

# **Harmon Ranch**

## **Homeowners Association**

P.O. Box 11330  
Tempe, AZ 85284-0023  
(480) 345-0046  
(480) 345-1728 Fax

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November 2005

Dear Fellow Homeowners:

Enclosed you will find the association's 2006 budget and other important information about our association. As always, this budget was carefully prepared taking into consideration cost increases, past expenditures and the association's maintenance and replacement needs.

The regular assessment for 2006 will be \$480.00 to be paid in monthly increments of \$40.00. Please note that the association's maximum annual assessment has been set at \$495.73 in accordance with our CC&Rs.

Again this year the Board is offering a \$24.00 discount per lot for paying your assessment for the year in full by January 30, 2006. **Your payment in the amount of \$456.00 must be received by this date in order to qualify for the discount.**

Options for paying your assessment include:

- ❖ Online at [www.lepinandrehan.com](http://www.lepinandrehan.com). Click on the online payment link and follow the directions.
- ❖ Mail using the enclosed coupons and window envelopes.
- ❖ Direct Debit using the enclosed authorization form.

All correspondence to the association including notification of financial hardship must be mailed to the address noted on this letterhead as mailing with your payment will delay receipt.

We hope that this budget information will be helpful in planning your expenses for 2006 and we look forward to another great year in our neighborhood!

Sincerely,

Board of Directors

Enclosures: 2006 Budget and Budget Narrative  
Assessment Collection Policy  
Payment Coupons

# HARMON RANCH HOMEOWNERS ASSOCIATION

## BUDGET NARRATIVE

### MAINTENANCE

**Exterminating**: Common area treatment of gophers, aphids, bees, etc.

**Landscape**: Weekly maintenance of all common areas including trimming, mowing, irrigation system check, trash pick up, etc.

**Landscape - Other**: Soil testing, storm clean up and erosion repair.

**Landscape - Trees**: Minor tree trimming and fertilization of problem trees.

**Maintenance & Repairs**: Minor repairs and maintenance in common areas.

**Sprinkler Repairs**: Repairs and supplies for the irrigation system.

### SUPPLIES

**General**: Signs, light bulbs and replacement parts.

**Landscape – Fertilizer**: Lawn and shrub fertilizer.

**Landscape - Other**: Tree stakes, guards and other supplies.

**Landscape - Plant/Tree Replacement**: Plant and tree replacement as needed.

**Landscape – Rye Seed**: Not budgeted for 2005.

**Landscape – Weed Control**: Pre-emergent of granite and nut grass treatments.

**Office & Printing**: Preparation of correspondence including welcome letters, budget packages, semi-annual newsletters and meeting notices.

**Postage**: Mailing of correspondence including welcome letters, budget packages, newsletters, meeting notices, etc.

### UTILITIES

**Electricity**: Power to irrigation time clocks and entry lighting.

**Water**: Irrigation for common areas.

## ADMINISTRATIVE

**Bank Charges**: Monthly bank charge to administer accounts.

**Insurance**: Property and liability coverage on common areas, Directors and Officers coverage, and a Fidelity Bond.

**Meeting Room Rental**: Annual meeting room rental.

**Taxes & Licenses**: Annual Corporation Commission fee, property tax on common area tracts, and tax on interest income.

**Web Site**: Designing, hosting and obtaining a domain name.

## PROFESSIONAL

**Accounting & Audit**: As a corporation, the association has its financial records independently audited each year. Also includes federal and state tax return preparation.

**Management**: Professional management of association business including administration of Board policies, record keeping, financial services, bid solicitation and regular on-site inspections.

**Professional**: Legal, engineering and other professional services.

## RESERVES

**Contingency**: Cushion for financial shortfalls which may arise from unexpected expenses or late payment of assessments.

**Landscape Renovation**: Eventual top dressing of granite, major repairs to the irrigation system and major tree trimming and removal.

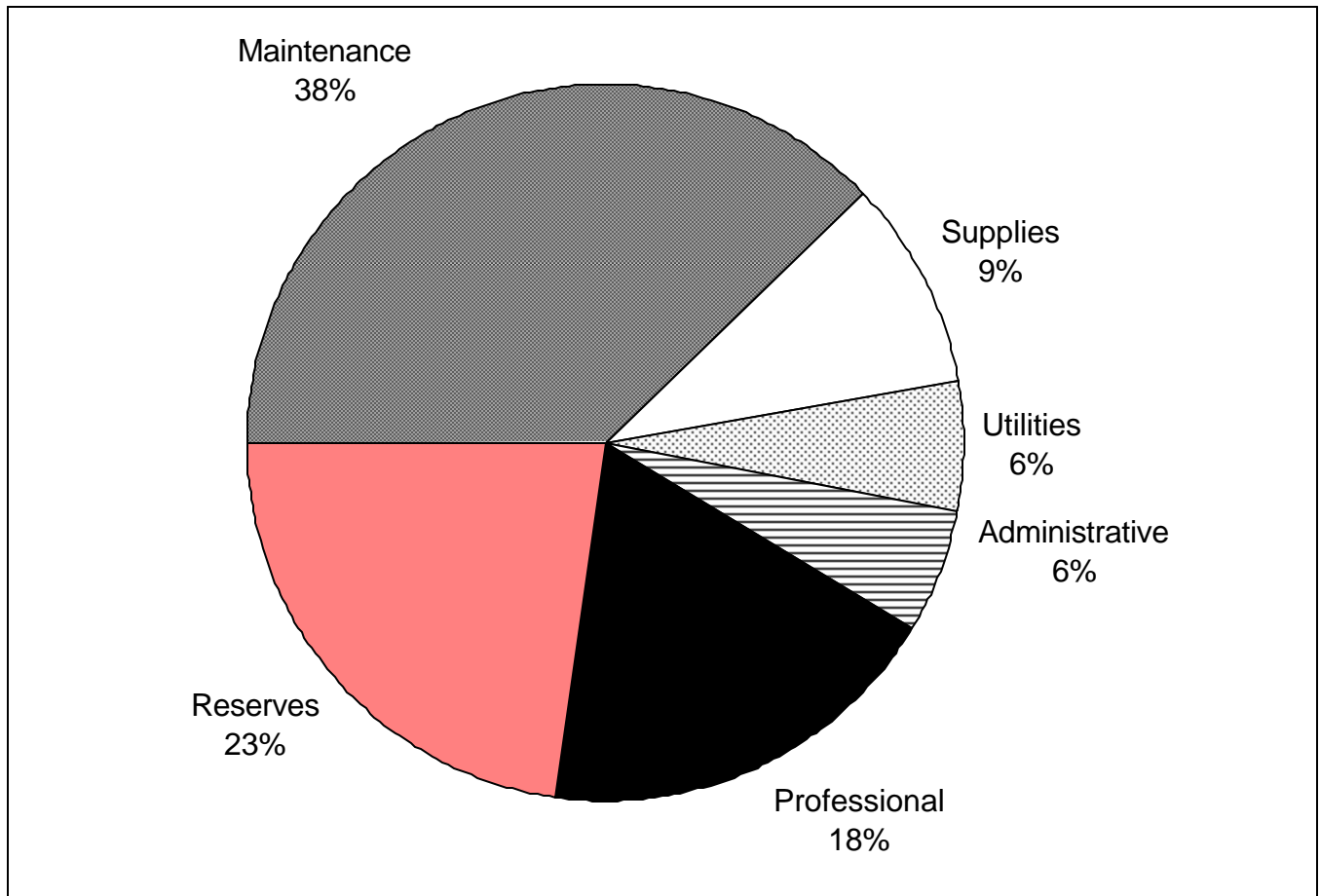
**Painting/Structural**: Painting of and major repairs to common area walls, sidewalk repairs and repairs to lighting and entry monuments.

**Professional Services**: Legal expenses relating to non-payment of assessments, consultation and CC&R violations which are not covered in the operating budget.

## HARMON RANCH HOMEOWNERS ASSOCIATION 2006 BUDGET

Total Project: 243 Lots

	Monthly Budget Per Lot	Annual Budget Per Lot	Total Annual Budget
<b><i>Maintenance</i></b>	\$15.13	\$181.51	\$44,107.26
<b><i>Supplies</i></b>	\$3.77	\$45.29	\$11,006.00
<b><i>Utilities</i></b>	\$2.34	\$28.09	\$6,825.00
<b><i>Administrative</i></b>	\$2.25	\$26.98	\$6,555.06
<b><i>Professional</i></b>	\$7.35	\$88.18	\$21,427.00
<b><i>Reserves</i></b>	\$9.16	\$109.96	\$26,719.68
<b>Total</b>	<b>\$40.00</b>	<b>\$480.00</b>	<b>\$116,640.00</b>



# HARMON RANCH HOMEOWNERS ASSOCIATION

## ASSESSMENT COLLECTION POLICY

REVISED OCTOBER 4, 2005

➤ **1ST OF EACH MONTH:**

ASSESSMENT IS DUE AND PAYABLE TO: **HARMON RANCH HOMEOWNERS ASSOCIATION**

➤ **15TH OF EACH MONTH:**

Notice is sent advising that a late fee will be applied to your account on the 30<sup>th</sup> of the month.

➤ **30TH OF THE FIRST MONTH:**

If payment is not **RECEIVED** at the Management office or the bank lock box by this date, a \$15.00 late fee is automatically assessed on every account showing an assessment due.

Final notice is sent advising that a lien will be filed on the property when the payment is 60 days past due and the process to obtain a personal judgment started when the payment is 75 days past due if the amount due remains unpaid. **THIS IS THE FINAL NOTICE THAT YOU WILL RECEIVE.**

➤ **1ST OF THE THIRD MONTH:**

If payment is not **RECEIVED** at the Management office or the bank lock box by this date, a lien fee plus any additional fees incurred will be added to the homeowner's account and the lien automatically filed. **As of this date, payments must include all fees and be paid by Cashiers Check, Certified Check or Money Order.**

**NOTE: A LIEN WILL STAY IN PLACE AGAINST THE PROPERTY UNTIL SUCH TIME AS THE ACCOUNT HAS BEEN PAID IN FULL.**

➤ **15TH OF THIRD MONTH:**

If payment is not **RECEIVED** at the Management office or the bank lock box by this date, a personal judgment will be obtained and any fees incurred will be added to the homeowner's account.

**NOTE: WHEN A JUDGMENT IS RECEIVED, IT WILL BE REFERRED TO AN ATTORNEY FOR COLLECTION AND ANY FEES INCURRED WILL BE CHARGED TO THE HOMEOWNER'S ACCOUNT.**

ALL PAYMENTS WILL BE APPLIED TO THE ACCOUNT AS FOLLOWS:

1. Assessments
2. Monetary penalties
3. Lien, judgment and legal fees
4. Late fees

**THERE WILL BE A CHARGE FOR CHECKS RETURNED FOR INSUFFICIENT OR UNCOLLECTED FUNDS.**

**IF YOU WISH TO PARTICIPATE IN DIRECT DEBIT FOR YOUR ASSOCIATION FEE, PLEASE COMPLETE AND RETURN THIS FORM TO:**

**HARMON RANCH HOMEOWNERS ASSOCIATION**

**PO BOX 11330  
TEMPE AZ 85284-0023**

**(480) 345-0046**

**AUTHORIZATION FOR AUTOMATIC PAYMENT**

I authorize Harmon Ranch Homeowners Association to set up an Automatic Assessment Payment Service for me and to initiate electronic fund transfers to pay the monthly assessment for the homeowner(s) listed below:

**I understand that there will be a \$2.00 charge to set up Automatic Payment.  
A check for \$2.00 must be attached.**

HOMEOWNER(S) NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

LOT NO: \_\_\_\_\_ PHONE NO: \_\_\_\_\_

I also authorize the financial institution named below to accept the fund transfers and charge my checking or savings account shown below to pay the Harmon Ranch Homeowners Association monthly assessment or to credit my account if it is necessary to make corrections:

FINANCIAL INSTITUTION: \_\_\_\_\_

BRANCH: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

ACCOUNT NUMBER: \_\_\_\_\_

TYPE:                     CHECKING                     SAVINGS

SIGNATURE ON ACCOUNT: \_\_\_\_\_

**YOUR CHECK FOR THE \$2.00 FEE PAYABLE TO HARMON RANCH HOMEOWNERS ASSOCIATION WHICH IS ATTACHED WILL BE USED FOR VERIFICATION PURPOSES. PLEASE MAKE SURE YOU USE THE ACCOUNT FROM WHICH YOU WANT TO HAVE YOUR ASSESSMENT WITHDRAWN.**