

**GLA Finance Committee Meeting
Wednesday February 17, 2016 (6:30 – 9:00 pm)
Committee Meeting Minutes – Final
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Committee Present: Rudy Parker-Chairman, Dennis Riley, Charlene Murphy, Charlotte Mizzi, Dan Kehoe

Landowners Present: Tim Murphy Debbie Blais, Debbie DeGraaf, Sally Muto, Donna Andersen, Vernon and Fran Nye, Leo & Dorothy Keeler, Regina Wunsch

1. Review of past due accounts & collection efforts

Meeting called to order 6:46 PM. Of the 75 past due accounts as of 12-31-2015, 8 are paid in full and 8 promised to pay after being called by volunteer Debbie DeGraaf.

Update on recalculations of all of the past due landowner accounts with carryover balances in the “old” 2005 QuickBooks and the “new” 2013 QuickBooks.

2. Regina Wunsch explained for past due accounts with carryover balances in 2005 and 2013 the carry over interest was treated as the principal and penalties by QB, thus inflating the assessment and penalty amount that all finance charges thereafter were based on. Currently the 18% interest on past due accounts has been calculated as simple interest, but the Covenants actually call for compounded interest. Regina will work with Debbie DeGraaf to recalculate the interest and make corrections in a test data base, so the GLA QuickBooks can be corrected for four landowners that need a correct past due amount now. Rudy will call accountant, Julie Inderland, to set up an appointment to discuss the long term fix for these and all other past due accounts.

3. Review of lien filing process

After one year in arrears, the Landowner is sent a 30 day lien warning letter. Followed by a 10-day final warning letter. Then a lien is filed at the courthouse. The lien is not a contractor's lien but a lien based on the GLA Covenants.

4. List of new liens to be filed

A lien needs to be filed for one past due account that recently went through foreclosure. Another lien will be placed on a property that is for sale. 14 more liens will be placed on accounts that are two years in arrears. Denise Kirk agreed to help file these two timely liens and will train Dennis Riley to do future liens. Discussed raising lien filing fee to \$75.00

Action Item: Board vote on March 14 for fee increase.

5. C.U.T. potentially taking back 65NG and 39NG properties

These two properties are owned by C.U.T. with a remainder interest. Each property had a lessee listed on the GLA records who was responsible for the assessments. Not paying for many years they owe \$22,039.41 and \$18,752.88, in assessments and 18% interest and 5% penalties. Dan explained that 18% interest is not legal according to MT State law. If CUT says it

isn't legal we are left with collecting no interest since the covenants didn't include the phrase "or the highest amount allowed by law". If we negotiate some level of interest with them to cover inflation then we won't be collecting just the assessments. Dan, Rudy and Regina will work on a spreadsheet to separate past due assessments, penalties and interest on all the past due accounts. It requires a change to the 18% interest in the Covenants to a legal amount that will stand up in court when these accounts go to the collection attorney.

6. Meeting with collection attorney & questions

Rick Landers is an experienced collection attorney and will be considered for GLA collections. Once the Board gets input from the collection attorney on the proposed changes to the collection policy it will be finalized by the committee and sent to the board, which then needs to approve a version of the collection policy to send to the membership for 30-day review.

7. Discuss Collection Process and draft a proposal for BOD vote March 14. Use of Collection Attorney and possible Foreclosure.

Dan has been working on an updated collection policy that clearly states the foreclosure process. This needs to be finalized, approved by the board, sent to landowners for 30 day review and posted on the website as notice before a collection attorney begins to work on the accounts.

8. Real estate listings for sale in Glastonbury

Of eight properties currently for sale in Glastonbury, only one is in arrears and will receive a prompt lien. One property, SG 51, has been subdivided and 51B, 51C and 51D are listed for sale.

Action Item: Charlene will research when it was subdivided and how many lots there are.

Meeting Adjourned at 8:30 pm

9. Next finance committee meeting

March 30, 2016, 6:30 pm, Liberty Hall.