

BROMLEY VILLAGE ASSOCIATION, INC.

OWNER BILLING, PAYMENT AND COLLECTION POLICY

This document represents the owner billing, payment and collection policy of the Bromley Village Association, Inc. (BVA) and is effective immediately. It is the policy of the BVA to manage its financial affairs in a competent businesslike manner. In order for operating expenses and capital projects to be planned and accomplished, assessment invoices must be paid promptly by BVA Members. The BVA believes it is important that payment discipline be maintained not only to assure its financial security, but also to eliminate any inequities that may arise when prompt payment of amounts due does not occur.

Under normal circumstances BVA dues will be billed via email on or about December 1st, shortly after the BVA's Annual Meeting, and June 1st and are *due upon issuance*. It is the responsibility of each unit owner to ensure the BVA has a current email address. Special arrangements for direct mail can be made for those without an email address. While the BVA has initiated many procedures to alert owners with respect to outstanding balances, ultimately it remains the owner's responsibility to make prompt payment of balances due to the BVA.

Accounts not paid before the end of the month of the date of issuance of the bill will be sent a delinquency notice and charged 1% interest on the unpaid balance in addition to the administrative fee charged by the Management Company for sending each delinquency notice.¹ Thereafter, the 1% interest will be charged for each month any overdue balance remains unpaid.

Should any outstanding balance remain unpaid after two months from the date of issuance (*viz.* approximately 60 days), a second delinquency notice will be sent to the unit owner and incur a \$50 late fee² plus the administrative fee for sending each additional notice.

No Unit Owner that is over 60 days past due on assessments may use the common facilities at the Bromley Village Community. This includes use of pool, tennis, clubhouse, exercise equipment, fire pit, playground, shuttle and roads. This extends to not only the Unit Owner but to their family, rental tenants and guests. The BVA may suspend the offending Unit Owner's membership rights and privileges until the violation is abated except as limited by 27A V.S.A. §3-102.

When the account balance is 90 days past due the account will be forwarded to the BVA's attorney for collection including sending a Fair Debt Collection Practices Act letter to the Unit Owner. The BVA will bill the owner for all costs pertaining to the collection of the outstanding balances including attorney fees, necessary filing fees, administrative fees and collection agency expenses. The BVA reserves the right in such situations to require an assignment of any net rental revenue that may be derived from the unit. It is the intent of the BVA to use all of the collection tools available under its Declaration, Bylaws and Vermont and federal law to achieve this policy.

If after 90 days the balance remains unpaid and if approved by the Board of Directors, civil litigation and foreclosure will be initiated by the BVA attorney through service of complaint and filing of appropriate documents. The BVA will bill the homeowner for all costs of collection. The collection costs will include the Sheriff's fees for service and court filing fee of approximately \$400 and the attorney's actual fees and costs plus administrative fees for mailing such notice(s). These costs are not reversible once the attorney is engaged

¹ One percent (1%) per month is equivalent to the Vermont Legal Rate of Interest of 12% per annum.

² The Board of Directors assesses the \$50 fee based on its consultation with its Property Manager and its Attorney and its conclusion that under the totality of the circumstances at Bromley Village that fee is a reasonable estimate of the inconvenience, time, cost and expense suffered by the Association arising out of repeated pursuit of the non-paying unit owners.

Adopted March 22, 2017

Revised August 24, 2021



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for the collection and suit is commenced. Attorney fees will increase as the collection and/or foreclosure continues and can easily exceed four thousand dollars (\$4,000) if pursued to judgment.

FLEXIBILITY

When appropriate, it is also the Policy of the BVA to be flexible when circumstances support allowing more time to pay dues or with owners who are having difficulty meeting their financial commitments to the BVA, but have demonstrated a concerted effort to both reduce outstanding balances and stay current with recent billings. However, the financial wellbeing of the BVA will be the first and foremost priority. Should an owner anticipate difficulty meeting their financial obligations, they should contact a member of the BVA Board to schedule alternative payment arrangements. Any payment agreement between the owner and the BVA Board must be in written form, signed by both parties, and approved by either the President or Treasurer of the BVA.

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