facilities

2023 Florida Statutes: Chapter 720.305, paragraph 2 (a)

Second Amended and Restated Declaration: Article XII, Section 12.05(a)

- Permits suspension for a reasonable time of rights to use common areas and facilities.

Suspension of Voting Rights

Second Amended and Restated Declaration: Article XII, Section 12.05(c)

- Permits suspension of voting rights until Specific Assessment is paid in full.

5. Fines and Violations

The Board has the authority to impose reasonable fines on any Owner, not exceeding the amounts allowed by law, for failure to comply with any provision of the Governing Documents. Fines will be subject to specific terms and conditions outlined in Second Amended and Restated Declaration 2014, Section 12.04(a)-(g), Fines.

The Committee concurred violations should be separated into Tier I, II, and III.

- Tier I (Minor Violation): no fine up to \$100.
- Tier II (Moderate Violation): \$100 daily.
- Tier III (Major Violation): \$100 daily up to lien.

Violations found in Article VIII and Article IX of the 2014 C&Rs were documented in a spreadsheet for the Committee to review to determine the applicable Tier.

6. Proposed Notice Language Sent Registered Mail/Return Receipt Requested

Ms. Stamp provided a copy of the correspondence for the Responsible Party for the Committee's consideration. The letter should contain the following information.

- Violation, including referencing the citation and description of the violation.
- Authority provided by the Board.
- Number of days to correct the violation outlined in the correspondence.
- Responsible Party's Appellate rights
- Fines and expenses incurred constitute a specific assessment.

Action Items

1. Before the next meeting, the committee will review the spreadsheet combining Article VIII and IX and determine the applicable Tier for each violation.
2. Ms. Tocco will create a diagram outlining the enforcement process.

III. Adjournment

Janet Simoneaux

The Committee adjourned at 7:03 p.m. The next meeting is scheduled for June 12, 2024, at 6:00 p.m.