



**SMOKLER TRUESDELL HOMEOWNERS' ASSOCIATION
DUES COLLECTION PROCEDURE
Revision 3c – Approved March 15, 2016**

Section 1. Purpose. Dues are an obligation of all subdivision homeowners. Association dues are important to providing services and maintaining our association parks. Association dues are described in Article XI of our Association By-Laws (http://www.parkwoodestates-cantonmi.org/pdfs/smokler_truesdell_by_laws_restrictions_and_convenants.pdf).

“As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six (6%) percent per annum and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and reasonable attorney fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area(s) or abandonment of his Lot.”

Section 2. Requirements. Association By-Laws define the fiscal year beginning on January 1st and ending on December 31st of every year. Association dues are therefore due January 1st of each year. If the assessment is not paid within thirty (30) days after the due date, a 6% delinquency fee shall be added to the assessment.

Section 3. Billing and Collection Process. The following process shall be used for collection of all member dues.

1. Dues notices shall be mailed to all association members no later than December 1st of the previous year.
2. Per association By-Laws dues not paid by January 31st shall be deemed late and incur a delinquency fee of six percent (6%) per annum.
3. Second Notices shall be sent no later than March 1st. Second Notices shall include the delinquency fee.
4. Delinquencies greater than \$300 or more than 2 years in arrears shall be sent a notice of impending court action. The notice shall include a mandatory date for payment. Thirty (30) days shall be the typical time allowed. The letter shall describe possible next steps and that the member shall be responsible for associated costs. The letter may be followed up by a visit by an association board member. If payment is not received by the due date, action in Small Claims Court shall be taken.
5. Residents against whom a court judgement has been issued shall be sent a notice of impending Property Lien. The notice shall include a mandatory date for payment. Thirty (30) days shall be the typical time allowed. The letter may be followed up by a visit by an association board member. If payment is not received by the due date a lien shall be placed on the property. A copy of the lien along with a letter of explanation shall be sent to the homeowner.
6. Properties with liens shall be submitted to a professional collection agency. A notice shall be sent to the member stating this action has been taken. An association administration fee shall be added to all delinquencies submitted for collection.
7. Liens shall be discharged within 30 days of payment or proof of payment as described in Section 5.

Section 4. Application of Payments. In the instance where partial payments are made the payment shall be credited toward the oldest debts first.

Section 5. Proof of Payment. Association members are encouraged to maintain proof of payment and immediately notify the association board of any billing discrepancies. The association board will accept any reasonable documentation as proof of payment (examples: check copy, banking statement, check book register, association receipt). The association will reimburse members the DIRECT cost related to obtaining proof of payment. Typical costs include obtaining copies of checks and bank statements. Reimbursement requests **MUST** be accompanied by receipts. Reimbursement costs shall be limited to \$50 per annual billing unless prior approval by the association board.

Section 6. Record Retention. Copies of this procedure shall be maintained as described in *Creation, Approval and Amendment of Board Procedures.*

Section 7. Publication and Notification. Notification and availability of this board procedure shall be done in accordance with *Creation, Approval and Amendment of Board Procedures.*