

POAA Bylaws – Craig McDonnell

Current Condition

- Bylaws are builders bylaws created before POAA laws were created. So, not under POAA laws today.
- Non-paying Homeowners hard to collect longer term violations
- Required to formally "opt in" to be governed by the POAA laws.
- Poor collection process with offenders
- Board reviewed and approved the Lawyer proposed bylaws that will be first step in moving to POAA bylaws.
- Improved governance: POAA laws provide clearer guidelines for HOA operations. Enhanced transparency:
- A vague legal framework, causing ambiguity in HOA operations.

Gap Analysis

- The POAA provides HOAs automated enforcement mechanisms to ensure compliance with rules and regulations.
- The POAA also includes protections for homeowners, such as requiring HOAs to provide certain disclosures and limiting the amount of fees HOA can charge. The Act provides more protections for individual property owners.
- Standardization: Aligning with POAA can make it easier for HOAs to interact with other entities and legal professionals familiar with the standards.
- Standardized procedures: Establishes uniform processes for meetings, voting, and dispute resolution.

Target Condition

- Restructure for builder bylaws under the POAA Laws
- Simplified governance: Provides a structure that can make board duties and decision-making more straightforward.
- Improved enforcement: Provides clearer guidelines for rule enforcement and collections.
- Better financial management: Sets standards for budgeting, reserves, and financial reporting
- Legal protection: Compliance with POAA helps shield the HOA from certain legal challenges.
- Standardized rules to simplify the process of buying and selling homes within the community.

Action Plan

1. Approve the POAA Amendment Package;
2. POAA Amendment Package mail out as well as email blast the community. Package includes 1) Important Notice Cover Letter from the Board, 2) Proposed Amendments 3) Bylaws and 4) Written Consent;
3. Vote for new POAA bylaws. (New custom declarations will require revisions and another vote) Tally the Votes.
4. Once 2/3 of the total votes in the Association affirmatively consent/approve the proposed Amendment. We need to certified signatures by the Board and then filed by WCZ in the land records, becoming effective on the date of recording.

POAA Key Benefits:

1. Automatic Statutory Liens: Under the POAA, unpaid dues now have automatic statutory liens. **Efficiency:** Eliminates the need to file a separate lien in court, saving time and money. **Priority:** Gives the HOA a stronger claim on the property compared to other creditors. **Security:** Ensures the unpaid assessment is secured by the property, increasing the likelihood of recovery.

2. Enhanced Collection Powers: **Interest:** Allows the HOA to charge interest on unpaid assessments, incentivizing timely payments. **Late Fees:** Can impose late fees, providing additional leverage for collections. **Attorney's Fees:** Can recover legal costs incurred in collecting delinquent assessments, deterring non-payment.

3. Perpetual Duration: Long-Term Stability: Ensures the covenants and restrictions remain in effect indefinitely, providing predictability for the community. **Protection of Property Values:** Helps maintain property values by ensuring consistent enforcement of community standards..

4. Enforcement of Amendments: Modernization: Facilitates updating governing documents to reflect changing needs and circumstances. **Majority Rule:** Enables amendments with a two-thirds vote of the membership, preventing a minority from blocking necessary changes.

5. Tenant Compliance: Community Standards: Extends the HOA's authority to enforce rules against tenants, ensuring a cohesive community environment. **Owner Responsibility:** Holds owners accountable for their tenants' actions, promoting responsible leasing practices.

6. Fines and Suspension of Privileges: Effective Deterrent: Provides additional tools to address violations and encourage compliance. **Flexibility:** Allows the HOA to tailor enforcement measures to the specific situation.

Overall, moving to the POAA can provide HOAs with a more robust legal framework, enhanced enforcement tools, and greater flexibility to adapt to changing circumstances. It can also help to ensure long-term stability and predictability for the community.