

Annual Assessment Billing and Collection Procedures

Authority: Declaration Article III Sections 3.04 (ii)(a)(2) and (ii)(b)(4)(c)
Declaration Article V

A. Purpose

These procedures are applicable to the billing and collection of all assessments.

B. Automatic Withdrawal Program

1. The Board will set up a program with a local financial institution designed to perform automatic withdrawals from Owner Members' checking accounts for assessment collection purposes.
2. Unanimity. The Board will offer enrollment to all applicable Owner Members in the program. For those who are not enrolled in the program, the billing and collection procedures outlined below will apply.
3. Withdrawals. Withdrawals will be done quarterly on or about the first day of the quarter.
4. Enrollment. Eligible Owner Members can enroll by executing the appropriate forms and supplying the required information. (Form available at the Association Office.) It is the Member's obligation to timely inform the Association of any changes in that information.
5. Overdrafts. In the event an automatic payment does not go through due to insufficient funds in an account, the Association will follow the collections procedures outlined below. The Member will be responsible for any service charges and costs of collection.

C. Annual Assessment Billings

1. Quarterly. Annual Assessments will be billed quarterly.
2. Full Annual Payment. At the time the first payment of the year is due the Member will have the option to pay the full year's amount due in advance.
3. Address. Invoices will be mailed to the appropriate Members at their address as shown in the Association's records.
4. Timing of Invoices. Invoices will be issued approximately two weeks prior to the quarter to which the assessment is applicable.
5. Payment Due Dates. Payments are due on or before the first day of the first month of each quarter in advance. (Jan 1, April 1, July 1, Oct. 1)

D. Annual Assessment Collections

1. Payment Due Dates. Assessments are due and payable in advance for each fiscal year quarterly, with the due dates being the 1st day of January, April, July and October. Collections shall be handled by the Association's property management personnel.
2. Timely Payment. To be deemed timely, payments must be received (not just postmarked) by the due date at the Association office.
3. Late Charge. Any payment or installment not received within 30 days after the applicable due date shall result in a one-time late charge of 10% of amount owed, being added to the delinquent owner's account for which the owner is responsible, which shall be deemed a part of the indebtedness to the Association.
4. Overdue Notice. An "Overdue Notice" shall be mailed to owners with a delinquent balance on or shortly after such 30 days which shall include the late charge, giving the owner 15 days to pay the delinquent assessment and the late charge.
5. Final Notice. A "Final Notice" shall be mailed by first class certified mail on or shortly after 10 days of the due date of the Overdue Notice. At this time a \$20.00 processing fee (preparation of file and certified mail cost) will be added to the delinquent owner's account for which the owner is responsible, which shall be deemed a part of the indebtedness to the Association. This Final Notice shall advise the owner that unless payment in full is received within 10 days of such notice, the matter may be referred to the Association's attorney at which time the owner will be responsible for all attorney's fees, expenses, and court costs. All of the Association's collection costs and expenses incurred will be added to the account and shall be deemed to be a part of the indebtedness owed to the Association.
6. Legal Action. If an owner is still delinquent 10 days after the date of the Final Notice, the matter shall be turned over to the Association's attorney with instructions to pursue the collection thereof in the manner recommended by the Association's attorney. Thereafter, all communications by the delinquent owner must be directed to the attorney. At this time the delinquent Member's rights to vote on Association matters, enjoy Association services, and to use and enjoy the common Areas, cluster Common Areas, and related facilities is automatically suspended until full payment is made.
7. Partial Payment. Any payments received at any time for less than the full amount then due shall not be accepted as full payment.

8. Failure to Receive Invoice. The failure of any Member to receive billings for regular Annual Assessments will not relieve that Member of the responsibility to make timely payments of same.
 9. NSF Charge. Any fee or cost incurred by the Association due to a non-sufficient fund check or automatic withdraw will be invoiced to the member and due immediately.
 10. Applied Payments. Payments received will be applied in the following order: (1) attorney's fees, court costs and expenses incurred by the Association, (2) collection costs of the Association's property management company, (3) late charges, (4) charges incurred by the Association for "bounced" or "stopped payment" checks, then (5) outstanding assessments.
- E. Rules and Regulations. The Board may promulgate additional rules and regulations to add to or modify these regulations in order to properly administer the Annual Assessment billing and collection procedures.

