

**Orchidland Community Association
Collections Policy
Approved 2016-17***

- 1) There is a six-year Hawaii Statute of limitations on collectable fees. Beginning July 1, 2016 this State Statute will be used to calculate the amount of outstanding debt owed to Orchidland Community Association (OLCA) by property owners for unpaid OLCA road fees.
- 2) Mandatory collections will be calculated for only Mandatory Road Maintenance fees owed.
- 3) OLCA property owners owing unpaid road fees will be sent a delinquency notice and given 30 days to contact the OLCA bookkeeper to make arrangements for monthly payments. The full outstanding debt is to be paid to OLCA within one year or late fees will be charged.
- 4) A late fee of 12% per year will be charged at the end of each annual billing cycle and compounded annually**.
- 5) At the end of year-one (1) the debt will be turned over to a collections agency.
- 6) Removal of all minimal interest charges (estimated at one-quarter of a percent) that were added to the overdue billing statements from 1992 to present.

* Reference OLCA Board Meeting Minutes June 21, 2016 and March 21, 2017.

** *OLCA Bylaws, Article IV, MRMA & Collections*: The MRMA will be billed annually or semi-annually. Interest may be charged on all past due accounts, with the rate determined by the BOD.