

BELLA SERA COMMUNITY ASSOCIATION

***Regular and Special Assessment and Special Charges Policy***

**PURPOSE**

Bella Sera Community Association (Association or BSCA) as directed in its Governing Documents is responsible for the administration of the Association's *Regular and Special Assessment and Special Charges Policy*.

**SCOPE**

The Association's funding through Regular Assessments covers its Operating, Capital Reserve, and Board Reserve expenses.

Special Assessments are initiated by the Association's Board of Directors when an event(s) occurs requiring funding beyond the Operating, Capital, and Board Reserve budgets.

Special charges occur from guest suite rent, access fobs sales and in the case of Owner obligated repair or replacement due to Common Area damage.

**DEFINITIONS**

For purposes of this policy, unless otherwise stated, the following definitions shall apply:

- **Association:** Bella Sera Community Association (BSCA)
- **Regular Assessment:** Monthly Dues
- **Special Assessment:** An expense to specific unit Owners or to all Bella Sera Owners that is approved by the Association's Board of Directors and implemented by the HOA Manager.
- **Board:** Bella Sera Board of Directors
- **Unit:** Bella Sera residential and office unit
- **Unit Owner:** Bella Sera residential and office unit Owner
- **Member:** Unit Owner and Member of the Bella Sera Community Association
- **ACH:** Automated Clearing House
- **Common Areas:** Exclusive of studs-in Owner property
- **Limited Common Areas:** Association property for the use of fewer than all the Owners, invitees, and guests of the Owners.

## **POLICY GUIDELINES**

It is the duty of the Association to provide for the safe and sound operation of the Common Area property located at 4500 Bob Billings Parkway in Lawrence, Kansas. According to the Association's Declaration and Bylaws, this includes the duties to improve, maintain, and repair the Common Areas and Facilities and replace items therein when necessary. (See Reference 1)

The Board of Directors is required to evaluate the operation and capital preservation needs of the Common Area property and approve a budget funded through Monthly Dues, Special Charges, and if needed, Special Assessments. (See Reference 2)

The Association's Property Manager, according to its contract with the Association, annually submits a recommended Operations, Capital, and Board Reserve budget for Board review and approval.

At the Association's Annual Meeting, the Board presents the upcoming year's approved annual budget, projected Monthly Dues and, if needed and known, any Special Assessments.

After the Annual Meeting, the meeting minutes are distributed via email and posted on the Association's official website.

## **MONTHLY DUES AND SPECIAL ASSESSMENTS**

### **Calculation and Collection of Monthly Dues**

According to the Association's Declaration and Bylaws, Monthly Dues are based on a Unit's percentage interest in the Common Areas.

Invoices are emailed to all Unit Owners on the 25<sup>th</sup> of the month for the next month's dues. Invoices disclose the due date, amount due and acceptable payment methods.

Monthly Dues are payable to the Association on or before the 10<sup>th</sup> of each month.

Unit Owners are required to pay monthly dues through electronic ACH effective May 1, 2023. Owners currently paying by check are grandfathered to continue this type of payment. Prepaying dues is acceptable.

Payments may be mailed directly to:

Bella Sera Community Association  
ATTN: HOA Manager  
4500 Bob Billings Parkway  
Unit 118  
Lawrence, KS 66049

### **Calculation of Special Assessments**

**Special Assessments Involving Two or More Owners:** When a dispute is between/among two or more Owners, a Special Assessment is calculated equally upon each Unit Owner involved in the dispute.

**Special Assessment Involving All Bella Sera Owners:** This type of Special Assessment, once initiated and approved by the BSCA Board of Directors and administered by the HOA Manager, is calculated by using the square-foot percentage ownership share of each Unit Owner.

Special Assessments are due as specified in the notice of the Special Assessment.

Payment of a Special Assessment will be drafted via ACH for all Owners, other than those grandfathered to pay by check. Payments by check may be mailed directly to:

Bella Sera Community Association  
ATTN: HOA Manager  
4500 Bob Billings Parkway  
Unit 118  
Lawrence, KS 66049

### **Collection and Consequences of Delinquent Monthly Dues and Special Assessments**

Monthly Dues or Special Assessments are considered past due on the 10<sup>th</sup> of the month following the month the payment is due.

The Association's monthly Financial Statement Aging Receivables report is the source document used to identify outstanding dues or special assessments.

The Association's Property Manager notifies in writing the Unit Owner of past due Monthly Dues or Special Assessments, including any assessed late fees or lien filings. The following chart reflects the Board-approved procedure.

<b>Aging Receivables Category</b>	<b>Send Letter to Owner</b>	<b>Charge Late Fee</b>	<b>Send Invoice Including Late Fee</b>	<b>File Lien</b>
1-30 days	YES	NO	NO	NO
31-60 days	YES	25% of the outstanding balance due. Minimum \$250.00	YES	NO
61-90 days	YES	An additional 25% of the outstanding balance due. Minimum \$250.00. Late fee charged for every month account is past due.	YES	NO
>90 days	YES. Certified.	An additional 25% of the outstanding balance due. Minimum \$250.00. Late fee charged for every month account is past due.	YES	YES

**Suspension of Use of All Common Area Amenities**

Once the Owner is 30 days past due, all use of Common Area amenities is suspended for that Owner and any additional persons living in or visiting that Owner’s Unit. Use is suspended until the entire balance due, including all associated late fees, has been paid by bank cashier’s check made payable to BSCA and officially received and a receipt issued by BSCA’s HOA Manager.

**Late Fees for Delinquent Monthly Dues and Special Assessments**

If the Owner is notified that a payment is past due and the Owner has already sent in the payment, the Owner can ignore the letter and/or notify the HOA Manager that the payment has been sent.

If an Owner fails to maintain an expected payment schedule because of unforeseen circumstances, the Board must be informed immediately by the Owner of his/her plan for payment.

The Owner must acknowledge to the HOA Manager/Board that: A) Bella Sera expects all outstanding payments and late fees to be paid within 90 days; B) outstanding balances and late fees will accumulate each month the balance due is not paid; and C) additional actions will be taken for an outstanding balance greater than 90 days past due.

### **Lien Filing for Delinquent Monthly Dues and Special Assessments**

A lien will be filed according to the BSCA *Regular and Special Assessment and Special Charges Policy* for an outstanding balance greater than 90 days past due.

After an original lien is filed, the lien will be re-filed on a quarterly basis with an updated outstanding balance owing until the past due balance is paid.

All associated legal costs and lien filing and lien release fees are to be paid by the Unit Owner.

Upon payment of all past due amounts, accumulated late fees and all legal expenses associated with the collection of delinquent assessments and late fees, the lien will be removed.

### **Liability for Unpaid Monthly Dues, Special Assessments, and Late Fees**

Owners are not exempt from liability for unpaid Regular Assessments and late fees by waiving the use of enjoyment of any of the Common Areas and Facilities, Limited Common Areas and Facilities or by the abandonment of the Owner's Unit.

## **SPECIAL CHARGES**

### **Payment, Collection and Consequences of Delinquent Special Charges**

Charges for services such as guest suites and fob replacements are to be paid when they are issued.

Replacement costs or repairs from damage to Association property are paid according to the specific circumstances.

Depending on the situation, special charges are delinquent a month after the payment is due, as noted on the Association's invoice and reflected in the Association's Monthly Financial Statement Aging Receivables report. The following chart reflects the Board-approved procedure.

<b>Aging Receivables Category</b>	<b>Send Letter to Owner</b>	<b>Charge Late Fee</b>	<b>Send Invoice Including Late Fee</b>	<b>File Lien</b>
1-30 days	YES	NO	NO	NO
31-60 days	YES	10% of the outstanding balance due. Minimum \$100.00	YES	NO
61-90 days	YES	An additional 10% of the outstanding balance due. Minimum \$100.00. Late Fee charged for every month account is past due.	YES	NO
>90 days	YES. Certified.	An additional 10% of outstanding balance due. Minimum \$100.00. Late Fee charged for every month account is past due.	YES	YES

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### **Lien Filing for Delinquent Special Charges**

A lien will be filed according to the BSCA *Regular and Special Assessment and Special Charges Policy* for any outstanding balance greater than 90 days past due.

After an original lien is filed, the lien will be re-filed on a quarterly basis with an updated outstanding balance owing until the past due balance is paid.

All associated legal costs and lien filing and release fees are to be paid by the Unit Owner.

Upon payment of all past due amounts, accumulated late fees and all legal expenses associated with the collection of delinquent special charges and late fees, the lien will be removed.

### **Liability for Unpaid Special Charges and Late Fees**

Owners are not exempt from liability for unpaid Special Charges and late fees by waiving the use of enjoyment of any of the Common Areas and Facilities, Limited Common Areas and Facilities or by the abandonment of the Owner's Unit.

## **REFERENCES**

### **Reference 1**

Declaration Article Three Community Association Section 3 (a-h).

Bylaws Article II Board of Directors, Section 2 (b)(i).

### **Reference 2**

Declaration Article Three Community Association, Section 14, Levying Assessments (a-g)

Second Amendment to the Declaration (h)

The Kansas Uniform Common Interest Owners Bill of Rights Act Section 19 (a and b).

All Regular Assessments, the authority of which to levy is granted to the Community Association or the Board of Directors by the Declaration, these Bylaws or as otherwise permitted, shall be

paid by the Owners to the Community Association as set forth in the Declaration, Bylaws, or lawful resolution of the Board of Directors authorizing such assessment. (Bylaws Article V Operation of the Property Section 1(b) Assessments); Bella Sera's *Regular and Special Assessments and Special Charges Policy*.

All other assessments, special charges, and fees are implemented according to Bella Sera's Rules and Regulations and Bella Sera's *Regular and Special Assessments and Special Charges Policy*.

#### **POLICY OWNER**

BSCA Board of Directors

#### **APPROVAL**

The Board of Directors gives final approval to this policy.

#### **APPROVAL DATES**

This policy was approved and made effective on September 20, 2017.

This policy was reviewed, revised, and made effective on May 1, 2023.