



## COLLECTION POLICY

*Referenced “Articles” are from Nine Mile Ranch (9MR) CC&Rs unless otherwise stated.*

### **Background:**

- Assessment period is from June 1<sup>st</sup> through May 31<sup>st</sup>. This is also the fiscal year for 9MR.
- Assessments are due the first day of July. (Article IV, Section 9); 30 days past due is August 1<sup>st</sup>.

### **Collection Policy:**

- Statements and letters will be sent to past due members according to the Collection Procedure below.
- A \$10 late fee was adopted by the Board of Directors at the September 7, 2018 Board meeting. This is a yearly one time fee to be charged August 1<sup>st</sup> when accounts are 30 days past due.
- Interest will be charged on all past due accounts starting August 1<sup>st</sup> at 12% per annum. (Article IV, Section 10)
- Liens will be filed at Okanogan County against Lots 3 years or more past due. A \$200 charge will be invoiced to those members at the time of filing to cover the cost of placing the lien and the cost of releasing the lien when balance is paid in full. Lien amount will include assessments owed, plus interest and lien fee. (Article IV, Section 10)
- As of November 1<sup>st</sup> all past due members will lose their HOA voting rights until assessments are paid in full. (Article III, Section 1 a.)

### **Collection procedure:**

- *May 1<sup>st</sup>*: Assessment billing mailed to membership dated June 1<sup>st</sup>. (Bylaw Article VII, Section 2ii)
- *August 1<sup>st</sup>* at 30 days past due: Implement charging interest for current year at 12% per annum. (Article IV, Section 10)
- *August 1<sup>st</sup>*: Charge accounts \$10.00 late fee.
- *August 1<sup>st</sup>*: Send out statements. Statements will reflect interest to date and late fee.
- *September 1<sup>st</sup>*: Send out statements with Letter One\* requesting payment/communication.
- *October 1<sup>st</sup>*: Send out Letter Two (a)\* to notify upcoming lien filing. Lien notification will be sent certified mail. Send Letter Two (b)\* to all other past due members that are not set to have lien filed in November.
- *November 1<sup>st</sup>*: File liens and charge members lien costs.
- Continue to charge interest and sending statements.

\* Letter One is sent to all past due members. Letter Two (a) is sent on October 1<sup>st</sup> to all members that will have liens filed if assessments are not paid in full by November 1<sup>st</sup>. Letter Two (b) is sent to all members that are less than 3 years past due. Letters should encourage members to communicate with Treasurer to set up payments plans or for members to explain reasons why they are not paying. These reasons will be taken to the Board of Directors.

Note: In 2018 back-charging interest was implemented, as interest had not been filed in 6 years. The \$10 late fee was charged October 1<sup>st</sup> after the September 7, 2018 Board meeting when late fee was adopted.