

CHAPTER FOUR - Section 4.02N
DELINQUENT DUES, FEES AND ASSESSMENTS

Date:	Sept. 21, 1989
Amended:	July 29, 1999
Amended:	Sept. 30, 1999
Amended:	March 22, 2007

I. POLICY

It is the policy of the LMOA Board of Directors to meet the objectives, and stated purposes of the LMOA, as expressly set forth in the Articles of Incorporation, and the Board of Directors has the duty and obligation "to make appropriate charges, in the form of dues, levies or assessments against the members of the Association as compensation for services rendered or provided; a duty to preserve the corporation's assets and to finance collection of such dues, levies or assessments."

II. RESPONSIBILITIES

Aggressive implementation of the above policies and procedures is the responsibility of the General Manager.

III. APPLICATION

The payment of dues, fees, charges and assessments by members of the Association must be received by LMOA not later than the due date established by the Board of Directors.

Should a member fail to make payments of dues, fees, charges and assessments within 30 days of the due date,

- A. the member shall be considered delinquent and the member's entitlement to vote shall be suspended with regard to each and every lot owned by him/her;
- B. a letter will be sent to the member notifying him/her of the delinquency and giving 10 days from the date of the letter in which to bring the account current. If payment is not received nor payment arrangements approved by the General Manager within the stated 10-day period, the following action will be taken by LMOA:

Step 1. Dues, fees, charges and assessments for the ENTIRE calendar year shall be immediately due and payable.

Step 2. Compliance Committee: Pursuant to the Virginia Property Owners' Association Act (POAA), Section 55-513 and the LMOA Bylaws Section 2.01, 60 days after the established due date, the member will be notified (at least 14 days in advance by certified or registered mail or by a hand-delivered letter) that he/she has been referred to the LMOA Compliance Committee for adjudication of the delinquency. The member may be heard by the Committee at the assigned time, location and date and may be represented by legal counsel. If the delinquency is confirmed by the Compliance Committee, the member's privilege of using the amenities and facilities (including gate access devices) shall be suspended.

The member may have his/her gate access devices privileges restored by entering into and maintaining compliance with a debt repayment plan approved by the General Manager. Nothing in this policy is to be construed as denying access to the member's lot(s).

Step 3. Memorandum of Lien: Pursuant to the POAA, Section 55-516, Lien of Assessments, LMOA may file a memorandum of lien with the Clerk of Fluvanna County Circuit Court in the name of the delinquent member for unpaid sums due the Association, which indicates the Association's right and intent to proceed with action to collect the unpaid amount. A memorandum of lien is a claim on property to secure the property owner's obligation to pay dues and assessments. The delinquent member will receive at least 10 days written notice of LMOA's intent to file the memorandum of lien. After the lien is perfected, the Association may sell the property at public sale to satisfy the debt.

Step 4. Warrant in Debt: LMOA may proceed against the property owner (named defendants), through the Fluvanna County General District Court, to obtain a Warrant in Debt (civil warrant) to recover the unpaid debt owed by the defendant property owner(s). The court date for hearing the case is stated on the warrant.

Step 5. Fluvanna County General District Court Hearing: The Fluvanna County General District Court will try the case on the date set forth on the Warrant in Debt if parties are ready.

Step 6. If judgment for LMOA is granted by the Court, execution of the judgment is accomplished in accordance with the statutes of the Commonwealth of Virginia and the Association is authorized to do the following:

- a) File an Abstract of Judgment with the Fluvanna County Circuit Court to place a lien on the real property of the defendant. A lien can be enforced by a suit to sell the property to pay the debt.
- b) Garnish the judgment debtor's wages, other income, or the money or credits held by a third party.
- c) Notify the Consumer Credit Bureau of the debt.
- d) Take other legal action as may be necessary including sale of the Lake Monticello property at public auction conducted in compliance with POAA Section 55-516, Lien for Assessments.

The cost of recording liens or other costs incurred in collection of delinquent dues shall be assessed against the person found liable in any judgment or decree enforcing such lien. The judgment or decree in an action brought pursuant to this section shall include, without limitation, reimbursement for costs, together with interest at the maximum lawful rate for the sums secured by the lien from the time such sum became due and payable.

The General Manager shall make available to the Board of Directors information listing the status of delinquencies, to include the name of each delinquent member, the total amount delinquent, accrued interest and/or service charges, and collection action taken toward resolution of each delinquency.

The General Manager may, under circumstances he/she deems reasonable and in the best interests of the Association, negotiate arrangements and terms for resolution of the indebtedness or extend debt relief to a delinquent member.

The General Manager shall make available to the Board, not less than quarterly, information listing the name of each delinquent member to whom settlement of indebtedness or debt relief has been extended, the total delinquent amount including accrued interest and/or service charges, the nature and terms of the agreement, and the status of each.