

**THE KLAHANIE HOMEOWNERS ASSOCIATION  
POLICY RESOLUTION #2019.10.30**

**BUDGETS, ASSESSMENTS, SPECIAL ASSESSMENTS**

**AUTHORITY:**

Article 11.0, Bylaws – Amendments.

**PURPOSE:**

RCW 64.90.525 was enacted June 2018. Klahanie Bylaw 2.3 should be immediately updated to incorporate this new law which supersedes the previously cited RCW 64.38.025.

**RESOLUTION:**

The Association authorizes the following changes to Bylaws 2.3 and 2.5.

A. Replace Article 2.3 Budget Ratification Meeting with RCW 64.90.525 as follows:

(1) (a) Within thirty days after adoption of any proposed budget for the common interest community, the board must provide a copy of the budget to all the unit owners and set a date for a meeting of the unit owners to consider ratification of the budget not less than fourteen (14) nor more than fifty (50) days after providing the budget. Unless at that meeting the unit owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, the budget and the assessments against the units included in the budget are ratified, whether or not a quorum is present.

(b) If the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the unit owners continues until the unit owners ratify a subsequent budget proposed by the board.

(2) The budget must include:

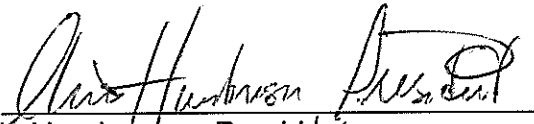
- (a) The projected income to the association by category;
- (b) The projected common expenses and those specially allocated expenses that are subject to being budgeted, both by category;
- (c) The amount of the assessments per unit and the date the assessments are due;
- (d) The current amount of regular assessments budgeted for contribution to the reserve account;

- (e) A statement of whether the association has a reserve study that meets the requirements of RCW 64.90.550 and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and
- (f) The current deficiency or surplus in reserve funding expressed on a per unit basis.

(3) The board, at any time, may propose a special assessment. The assessment is effective only if the board follows the procedures for ratification of a budget described in subsection (1) of this section and the unit owners do not reject the proposed assessment. The board may provide that the special assessment may be due and payable in installments over any period it determines and may provide a discount for early payment.

B. Change Article 2.5 Notice of Meetings to "nor more than fifty (50) days.

President's and Secretary's Certification: The undersigned, respectively being the President and Secretary of the Klahanie Association, a Washington nonprofit corporation, certify that the foregoing Policy Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on October 29, 2019, and in witness thereof, the undersigned have submitted their names.

By:   
Chris Humberson, President

By: \_\_\_\_\_  
Sarah Lanis, Secretary