

WLLA FINANCE COMMITTEE: January Report to BOD

Members: Carol Gillen (chair), John Carroll, Lena Fullem, Dan Murphy, Rich Pachler & John Schwenkler

December 8, 2021: Meeting held by Zoom with Carol, Lena, Dan, and John S attending. John C was unable to attend due to change of meeting date from Nov 23 to Dec 8.

- I. **BANK STATEMENTS:** October statements emailed to the committee for review on 11-21-21. Lena, John S, and Rich reviewed and acknowledged receipt. Dan followed up post meeting via email on 12-13-21.
- II. **PAYMENT PLANS FOR 2022:** it is time to follow up on John C's recommendation to make monthly payments available in 2022. The goals are to reduce collections problems by creating a more manageable monthly payment structure – similar to insurance billing, with intentions to use those as a model. The 3 payment plans, first offered in 2020 are also possible and desirable, and both should bear a membership requirement. Need to firm up prior to January billing. A majority of the committee is agreed.

The 2 payments were sent to the committee on Dec 12 as discussed, and a majority of the committee agreed, with 1 dissention.

BOARD EMAIL VOTE #1.... The 2 payment plans were then advanced to the Board Of Directors on Dec 16 as follows:

“Directors,

As you know, a recommendation came out of the Finance Committee some months ago to create a monthly payment opportunity for our property owners. With an eye toward introducing such a plan with our 2022 invoices, please find the text below as our recommendation for the wording for the back of the invoices that would introduce the concept. We are proposing embracing a current, untapped capability with PayLease to accomplish monthly installments, and we are proposing that there be no additional fees imposed by WLLA since the property owners would incur fees from PayLease for each transaction.

NEW! Monthly Installment Plan: To enroll, sign up for recurring payments through PayLease (payable on the 15th of each month).

12 installment payment plan provides for the lowest monthly payment - you must schedule and pay your first recurring payment by Jan 15 in the amount of 1/12 of your total assessment invoice (the total amount divided by 12, round down to the next whole cent).

11 installment payment plan - you must schedule and pay your first recurring payment by February 15 in the amount of 1/11 of your total assessment invoice (the total amount divided by 11, round down to the next whole cent).

10 installment payment plan - you must schedule and pay your first recurring payment by March 15 in the amount of 1/10 of your total assessment invoice (the total amount divided by 10, round down to the next whole cent).

- 1) This is a WLLA member exclusive opportunity. You must pay WLLA dues to be eligible to participate.
- 2) The PayLease fee schedule above applies. Please note that the ACH method is the most cost effective at just \$2.95/transaction and quite comparable to other monthly payment plans that you might be familiar with (like for your insurance payments, for example). There are no additional fees to WLLA to participate in this plan.

- 3) You will receive only your initial invoice in January. This is a paperless plan without the clutter of monthly statements.
- 4) Property owners who opt into this installment plan are not subject to interest provided they maintain the agreed upon payment schedule. Interest will be imposed effective the first cancellation of a recurring payment.
- 5) This installment plan applies to current year assessments only. Prior years' assessments on past due accounts are not eligible.
- 6) Tags will be available after April 1.

We are also recommending that we continue with the 3 Payment Installment Plans that we've been offering since 2020. Some property owners have appreciated this method, using it both years, and it would have lower costs associated with it than the Monthly Installment Plan. The terms were rewritten (streamlined and the \$20 initiation fee that we never actually charged because we waived it both years as covid relief is dropped), and are provided for you here...

3 Payment Installment Plan: To enroll, send in 1/3 of your total assessment (be sure to include membership in your calculation because you must be a member to be eligible) by April 1. **Sign the front of this invoice on the return slip where indicated to opt in.**

- 1) This is a WLLA member exclusive opportunity. You must pay WLLA dues to be eligible to participate.
- 2) \$3 statement fee for the subsequent 2 payments.
- 3) 3 statements/payments per year. 1/3 of the January bill is due April 1, Payment #2 due July 1, Payment #3 due October 1.
- 4) Property owners who opt into this installment plan are not subject to interest provided they maintain the agreed upon payment schedule. Interest will be imposed effective the first late payment.
- 5) This installment plan applies to current year assessments only. Prior years' assessments on past due accounts are not eligible.
- 6) Tags will be available after April 1.

The goal of these plans is to help property owners to better manage the costs, including our increase for this year, so that we prevent additional property owners from falling behind and into collections, combined with minimal impact to administration. We did seek Kathy's collaboration on the monthly installment plan since she has such a big roll in execution."

In a vote of 4 Yes to 7 No, EMAIL VOTE #1, motion was defeated.

BOARD EMAIL VOTE #2... On Dec 20th, a revised motion was brought to the board by Carol to take up removal of the \$20 initiation fee from the 3 Payment Plan as follows:

"...that the board will take up the question on the 3 Installment Plan separately. This is the same payment plan we've been offering. This would be the 3rd year. I've asked to remove the \$20 initiation fee from this plan. This is a fee that was developed as part of the plan when we created it, but we have never charged it. We voted each of the past 2 years to waive it as covid relief. As previously stated, I need this information to be able to have the assessments billed out Jan 1 as these terms are presented on the back of the invoices. I make a motion to remove the \$20 initiation fee from the 3 Payment Plan."

In a vote of 10 Yes to 0 No with 1 No Reply, EMAIL VOTE #2, motion passed.

December 28, 2021: Meeting was cancelled.

- I. **BANK STATEMENTS:** November statements emailed to the committee for review on 12-27-21. Lena, John S, John C and Dan reviewed and acknowledged receipt via email.

Dan questioned the rate of return on the Vanguard account on 12-28-21, and followed up with Vanguard. Research for a recommendation for a different Vanguard fund with a higher return is in process. Input from former Finance Committee member, Bill McCarthy, is also being sought, as he has been willing to lend his expertise to these matters in the past.
- II. **RICH PACHLER:** Resignation from Finance Committee effective 1-1-2022. The community owes Rich a great debt of gratitude for his years of service on the Finance Committee. He came on in the wake of Art's death to deal with the unfolding crisis of knowing that our community had been embezzled, and he has served with great dedication and foresight since then. He has been our guru of insurance related issues, and saved the community thousands of dollars each year in this capacity. His diligent review of monthly expenditures and persuasive discussion of the issues taken up each month will be missed.

Next regularly scheduled meeting is Tuesday, Jan 25, at 7:00 via Zoom.