

Approved: 6/9/07
Policy # 07-06-01
Amended 10/14/24

GLC Collection Policy for Delinquent Accounts

Definition: The Board of Directors recognizes and acknowledges that non-payment of dues and assessments can adversely impact the ability of Glenhaven Lakes Club, Inc., to provide services to its members and adequately maintain its assets. The Board therefore has established the following guidelines and parameters for the Association to collect delinquent dues from its members as provided under Article V, Section 4 of the Glenhaven Lakes Club bylaws and Article III of the Amended and Restated Declaration of Covenants and Restrictions

Purpose: The purpose of this policy is to establish due dates for Membership Dues and Water Use Fee payments and to also establish dates for when unpaid accounts become delinquent (not in good standing), and collection activity is initiated.

Policy: All collection activities of the Association, by its designees and/or by its attorneys shall comply with all applicable laws and regulations regarding the collection of delinquent accounts and/or delinquent homeowner association dues and assessments and with its governing documents. All fees and costs associated with the collections activity of the Association shall be charged to the delinquent account.

- **Membership Dues** will be invoiced annually by April 1st. The payment due date for Membership Dues will be May 31st of every year. Unpaid balances will be assessed a finance charge beginning the first day of the month following the due date (June 1st) and will be considered delinquent and the member/tenant not in good standing. The amount of the finance charge will be the highest amount allowable by the GLC bylaws; currently 10% APR.
- **Water Fees** - will be invoiced on the 1st day of every month. The water fee due date will be the 29th day of every month. Unpaid balances on the first day of the following month will be considered delinquent and the member/tenant not in good standing. Members with delinquent accounts will receive a notice of delinquency. If the account is not brought current within 10 days of the notice of delinquency, a door tag with a notice of intent to disconnect water will be placed on the members door. Payment must be received, or payment arrangements made within 5 days from the notice of intent to disconnect water to avoid water service disconnection. A reconnection fee may be applied to water services reconnected during non-business hours.

Further collection efforts shall include, but not be limited to: Denial of Membership privileges, Collection Letter(s), Phone Calls, Referral to a Collection Agency, Filing of Liens against the Delinquent Property, Small Claims Court Proceedings, Garnishment of Wages, Seizure of Assets and Foreclosure.

Bankruptcies:

- The Association shall not pursue further collection activities once a property owner has declared bankruptcy. However quarterly statements may continue to be mailed to the property owner until the bankruptcy has been discharged, at which point the Association's normal collection activities may resume.

Disputed Balances:

- Should the property owner dispute the balance due on their account, they must do so in writing and must provide written documentation that supports their assertions. The Association shall not pursue further collection activities once a balance has been disputed. However, quarterly statements may still be mailed to the property owner until the dispute has been resolved at which time the Association's normal collection activities may resume.

Payment Arrangements:

- Arrangements to make payments towards a delinquent balance require the approval of either the Operations Manager or the Bookkeeper and will be confirmed in writing by the Association. Finance charges will continue to accrue on the unpaid balance until the account is paid in full, although other collection activity may be abated while payments are being made according to the arrangement. Failure to make payments as arranged will result in the resumption of the Association's normal collection activities and may also result in the loss of the privilege to make alternative payment arrangements in the future.

Deeds in Lieu of Current & Future Dues or in Lieu of Foreclosure:

- The Association may choose to accept a Deed in Lieu of Current & Future Dues and/or Water Use Fees or in Lieu of Foreclosure. Such an arrangement will require the approval of the Operations Manager.

Canceled/Superseded:
Policy No(s). 00-01-02 and 97-07-01