



Assessment Billing and Collection Policy

I. Purpose

- A. This document establishes the policies of King's Deer Homeowners Association for the billing and collection of all Assessments due to the Association by the members of the Association.
- B. This document consolidates information and rules from the King's Deer Subdivision Covenants and the King's Deer Highlands Covenants, and the Bylaws of the King's Deer Highlands Homeowners Association. The requirements of State House Bill HB13-1276 are also implemented by this policy.
- C. Where the Covenants and Bylaws are silent on details of financial management, this document provides policies adopted by the Association Board of Directors to ensure the financial procedures of the Association are defined, and that the financial obligations to the Association are met.

II. Definitions

- A. **Account, Member's Account** The financial account associated with a single King's Deer property. A member who owns more than one King's Deer property will have more than one Account.
- B. **Assessments** Any and all monies owed to the Association by Members. This shall include, but is not limited to, annual assessments, fees for service to any individual member, fines, charges for legal services and collection costs.
- C. **Association** King's Deer Homeowners Association.
- D. **Board of Directors, BoD** King's Deer Homeowners Association Board of Directors.
- E. **Covenants** All covenants of the King's Deer Homeowners Association, including the *Declaration of Covenants, Conditions and Restrictions for King's Deer Subdivision* and the *Declaration of Covenants, Conditions and Restrictions for King's Deer Highlands*.
- F. **Delinquent Assessment, Delinquent** An Assessment (as defined above) that has not been paid in full to the Association by the Assessment due date.
- G. **Members** Individuals who appear on the Legal Title of any property in the King's Deer Homeowners Association.

III. Policy

- A. Members are responsible for ensuring the Association has their correct and current mailing address for correspondence and billing.
- B. Assessment billings will be mailed by first class postage to the Member's mailing address maintained in the Association's database.
- C. Assessments are due 30 days after the date the financial obligation is incurred and the due date will be identified in the billing statement. The initial Assessment billing statement will be mailed to

the Member not less than 20 days prior to the Assessment due date, otherwise the Assessment due date will be extended to coincide with a date that is 20 days after the postmark of the Assessment mailing.

D. A \$25 charge will be assessed to any payment made by check or other Debit means that is returned for insufficient funds.

E. Delinquent Assessments are subject to interest at the rate of 8% per annum on the unpaid balance of the Assessment. Interest will begin to accrue on the first of the month immediately following the month in which an Assessment became delinquent.

F. Payments will first be applied to all late fees, accrued interest, legal and collection fees, then to the oldest outstanding invoice.

G. A Member with a Delinquent Account may enter into a payment plan to bring the Account into good standing, when total amount past due on the Member's Account equals or exceeds \$400. The minimum terms of the payment plan will include:

1. The deadline by which the Member must provide a written acceptance of the payment plan as offered by the Association, and if not a written acceptance is not received by the deadline the offer will be considered rejected.
2. Statement that the payment plan offer is a one-time offer and that rejection of the offer by the Member, either explicitly or implicitly, will not entitle the Member to receive another payment plan offer for the same debt.
3. Not less than six monthly payments will be required to resolve the total debt.
4. Monthly payment amounts will be defined and will be relatively equal.
5. The deadline each payment must be received by the Association.
6. The Member's obligation to ensure delivery of the payment on time.
7. Any interest charges to be applied to the outstanding debt during the payment period.
8. Statement of whether accelerated payment will be accepted.
9. Conditions that may void an accepted payment plan and the consequences of a voided payment plan.

H. Prior to the Association turning over a Delinquent Account to an outside agency or attorney for collection, the Association will send a written notice by first class mail to the Delinquent Member to advise of the following:

1. The total amount due, and an accounting of how the total was determined.
2. Whether the opportunity to enter into a payment plan exists and instructions for contacting King's Deer Homeowners Association to enter into the payment plan.
3. The name and contact information for the individual the Member may contact to request a copy of the Member's ledger to verify the amount of the debt.
4. The Member's action required to cure the delinquency and failure to do so within 30 days may result in the Account being turned over to a collection agency, a lawsuit being filed against the Member, the filing and foreclosure of a lien against the Member's property and other remedies available under Colorado Law.

I. Collection may be enforced by collection agency action and legal action, including without limitation, recovery of the Association's collection fees, and attorney fees and expenses.

J. At the discretion of the Board of Directors, a Member may be charged a late payment penalty of \$50 per month each month they have one or more Delinquent Assessments.

K. If “payment in full” is received after the monthly billing date but before the next billing cycle, the Association, at its option, will reserve the right to pro-rate the late charges and/or interest or other fees accrued for that month.

This policy supersedes the former *Policy for Assessment Billing and Collections* approved by the King’s Deer Highlands Homeowners Association Board of Directors on February 28, 2008. This policy shall be effective the day following approval by the King’s Homeowners Association Board of Directors.

Approved and adopted by the King’s Deer Homeowners Association Board of Directors on February 19, 2014

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John Highhouse, President

Allen Alchian, Secretary