

## **Policy and Procedures on Collection of Annual Fees**

An Operating Encumbrance that is registered on properties in the subdivision secures the Blackburne Creek Homeowners' Association assessment fee. The Blackburne Creek Homeowners' Association considers the non-payment of fees to be unfair to the neighborhood as a whole. The following procedures are used to collect such fees.

- The annual fee for single family dwellings is currently set at \$90 and \$60 for condominiums and other multi-family units.
- The fee covers a period from July 1st of one year to June 30th of the following year.
- The invoice for the fee is sent in May or June of each year.
- Fees are due July 31st, after which interest (currently 1.5% per month) is charged on the outstanding balance.
- If fees are unpaid by August 31, a written reminder will be sent to the (now delinquent) Homeowner. This written reminder incurs an additional penalty of a minimum of \$25 and will be amended by the Board as needed from time to time to reflect collection costs. Interest and charges are added to the fee for title searches to identify the current owner when the arrears invoices are sent.
- These fees, penalties, and interest will be added to the total amount owing and will not be waived unless in cases of severe circumstances, with the severity of such circumstances to be decided by the Board. Such circumstances do not include errors or omissions by a Homeowner's lawyer who neglected to advise a new Homeowner (to the Homeowners' Association) that there is a caveat registered requiring the payment of Homeowners' Association fees. In these cases, the Homeowner is advised to seek reimbursement from the lawyer directly. In cases where the lawyer refuses to acknowledge their errors or omissions, the Homeowner will not expect the Homeowners' Association to waive or otherwise reduce their indebtedness to the Association. Such delinquent homeowners are expected to pursue the matter through the Law Society if need be.
- If any fees are still unpaid by November 30, a second letter will be forwarded to the Homeowner at an additional penalty of \$25 plus interest accrued. The new balance owing will be the total of the dues, all penalties, title search fees, and all interest to the date of receipt of payment, with any outstanding balances to be considered in arrears. The delinquent homeowner is strongly advised to consult with the Board to determine their current indebtedness in order to avoid further penalties.
- Notwithstanding those accounts transferred to the Collection Agency, the Board will accept partial payment of fees although any outstanding balances will be considered to be in arrears and subject to these procedures.

- A refusal to pay the penalties, interest, or any portion thereof will be considered to be an outstanding debt to the Homeowners' Association and recovery will be pursued as per any other outstanding debt.
- At the first Board meeting of the new calendar year, the Board shall determine all delinquent accounts and forward a list of such accounts to a Collection Agency with a summary of all moneys owing on each account. At this point, the Board will not accept direct payments from delinquent Homeowners as this would violate our contract with the Collection agency.
- At a mid-calendar year meeting of the Board, the Board shall determine outstanding accounts from the past year and forward those to the Association lawyer for collection through the Courts. Thereafter, the Association lawyer shall use such means as are available under the Operating Encumbrance and to creditors in Alberta to recover any and all fees, penalties, interest, solicitor fees, bailiff fees, and any other fees incurred in the collection of such debt including seizure of household and personal goods and foreclosure on the subject property.
- The current owner is responsible for all charges incurred against the property

*Initially Adopted – 2012*

*Revised – 2016*