

Sun Mountain Ranch Club & Membership Association
Non-Compliance (Complaint) Policy & Process

Any SMRC Member/Lot Owner may file a complaint regarding another SMRC Member/Lot Owner for not being in compliance with the current Rules and Regulations, By-Laws, or Covenants, Conditions and Restrictions. The following Complaint Policy & Process is in place to ensure all complaints and concerns are documented and handled in a non-discriminatory manner.

- I. **Initial Complaint:** The Member (Complainant) submits a Non-Compliance Complaint Form (Complaint Form) to any Board member or Officer, or through regular mail to Sun Mountain Ranch Club PO Box 1227, Winthrop, WA 98862. This form can be located on the SMRC website, www.sunmountainranchclub.org, under the Forms Tab. The Complainant may also write a letter or an email, but it must have all required information as requested in Non-Compliance Complaint Form:
 - A. Complainant Name, lot number and street address, and phone number.
 - B. Date.
 - C. Member name, lot number and street address that is not in compliance with rules, etc.
 - D. Explanation of non-compliance issue along with which Rules & Regulations, By-Laws, or CC&R section(s) that are being violated.
 - E. Picture of non-compliance is optional.

- II. **Initial Complaint Review:** The SMRC Board receives and reviews the Complaint Form, letter, or email regarding the non-compliance as follows:
 - A. The Board will determine that the complaint originates from a SMRC Member/lot owner.
 - B. Within 30-60 days of reading of the Complaint at the next regularly scheduled Board meeting, the Board will review the complaint in Executive Session.
 - C. The Board reviews the Complaint for non-compliance and determines whether non-compliance exists by using then the following:
 - A. The facts presented, violation data, the pictures, and the governing documents section(s) violated.
 - B. The Board will render a determination regarding the submitted Complaint to make the following determinations:
 1. Lot owner is in Compliance with governing documents.
 2. Lot owner is NOT in Compliance with governing documents.
 3. More information is needed to make determination of Compliance/Non-Compliance.

- III. **“Compliance” Determination:** If the Board determination is “Compliance”, the Board will respond as follows:
 - A. The Board sends a response writing (mail or email) to the Complainant. The response will minimally contain the Board’s determination of Compliance and the reason for that determination.
 - B. If the Complainant agrees with the Board’s determination, then the Complaint is dismissed and the matter is closed. If the Complainant believes the matter requires a more formal hearing, the he/she may request a Formal Compliance Review within 30 days of receiving the Board Complaint determination of compliance.

IV. “Non-Compliance” Determination: If the Board determination is “Non-Compliance”, then the Board will respond as follows:

- A. The Board sends a notification letter via registered mail the Member in non-compliance. The notification will include the following:
 1. Identifying lot number, and current member at specified street address.
 2. Date
 3. Reference each violation with relevant text from Rules & Regulations, By-Laws, and/or CC&R’s.
 4. Describe and explain each violation.
 5. Specify date at which each non-compliance violation needs to be remedied.
 6. Specify penalty (financial & otherwise) if non-compliance issue remains uncorrected past the remedy date.
 7. If information is available to the Board, specify remedial possibilities and alternatives.
- B. The Board files the non-compliance letter for 1 year, and posts an action summary in the Board meeting minutes. The Action Summary shall indicate the following:
 1. Lot number and street address
 2. List of each violation with:
 - i. Deadline to return to compliance
 - ii. Current status of the non-compliance (active, closed, past-due).
- C. If the Member/Lot owner addresses non-compliance issues within time limit, the Board then reviews each violation to determine if compliance has been established.
 1. If yes, the Board closes the issue, including a Summary Status information in Board meeting minutes and notifies the Complainant that the non-compliance issues have been corrected.
- D. If the Member/Lot owner does NOT address the violations within the time limit, the Board then applies stated penalties against Member/Lot owner:
 1. Board issues registered letter stating continued non-compliance for each violation, and penalties imposed for each violation.
 2. If special assessment is assessed for violations, Member/Lot owner is invoiced for said fees.
 3. The Member/Lot owner can request an extension for compliance at least 7 days prior to reaching the deadline. At the Board’s discretion, an extension may be granted if extenuating circumstances exist.
- E. If the Member/Lot owner does not receive the registered letter (either by refusing to sign receipt or to pick up at the post office), the Board then acts in the same way as if the Member/Lot owner has signed receipt of the registered letter, and the deadlines still apply.
- F. If the Member/Lot owner does not agree with the Board’s findings regarding violation(s) of the governing documents, then they may request a formal *Non-Compliance Review*.
 1. The Board then sets up a formal review to reconsider the non-compliance determination. The current Board determination stands until the formal review determines otherwise.

V. "Need More Information" Determination: If the Board determination is "Need More Information", then the Board will:

- A. Take action to acquire the additional information needed by requesting the Complainant provide the additional needed.
- B. Once the additional information is provided, then a compliance or non-compliance determination is issued and processed as described above.
- C. A Board determination cannot remain "Need More Information" for more than 60 days or two regularly scheduled Board meetings.
 1. If the Board needs more time to collect such information, it can vote to do so and have the vote recorded in the Board meeting minutes.
 2. If, after 60 days (or two regularly scheduled Board meetings) has passed, and the Board has not yet reached a determination of "Compliance" or "Non-Compliance", then the issue automatically reverts to a decision of "Compliance".

VI. Formal Compliance Review – for Complainant: If the Complainant is not satisfied with the Board's determination that the Member/Lot owner was found in "Compliance" and without violations, he/she may request a Formal Compliance Review within 30 days of the Board decision.

- A. A Board meeting will be called within 30-60 days or at the next regularly scheduled Board meeting, in which the Complainant will be invited to present additional facts or interpretation, or to ask for clarification, but not to repeat the same data as found on the originally submitted complaint.
- B. Based on new or additional evidence, a determination may be issued. Note: If no new or additional evidence is provided by Complainant, then the current determination stands.
- C. If the Complainant asks for clarification regarding the determination, the Board will clarify as appropriate. Note: Executive Session deliberations or meeting minutes are NOT open for review or examination.
- D. The Board must have a quorum and the deliberations shall include any Board members with specific assignments involving the complaint or critical experience with the complaint on hand.

VII. Formal Non-Compliance Review – Member/Lot owner: If the Member/Lot owner is not satisfied with the Board's determination of "Non-Compliance", he/she may request a formal Non-Compliance Review within 30 days of receiving the Board's registered letter.

- A. The Board will set up a meeting within 30-60 days of receipt of letter or at the next regularly scheduled Board meeting, in which the Member/Lot owner will be invited to present additional facts or interpretation, or to ask for clarification regarding the Non-Compliance issues.
- B. Based on new or additional evidence, a new determination may be issued following the steps described in Section VI. Note: If no new or additional evidence is provided, then the current determination stands.
- C. If the Member/Lot owner asks for clarification regarding the determination, the Board will clarify as appropriate. Note: Executive Session deliberations or meeting minutes are NOT open for review or examination.
- D. If the Member/Lot owner is requesting an extension to the deadline, then the Board will review the request in light of extenuating circumstances.
 1. The Board may reach a decision to grant an extension.
 2. The Board will determine what penalties still apply while the deadline is extended.
- E. The Board must have a quorum and the deliberations shall include any Board members with specific assignments involving the complaint or critical experience with the complaint on hand.