

**BOARD OF DIRECTORS
CRUMBACHER ESTATES OWNERS ASSOCIATION**

Policy #005

Late Payments

Approved: March 28, 2011

Updated: September 29, 2014

The By-laws of the association state that the operating costs of the water system are to be borne by all members equally.

It is the responsibility of the Board of Directors to ensure that timely payments are made by all members.

The Board of Directors established by majority vote on March 28, 2011 that accounts with an unpaid balance after the due date shown on the billing are considered delinquent.

When any member's account becomes delinquent, the following steps shall be taken to encourage the prompt payment of the account:

1. Late fee: A monetary penalty of \$25.00/billing cycle (two months) shall be assessed on all subsequent billings, as approved by majority vote of the Board on January 30th, 2012.
2. Verbal notice: The Board of Directors may verbally notify the member of the current delinquency of their account; however, the Board reserves the right to proceed directly to written contact for any reason.
3. Written notice: When an account reaches 60 days past due, a letter from the Board of Directors shall be sent by certified mail, notifying the member of:
 - a. The amount by which the account is in arrears,
 - b. That payment in full is required within 10 days of receipt of the letter,
 - c. That water service will be shut off if payment is not received by the deadline,
 - d. The charges that will be assessed for water shut-off and resumption of service,
 - e. That a lien for the full amount of the delinquent account will be placed against the property.
4. Water shut-off: If payment is not received by the stated deadline, the Board shall direct the water system operator or a Board member to discontinue service to the property. The valve will be locked, and the meter removed (if so equipped).
5. Lien: If payment is not received by the stated deadline, the Board shall file a lien against the property for the amount of the delinquent account.
6. Foreclosure: Any account two years overdue shall be resolved by foreclosure of the property, as approved by majority vote of the Board on June 15th, 1989.

The Secretary-Treasurer shall have full discretion to waive late fees and interest payments, and to establish a payment plan to assist members in bringing their accounts current.