

*Oh my gosh! I just flipped the calendar page - to September!  
Last I knew I was excited about the beginning of spring!*

## Where did the rest of those calendar months go? Do you ever feel this way too?

by Linda George



Yes, it is time again for the Resort Management Company and Board of Directors to prepare their annual budgets, and now is the perfect time to review the number of association delinquencies. Let the budget shortages determine if a third party collection agency would be beneficial, then start researching those agencies serving the resort industry.

Making those decisions now can be a time and money saver later. As billing statements and late notices are prepared for mailing, additional notices can be added to them stating the dates and amounts of late payment penalties as well as the amount of fees and date of referral to collections. Not only are these notices a legal requirement, as are the requirement to act on those notices, they also substantially reduce the number of unpaid assessments.

When there is no third party collection agency under contract, consideration should be given to securing those professional services. When there is a contracted agency, evaluation of their services is appropriate and necessary.

In both situations, here are a few questions that should be asked. Are the delinquent resort owners contacted with the respect and courtesy they deserve? Do collection efforts continue throughout the entire year? Are foreign owner accounts collected in the same manner as those in the USA? Are the collector notes on the delinquent account records accessible? These are important questions, and YES is the correct answer for all of them.

As a third party collection agency, we would have questions for the Board of Directors or Management Company as well. Do the association by-laws allow the cost of collections to be charged to the delinquent owner? (This provides a cost free service for the association.) Does the association foreclose on those uncollectable account owners? (And there are always uncollectable accounts.) Will the association accept a deed back in lieu of foreclosure when the mortgage is satisfied? The answers to these questions allow us to adjust our

---

**Making those decisions  
now can be a time  
and money saver later....**

---

**Every responsible  
Management Company  
or Board of Directors  
must act in the best  
interest of their  
membership....**

---

published rates accordingly, determine the strength of our demand for payment, and offer a resolution to those owners who lack the means to pay their assessments.

Should the Board of Directors or Management Company encounter questions from a collection agency related to average account balance and delinquency percentages - look or listen

for dollar signs to be spinning. Those agencies are counting their income, not thinking how to best serve your organization.

We are strong supporters for outsourcing delinquent association accounts to professional collectors and yes you should be wary of signing a long term contract. Think of a collection agency as a new car dealership - demand a test drive before buying the whole package! Slam all the doors and kick the tires! It won't take long to know if your butt is comfortable and all the accessories work the way they are intended to work.

Be open minded to change - change can be a good thing, remember how long it took us to stop stomping the floorboards when we wanted dim lights! Whew, now we're talking antiques -let's get back to the new car analogy!

Every responsible Management Company or Board of Directors must act in the best interest of their membership. They must simply determine which agency feels comfortable to work with and if all the accessories complete the package. Any third party agency should be willing to offer a short term or test contract if they are truly interested in selling you their collection services vehicle. "Drive Happy"

---

Linda George is President of Crawford Associates, Inc, now in its sixteenth year of providing collection services exclusively to the resort industry. She can be contacted by calling 800-566-8757 or visiting [www.cairesortservices.com](http://www.cairesortservices.com).