

Association Accounting Fees

Our fiscal year begins May 1 and the quarterly dues billings are on May 1, August 1, November 1 & February 1.

Payment is due by the 15th of the month, and late fees will be assessed on unpaid balances on the first day of the following month.

You can sign up for automatic bank debits. This is the most efficient way for the Association to receive payment. It is also very convenient for owners, especially for owners who travel a lot. Bank debits happen on the 20th of the billing month, and any account changes must be received by the 15th of the month.

We also offer an automatic credit card charge program. This is the most expensive way for the Association to receive payment, but it is very popular with owners. Credit card charges happen on the 20th of the billing month. It is the owner's responsibility to keep current information on file, and any account changes must be received by the 15th of the month. Given the increasing frequency of card numbers being compromised throughout the system, it is imperative that owners notify us immediately upon receipt of a new card.

Regardless of the method of payment there is a \$25 fee charged on all returned items. Insufficient funds, closed bank accounts and cancelled credit cards will all lead to a payment being returned as not collectible. A \$25 fee will be charged to the owner to cover the cost of resolving the problem, and a late fee will be charged if the problem is not resolved prior to the beginning of the next month.

The \$25 fee for returned items is consistent with the Association's other collection policies. There are costs of collections that have to be paid for. This type of expense could be included in the operating budget and therefore in the dues, but then every owner would be paying a portion of the cost to collect from an individual owner who has not paid his or her fair share.

It has always been the Association's policy to charge the individual unit owner the full cost incurred to collect delinquent balances. This helps keep the dues down for all of the other owners who pay on time. This philosophy was extended to the collection of returned items a year ago.

Here are the fees for collections:

Free Courtesy Reminder is sent when a bill becomes 30 days old. 1.5% interest is charged on the balance, but no collection fee.

\$25 Collection Letter is sent when a balance reaches 60 days old, and 1.5% interest is charged on the balance, including the previous interest late fee. So the late fee is compounded interest of 18% per year.

\$50 Collection Letter is sent when a balance reaches 90 days old, and 1.5% interest is charged on the balance, including the previous interest late fee and collection fees.

Shortly after the 90 day collection letter is sent, the account is turned over to the Association's attorney to pursue all available remedies. There is no way to predict the costs of this process, but the owner is billed 100%, and short of a bankruptcy or a bank foreclosure, the Association will be able to collect these costs.

