

BIRCH BAY VILLAGE COMMUNITY CLUB, INC.
POLICY RESOLUTION NO #26-04-17-14

PURPOSE: To establish a policy which will allow Birch Bay Village Community Club, Inc. Management to collect unpaid monies owed to the BBVCC from Members for services, fees, fines, and citations. This policy will govern collection of monies owed that are not governed by Policy Resolution No. #25-12-19-13.

WHEREAS, there are various services, fees, fines and citations that Members of BBVCC may be obligated for or subject to. These include but are not limited to fees listed on the BBVCC 2014 Fee Schedule attached hereto as Exhibit A and the Schedule of Fines attached as Appendix A to the BBVCC General Rules & Regulations and the ACC Fines attached as Appendix B to the BBVCC General Rules & Regulations.

WHEREAS, RCW 64.38.020(10) and (11) authorize BBVCC to impose and collect any payments, fees, or charges for the use, rental, or operation of the common areas, and levy reasonable fines.

WHEREAS, the Board of Directors of BBVCC is charged with the responsibility of collecting all monies owed to BBVCC.

WHEREAS, generally payment of services, fees, fines, and citations are due within 30 days of being invoiced.

WHEREAS, from time to time Members become delinquent in their payment for services, fees, fines, citations and other charges.

WHEREAS, the Board deems it to be in the best interest of BBVCC to adopt a uniform and systematic procedure for dealing with delinquent monies owed in a timely manner, and further believes it to be in the best interest of BBVCC to refer these amounts owed to an attorney for collection or to pursue collection by other means.

NOW, THEREFORE, BE IT RESOLVED: That the following steps shall be taken by the BBVCC Management to collect overdue services, fees, fines, and citations.

1. This Resolution shall not apply to the collection of assessments or dues that are already governed by the Collection Policy found at Policy Resolution No. #25-12-19-13.
2. If any amount over ten dollars (\$10.00) owed BBVCC remains unpaid by an owner for more than thirty (30) days from the due date for its payment, the General Manager is instructed to send a notice to the Member indicating the amount due, including notice of the late payment fee, if any, and demand for immediate payment thereof (“Initial Collection Letter”) Additionally, if the obligation owed is due to some service being provided by BBVCC, Management is instructed to restrict the Member’s access to such service. For example, if the obligation is for the gas dock, the Members access to their gas card will be removed.
3. Management is authorized after the Initial Collection Letter to take any further actions to obtain payment as authorized by the governing documents of BBVCC.
4. If payment is not received within thirty (30) days of the Initial Collection Letter the General Manager is instructed to send a second collection letter which shall state that if the amount owed, plus any late fee, is not paid within thirty (30) days, the Board will propose

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suspension of certain Membership amenities and rights (declaring a Member “not in good standing”), and implement the right to record a lien in the land records of Whatcom County against the property (including legal fees, interest, and lien fees), **if applicable**. The Board will set a date for the Pre-Sanction Hearing, which will follow the Hearing process as outlined in BBVCC Bylaws at Section 7.9. The Member will be sent a certified letter advising them that they have the right to address the Board on the date specified. The letter is to be sent at least fourteen (14) days prior to the Hearing.

5. Prior to recording a lien in the land records of Whatcom County against the Property, the General Manager shall consult with the Board President and BBVCC’s attorney.
6. Upon recordation of a lien with Whatcom County, BBVCC’s attorney will send a copy of the lien with his cover letter to the owner of record to include notification of possible foreclosure.
8. If, after twelve (12) months from the original due date, amounts are still delinquent, Management and the Association President will confer with BBVCC’s attorney regarding strategies for collection. Additionally, Management is directed to consult with the Association’s attorney and turn over for collection any account where the owner files or is subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure of its lien against any property. The Board may refer any account delinquent in the amount of one thousand dollars (\$1,000.00) or more to BBVCC’s attorney at any time.
9. Once a Member’s account has been referred to BBVCC’s attorney for collection and the account remains delinquent, BBVCC’s attorney is authorized to take such further action as they, in consultation with the Board President and the General Manager, believe to be in the best interest of the Association, which includes, without limitation:
 - a) filing suit against the delinquent homeowner for money due;
 - b) instituting a foreclosure of the Association’s lien;
 - c) filing a proof of claim in bankruptcy;
 - d) seeking the appointment of a receiver; or
 - e) filing suit in small claims court.

THIS RESOLUTION was adopted by the Board of Directors on April 17, 2014 and takes effect on June 6, 2014.

BIRCH BAY VILLAGE COMMUNITY CLUB, INC.

Harry Shearer, President

ATTESTED TO:

Terry Sullivan, Secretary

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