

ORCHARD HEIGHTS WATER ASSOCIATION POLICY

POLICY STATEMENT: #10

TITLE: **TERMINATION OF MEMBERSHIP**

DATE APPROVED: **3/15/10**

REVISED DATE(S): **Revised 10/18/16**

1. The Association may terminate a membership if it is in the Association's best interests in accordance with the Associations Bylaws and Articles of Incorporation. The Board has the responsibility to act in a manner that protects and preserves the Association's financial well-being.

Bylaw Article 8

8.2 The policies and rules of the Board shall be drafted, adopted and amended with full consideration for the Board's desire to provide water services of the best obtainable quality for the membership of the Association at a reasonable cost.

8.3 The Board, as the governing body representing the membership of the Association, determines all questions of policy to be employed in the conduct of the Association.

2. The association may terminate membership for non-payment on account under Bylaw Article 11.4:

11.4.4 Nonpayment for Sixty Days. Membership in this Association may be terminated and the membership certificate canceled as provided in Article 4, Section 4.5 of these Bylaws.

11.4.5 Whenever a member fails to pay any amount owing to the Association more than 60 days after its due date , the Association may place a lien upon all real property subject to membership in the Orchard Heights Water Association for the amount of any unpaid assessment or water charges. The Association may record with the Polk County Clerk a claim containing a true statement of the accounts due for such water charges and assessments after deduction of all just credits and offsets, the names of the owners of the property, and a description of the property. The lien may be enforced by the Association's Board of Directors pursuant to ORS Chapter 88. In addition, any action to recover a monetary judgment for unpaid common assessments may be maintained without foreclosing or waiving a lien securing the accounting for unpaid assessments or water charges.

3. Under certain circumstances, the Board may determine that the termination of a few memberships will benefit the Association's membership and purpose as a whole. Examples of such circumstances may include, but not limited to, the following:
 - a. "Annexation." For the purposes of this policy, annexation is defined as the adding of any of the Association's membership properties into the Salem city limits as mandated by state and/or local law.
 - b. "Unforeseen event" is defined as an event not anticipated by the Association that negatively affects the Association's ability to adequately continue to provide its services to any member or members.
4. Membership termination pursuant to this policy must be approved by the Board at a regular or special meeting by a majority vote of the Board of Directors.
5. Notice. Each terminated member will receive 30 days written notice of the termination. The notice will be sent to the member(s) by certified mail with return receipt.

The notice should include the following information:

 - a. Description of event;
 - b. Date of termination;
 - c. Member certificate cancelled;
 - d. Maintenance of member's capital account;
 - e. Final billing procedure; and
 - f. Contact information for new water provider.
6. Final Billing. Within five (5) days of the date membership is terminated, the Association will send out a final billing statement to each affected member either showing a balance due or a refund. If a balance is due, the member shall pay the balance within 30 days of receiving the statement. If a refund is owed to the member, it shall be sent with the final billing statement.
7. Member Capital Account. The Association will continue to maintain a capital account in the name of the terminated member. However, the account will not accrue any further deposits based on any yearly surplus.
8. Water Users Agreements. The most recent Water User Agreement signed by a terminated member will be considered void and terminated as of the date of cancellation of the membership certificate.

APPROVED:

Secretary/Treasurer or President