

BOARD RESOLUTION

POLICY RESOLUTION 2023-01

Relating to the establishment of a collection policy for overdue assessments.

WHEREAS, in accordance with the Association's governing documents, assessments, interest, late charges, costs of collection, reasonable attorneys' fees, etc., as applicable, shall be a charge and lien upon each Unit; and

WHEREAS, the Association's Board of Directors (the "Board") has been granted all of the duties and powers granted to it by the {Pennsylvania Uniform Planned Community Act, 68 Pa.C.S. §§5101 et seq. (the "Act")}

WHEREAS, the Board must act in the best interests of the Association, and one of the primary functions of the Board is to ensure that the Association remains financially solvent to meet ongoing financial obligations. A critical component of that function is ensuring the timely remittance of assessment payments and other amounts due from each Unit Owner. To encourage Unit Owners to remit timely payment, the Board has enacted this Policy Resolution effective as of the date set forth below.

THEREFORE, BE IT RESOLVED THAT all prior resolutions or policies pertaining to the collection policy of the Association are hereby repealed and replaced by this Resolution and in accordance therewith the Collection Policy of the Association shall be as follows:

1. AMOUNTS PAYABLE TO THE ASSOCIATION include, but are not limited to, regular assessments, special assessments, fines, late fees, interest, repairs to the common area or Unit that are the Unit Owner's responsibility, legal fees and other costs associated with the collection of funds on behalf of the Association.
2. PAYMENT SCHEDULE. The regular assessment is payable on or before the first of each month and is considered late if the payment is not received by the 30th of the month in which it is due.
3. LATE FEES, NSF & INTEREST CHARGES. A one time late fee of thirty five dollars (\$35.00) shall be charged on all late payments and on any outstanding balance that exists each month thereafter. Interest on past due amounts may also be charged in accordance with the Governing Documents. Checks returned to the Association for "Non-Sufficient Funds" (NSF) or invalid account numbers will be charged an additional ten dollars (\$10) to cover the costs incurred by the Association.
4. ORDER OF CREDITING PAYMENTS. Payments are generally first applied to the oldest assessments owed, then to late charges, interest, or collection expenses. If an account is turned over for collection as addressed herein, the collection agency will determine the application of payments.
5. PROCESS FOR DELINQUENCY NOTIFICATION. For all balances that are thirty (30) days past due, the following notification process applies:

- a. **FIRST NOTICE.** A First Notice of Delinquent Assessments including detail of assessments, late fees, NSF charges, interest and other charges that apply will be sent by regular mail or electronic mail to an owner whose balance is thirty (30) days past due.
- b. **SECOND NOTICE.** A Second Notice of Delinquent Assessments including detail of assessments, late fees, NSF charges, interest and other charges that apply will be sent by mail or electronic mail to an owner whose balance is sixty (60) days past due.
- c. **10-DAY DEMAND/FINAL NOTICE.** A 10 Day Demand for Payment from the Association’s legal counsel including detail of assessments, late fees, NSF charges and interest charges that apply will be sent to an owner whose balance is ninety (90) days past due. This Notice will be sent by Certified Mail and indicate the Association’s intent to turn the matter over to a collection agency for collection enforcement if the balance is not paid within 10 days.
- d. **COLLECTION.** Once a delinquent balance is turned over for collection, whether due to the amount owed or amount of time the balance has remained unpaid, the following additional charges will apply and will be deemed assessments collectible hereunder: \$400 collection fee added to the Unit Owner’s account, \$100 administrative fee added to the Unit Owner’s account, reporting of the debt to any/all appropriate collection reporting bureaus, a publicly recorded lien against the Unit, a personal judgment against each Unit Owner and/or foreclosure on the Unit.
- e. **LEGAL FEES.** In any action brought by the Association as provided in this policy, the Association shall be entitled to recover legal fees incurred in connection with the action against the Unit Owner in addition to all other amounts due hereunder.

This resolution has been approved by a majority of members of the Board and is effective as of the date set forth below.

ATTEST:

_____	_____
Treasurer	Date

_____	_____
President	Date