

WORKING DRAFT

Proposed Collection Procedure for HOA & Water

In accordance with Lake Limerick Bylaws and WA State RCW's

1. Accounts are due in the month the charge is assessed.
2. An account is considered past due on the first day of the month following the month the charge was due. (Example: If HOA Dues and Water are payable October 1st, as of November 1st they would be considered in the 1-30 days in arrears).
3. Upon becoming 1-30 past due, a courtesy phone call will be placed, an email sent (if email address is available), and/or a letter sent to the address on file, on or about the 15th day of the month. This allows adequate time for checks mailed at the end of the month to be received and processed.
4. Upon becoming 31-60 days past due, the same procedures will be followed as for the 1-30 days past due. Letter to include that at 91 days past due, the member will be automatically declared a member not in good standing.
5. Upon becoming 61-90 days past due a letter demanding the member either make a payment-in-full or arrange a payment plan option as described below.* This letter will also warn that at 90 days the member will be automatically declared a member not in good standing (LLCC Bylaws Article II Membership Section C). Letter will warn that LLCC has the right to turnoff water service (LLCC Bylaws Article II Membership Section A).
The letter will additionally warn that interest in the amount of 1% per month will begin to accrue on the past due balance showing on the member account, including compound interest every twelve months, (LLCC Bylaws Article IX Assessments).
6. At 91 days past due, should the member/owner fail to pay or fail to perform any payment plan as agreed, a letter (as prescribed in RCW 64.38.100) will be sent to the member/owner allowing 30 days to bring the account current or make some other satisfactory arrangement.
7. At 121 days past due, a letter warning that a lien will be filed upon their property and the account will be turned over to an attorney should payment not be made immediately. The letter will state LLCC Bylaws Article IX which allows legal proceedings up to and including foreclosure. All fees expended including legal, court filing, and mailings in the pursuit of the collections shall be paid by the member responsible (LLCC Bylaws Article IX).
8. At 181 days past due a lien will be recorded with the county and the account will be sent to the attorney.

*Payment plan: A meeting with the member/owner will need to be scheduled. The payment plan will be agreed upon in a case-by-case basis. The payment plan must work for LLCC, as well as the member/owner. The member/owner will sign a copy of the plan and a Promissory Note. If the payment plan is not complied with as agreed, the payment plan is voided and collection attempts will resume immediately.

Timeline:

1-10 days

- Monthly invoice Dues and Water payable by end of month

31-60 days

- courtesy phone call and/or email and letter mailed

61-90 days

- courtesy phone call and/or email and letter mailed
- require payment plan
- warning at 91 days be declared member not in good standing
- warning at 91 days charged 1% interest/month

91-120 days

- courtesy phone call and/or email and letter mailed per RCW 64.38.100
- member has 30 days to pay account balance
- member declared not in good standing
- account charge 1% interest/month
- water service is turned off

121-180 days

- warning letter of intent to file a lien and turning account to an attorney
- letter includes all legal fees and other collection expenses will be paid by the Member

181 days

- file lien and send to attorney