

Camano Sunrise Community Association

Operational Policy # 001

Delinquent Dues & Assessment Collection

Abstract:

It is the responsibility of the Board to establish the annual operating budget as well as a financial reserve to cover maintenance and replacement of shared community assets. The community reviews and approves the assessments required to fund this plan at the CSCA Annual Meeting each December.

All community property owners are responsible to pay the dues as established in the CSCA By-Laws, Article XIII. This operational policy provides additional detail on the process used for the collection of delinquent accounts.

Policy: The CSCA Delinquent Dues & Assessment Collection Operational Policy is as follows:

- CSCA Dues and Assessments are due on Feb 1st of each year
- Dues are considered late after March 1st of each year and will begin to accumulate late fees of 1% per month starting with the month of Feb. In early March a letter is sent to all property owners who are not paid in full which serves as notice of delinquency and provides 30 days from the date of the letter to either bring the account current or to submit a payment plan to the Camano Sunrise Community Association to be reviewed and approved by the Board of Directors.
- In early April (30 days from sending the Late Dues & Assessment notification letter above) a letter of delinquency for outstanding accounts without an approved payment plan in place will be sent to property owners informing them liens will be filed on these properties. The lien against the property will be for the amount of the dues & assessments, accumulated late fees and the cost of preparing, filing & clearing the lien once paid in full.
- In May a letter will be sent to property owners notifying them that a lien has been filed against their property.
- Property owners with an approved payment plan who fail to follow the plan will:
 - Be notified after the 1st missed payment that a lien will be filed if a 2nd payment is missed
 - File the lien if a 2nd payment is missed
 - Pursue legal action to collect the outstanding amount if the account becomes more than 12 months delinquent

- Note: This course of action is included with the approval of payment plans
- The board shall review any accounts with dues & assessments 12 or more months delinquent in preparation of taking legal action. The legal action will consist of:
 - A letter from our attorney to be served to the property owner advising that CSCA will take legal action and file a lawsuit in 20 days to collect the delinquent balance, accumulated late fees and reasonable legal fees associated with the collection of the balance. A copy of the intended lawsuit is included in this notification. (20 days is the minimum required by law from the time notification is served)
 - If the property owner responds and clears the delinquent account, the lien is satisfied and will be cleared. The property owner will be notified when this is completed.
 - If the property owner does not respond or the delinquency is not satisfactorily addressed the lawsuit will be filed.
 - CSCA will seek a judgement on the lien. If granted, CSCA will then commence appropriate avenues to collect the delinquent amounts including reasonable legal and collection costs. This can include utilization of a collection agency, garnishment of wages and/or bank accounts, up to and possibly including a sheriff's sale of the property to satisfy the lien. It is CSCA objective to collect dues and assessments from all property owners in a timely manner to enable the continued operation and delivery of services to all community members.

Approved: Bert Bailey 8/13/2018_____ (Date)

By: Majority vote of the CSCA Board as documented in August 13, 2018 Board Meeting Minutes.

Enacted: 12/1/2018_____ (Date)