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**Collections and Delinquent Accounts Policy**

Approved by: The Board of Directors  
 Date: mm/dd/yyyy

**Revision History:**

Revision Date	Description of Change
05/02/2025	2025 Policy Executive Committee - Rewrite

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### **1.0 PURPOSE**

1.1 Ensure the Association is consistent in applying late fees, interest and related penalties when a Member Account becomes delinquent.

### **2.0 SCOPE**

2.1 Applies to all Members of the Association.

### **3.0 DEFINITIONS**

3.1 Assessments include Annual Assessments (Property Owner Assessment (POA) or Dues, Special Assessments, Maintenance Charges, Special Use Fees, or any other fees, fines or charges assessed in accordance with the Association's Governing Documents.

3.2 Member Card is a card issued by the Association to a Member for the purpose of internal charging at Food & Beverage venues, golf, fitness, etc.

3.4 Member (Owner) refers to the person(s) who have legal responsibility and authority for a lot within the Association, also referred to as Lot Owner.

3.5 Delinquent Date

3.5.1 All Assessments - 16 days after the due date

3.5.2 Member Card - Day after the due date

### **4.0 RESPONSIBILITIES**

4.1 The Board of Directors has defined the Delinquent Date (above) and the following policies related to billing and collections:

4.1.1 Assessments and/or Member Charges not paid to the Association by the Delinquent Date shall be considered past due and delinquent. Assessments and/or member charges of more than 90 days in arrears will result in the suspension of the member charging privileges. Member is responsible for interest that accrues at a rate of 18% per annum on all delinquent accounts plus all related costs, including attorneys' fees, which may be incurred by the Association.

4.1.2 In addition, the Association may charge a late fee equal to the greater of \$15 or ten percent (10%) for all delinquent payments (or such a greater amount or percentage as allowed by law), which late fee shall also bear interest at the rate specified above from the date the Assessment or Member Charge is delinquent.

4.1.3 Interest and late charges will be applied in accordance with state law.

4.1.4 The Board of Directors shall establish a Delinquency Appeals Team annually.

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4.1.5 The Association may file a Notice of Delinquent Assessment against the Lot of any Owner(s) who is delinquent in the payment of any Assessment in accordance with Article VII of the CC&Rs and applicable law. However, the Association's lien arises automatically from the CC&Rs and no such Notice of Delinquent Assessment is required to be recorded for the lien to be in force. All fees incurred by the Association in the filing of a Notice of Delinquent Assessment (including costs to remove the lien) will be added to the amount the Owner owes to the Association.

4.1.6 The Association may enforce the payment of any delinquent Assessments and/or Member charges and other fees in accordance with Section VII of the CC&Rs, any other applicable provision of the Declaration or Bylaws, or any other remedies available at law or in equity. All costs associated with any action taken by the Association will be added to the amount owed to the Association and shall be the responsibility of the respective Owner(s).

4.1.7 The Association may foreclose the lien against the Lot (in accordance with state law) which may result in the Owner's loss of the property.

4.1.8 The Association may initiate a lawsuit to obtain a personal judgment against the Owner(s) and collect that judgment through garnishment, attachment or execution.

4.2 The Chief Operating Officer (COO) may review and recommend changes and amendments to the policy for the Board's review and approval.

4.3 The COO shall develop and enforce procedures in support of this policy.

4.4 The COO will notify the Board Secretary of new or changed procedures in support of this policy.

## **5.0 ATTACHMENTS**

**NONE**

## **6.0 REFERENCE**

6.1 Article VII, Section 9 of the CC&Rs