

# **TORRINGFORD FARMS ASSOCIATION, INC.**

## **RESOLUTION OF THE BOARD OF DIRECTORS**

*January 17, 2023*

WHEREAS, the Board of Directors has determined the need to formally adopt a collections policy as part of its rules in conformance with the State of Connecticut's allowance for notice and comment by homeowners,

WHEREAS, Article 24 Section 24.2 paragraph c. and m. of the Declaration of Tarringford Farms Association and Article II Section 2.2 paragraph c. and l. of the Bylaws of Tarringford Farms Homeowners' Association gives the Board of Directors the responsibility of assessing and collecting common fees, assessments and fines,

WHEREAS, as required by Connecticut State Statute Section 47-261b, provides that the executive board will give not less than 10 days' notice of its intent to adopt, amend or repeal a rule including the text of the proposed rule or amendment, or the text of the rule proposed to be repealed,

WHEREAS, Article 23, Section 23.1, of the Declaration of Tarringford Farms Association requires that the executive board provide the unit owners with notice and the right to comment before amending the Rules and that the right to notice and comment does not entitle a unit owner to be heard at a formally constituted meeting, and that notice and opportunity to comment was provided via US mail to all owners through the notice dated February 9, 2023.

Be it Resolved by the Board of Directors of Tarringford Farms Association formally adopt the TFA Collection Policy to read as follows:

### **Collection Policy for Unit Owners**

The Tarringford Farms Association's Board of Directors would like to update and allow all units' owners the opportunity to provide feedback on the updated policy and the financials ramification they may face if an account falls in arrears. The intent here is to heighten everyone's awareness of these policies and practices if payments are not made in a timely manner. Below is an explanation of the collection policy.

- Monthly common charges, payable to Tarringford Farms Homeowners Association are due on the first day of the month to be sent with a voucher coupon and enveloped mailing label which goes directly to the address provided by the management company for account posting. Payments are considered late and delinquent if not received on or before the fifteenth (15<sup>th</sup>) in which they are due.
- If you own multiple units, you need to include a coupon for each unit that you own for which payment is being directed.

- Any charge to a unit including, for example, service charges, late fees, statement charges, fines, special projects fees, collection costs, etc., will be posted to the common charge account and subject to the same policies as common charge payments.
- In all cases, payments received will be **applied to the oldest obligation first.**
- Any balance after the grace period date of the 15<sup>th</sup> of the month will receive: a late payment penalty charge of **\$40** per month, a \$10 Statement Charge. **The proposed rule change is that the late payment penalty will be increased to \$50.00.**
- A “delinquency balance” reminder letter may be sent to the unit owner if the balance is 30 days or more past due.
- Common charges that are 60 days past due will receive a “Warning to Turn over to Collection Attorney” letter further reminding the unit owner of a balance in arrears.
- Common charges that are 90 days past due are referred to the Association’s attorney with an “Outside Counsel” letter for collection and foreclosure proceedings. This collection status will result in costs of collections to be borne by the unit owner.
- In accordance with Association’s Documents and State Law, all costs associated with collecting or foreclosing a delinquent account (including but not limited to attorney fees and court costs) are the responsibility of the unit.

Unit Owners will receive a monthly statement if a balance remains on the account following the  
grace period.

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