

3/5/19  
Att. 1

## Property Tax Report

In January of 2019 the office received a notification that a property had been sold off for delinquent taxes and we had until August 8, 2019 to resolve the issue with full payment of all arrearages. Accounting Assistant, Barb Grissom and BOD Treasurer Deb Martin worked to resolve this issue. After many calls to the Macoupin County Collector's office, trips to the bank for cashiers checks, and many calls with the lease holder to get financial responsibilities handled, we felt the issue was resolved. On February 14, 2019 a call was again received from the Macoupin County Collector's office stating they could not take the cashier's check because the Tax Buyer had increased the bill by \$35 and the state law requires full payments only. After a nearly hour long phone conversation with Barb and Deb the decision was made to use \$35 from Petty Cash and Deb Martin would drive to the Macoupin County Court house to resolve the issue in person before further charges were assessed.

Anne Boehm, the Macoupin County Collector explained to both Deb Martin and Barb Grissom the process for which she deals with delinquent taxes. Within 90 days of the final September payment she holds a delinquent tax sale. All delinquent taxes are put up for auction at the court house and Tax Buyers purchase those bills for pennies on the dollar. Under Illinois law, the Tax Buyer can then charge any rates, fees, or penalties they wish at any time they wish. This is what happened to us in the above property. From the time we sent the check, to being received 3 days later, they had charged another \$35. If the property owner does not resolve tax bills within 3 years the Tax Buyer, through process of the court, will become the owner of the property. We later found out the \$35 was in fact the process to begin court proceedings to take ownership of Sunset Lake Association land that was currently leased. This would have resulted in an asset of Sunset Lake Association being lost due to negligence on the lease holder and Sunset Lake Association's part.

Ms. Boehm was very helpful and pulled the books to find all Sunset Lake Association properties and who was behind on taxes. We found that lot 272 is two years behind with a current amount of \$3773.46. and lot 98 with \$1859.15 for year 2017 payable in 2018. We also learned that every 6 months additional interest is charged to those above anything the Tax Buyer may charge. Interest is being charged at 12% each period.

After a lengthy discussion with Ms. Boehm we put into action a plan to insure Sunset Lake Association land would not fall into delinquencies in the future. This plan has already met opposition from at least one board member. We were advised by Jared Guiffre to consider putting a financial penalty in place for SLA having to deal with this, place a lien on the leaseholder, and begin legal actions immediately to recover all funds if necessary. The Finance Committee will discuss this on Thursday and bring a recommendation to the Board in April for a vote.

At least one board member feels the lease would transfer to the new owner. This is not the case. The land would no longer belong to the Sunset Lake Association and thus no assessments would be collected, no rules would have to be followed on the water or on association property. We could not deny access via our roads to the property either. They would not be allowed to use our boat ramp, drop anchor on our lake bottom or tie up to any lake owned property, but they could tie up to any member dock as a visitor.

Barb has contacted the 2 delinquencies and notified them they needed to resolve this issue within 30 days. She has been in continuous contact with the Collector's Office.