



Meeting Minutes
May 8, 2003

Opening:

The Special Board meeting of Quail Hollow-East Homeowners Association was called to order at 7:25 P.M. on May 8, 2003 in Tigard, OR. by Dick Pacholl.

Present: Dick Pacholl
Steve Bintliff
Jess Kriegel
Tracy Miller
Nadia Summers

A. Approval of Agenda

The agenda was unanimously approved as distributed.

B. Approval of Minutes

The reading of the minutes were waived.

C. Approval of Treasurer's Report

The treasurer's report was unanimously approved as read.

D. Open Issues

1. Procedural Policies - Duties and Responsibility Procedures of the Officers
Motion by Jess Kriegel was made and seconded to communicate the details of the descriptions to be discussed via email and approved at the next special board meeting pending discussion. The vote was called for and passed unanimously.
2. Stop Signs
Nadia Summers reported contact with Mike Mills with the City of Tigard. He will run it by the City Engineer and see what could be done. He agreed it makes sense to have them there. No cost was discussed. Nadia will follow-up in two weeks.
3. Playground Equipment Report
Rainbow will not do inspection without being able to do repairs at the same time. Motion by Dick Pacholl was made to authorize up to \$600 for the inspection report and repairs. Discussion - Angel will do safety inspection and will do current requested service. Rainbow does not do staining so we will need to find someone else to do that. They will be replacing the tire swing, putting up a half bucket swing in place of the rope swing. Concern was expressed regarding liability and bonding of the repair technician. Steve will obtain the bonding contractor number. The vote was called for and passed unanimously.
4. Falling Trees Update

Motion by Dick Pacholl to approve contract with Tryon Creek Landscape Inc to fall hazardous trees at a cost of \$1250 only. Discussion - There will be about 10 trees knocked down. The additional area along Gaarde not our area so further investigation is needed. Planting of new trees may be needed in the future. Although an approval was given via telephone communication, this is to make it official. The vote was called for and passed unanimously.

5. Late Fees

Motion by Jess Kriegel was made and seconded to repeal the motion passed at the April 23rd meeting because it is vague and incomplete and replace with:

- A. A “*delinquent account*” is defined as an account for which no assessment payment has been received (or postmarked) 31 days after the assessment due date following the grace period ending April 30, 2003 therefore, for purposes of this rule, no account will be considered “*delinquent*” until May 31, 2003.
- B. The “*assessment due date*” is defined as the first of the month for which the assessment is payable as described in section 19 subsection C of the Declaration of Covenants, Conditions and Restrictions.
- C. Interest will be charged at 2% above the Bank of America Prime Rate for all accounts in arrears as stated in section 19 subsection C of the Declaration of Covenants, Conditions and Restrictions and clarified by Article X of the bylaws.
- D. A late fee of \$50 will be charged each month an account is 60 days or greater delinquent beginning immediately.
- E. Besides the late fee, a penalty of \$50 will be charged for an account delinquent 90 days for a total charge of \$100.
- F. Besides the late fee, a penalty of \$150 will be charged for an account delinquent 120 days for a total charge of \$200.
- G. Besides the late fee, accounts remaining delinquent more than 120 days will be charged an additional penalty that increases \$100 each 30 days the account remains delinquent to a maximum of \$1000.

1. A late fee and penalty schedule as follows:

Month	Days Delinquent	Days since Assessment Due	Assessment Charge	Interest	Late Fee	Penalty	Total Monthly Charge	Account Balance
1	0	1 - 30	\$ 25.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 25.00	\$ 25.00
2	30	31 - 60	\$ 25.00	\$ 0.13	\$ 0.00	\$ 0.00	\$ 25.13	\$ 50.13
3	60	61 - 90	\$ 25.00	\$ 0.26	\$ 50.00	\$ 0.00	\$ 75.26	\$ 125.39
4	90	91 - 120	\$ 25.00	\$ 0.65	\$ 50.00	\$ 50.00	\$ 125.65	\$ 251.04
5	120	121 - 150	\$ 25.00	\$ 1.31	\$ 50.00	\$ 150.00	\$ 226.31	\$ 477.35
6	150	151 - 180	\$ 25.00	\$ 2.49	\$ 50.00	\$ 250.00	\$ 327.49	\$ 804.84
7	180	181 - 210	\$ 25.00	\$ 4.19	\$ 50.00	\$ 350.00	\$ 429.19	\$ 1,234.03
8	210	211 - 240	\$ 25.00	\$ 6.43	\$ 50.00	\$ 450.00	\$ 531.43	\$ 1,765.46
9	240	241 - 270	\$ 25.00	\$ 9.20	\$ 50.00	\$ 550.00	\$ 634.20	\$ 2,399.65
10	270	271 - 300	\$ 25.00	\$ 12.50	\$ 50.00	\$ 650.00	\$ 737.50	\$ 3,137.15
11	300	301 - 330	\$ 25.00	\$ 16.34	\$ 50.00	\$ 750.00	\$ 841.34	\$ 3,978.49
12	330	331 - 360	\$ 25.00	\$ 20.72	\$ 50.00	\$ 850.00	\$ 945.72	\$ 4,924.21
13	360	361 - 390	\$ 25.00	\$ 25.65	\$ 50.00	\$ 950.00	\$ 1,050.65	\$ 5,974.86
14	390	391 - 420	\$ 25.00	\$ 31.12	\$ 50.00	\$ 1,000.00	\$ 1,106.12	\$ 7,080.98
15	420	421-450	\$ 25.00	\$ 36.88	\$ 50.00	\$ 1,000.00	\$ 1,111.88	\$ 8,192.86

- H. Order of crediting payments will be interest, late fees, penalties, other charges then assessment charges beginning with the oldest first.
- I. Partial payments will not cause delinquency time count to restart.

- J. A \$25 NSF (Non-Sufficient Funds) charge will apply to any returned check.
- K. Process for delinquency notification and collection enforcement:
1. First Notice of past due charges will be sent by First Class Mail to an Owner whose balance is sixty (60) days *delinquent* requesting full payment within thirty (30) days.
 - a. Notice to include copy of collection policy.
 - b. Board of Directors may waive late fee upon receipt of payment in full.
 2. Second Notice of past due charges will be sent by First Class Mail to an Owner whose balance is ninety (90) days *delinquent* requesting full payment within twenty (20) days.
 - a. Notice to include:
 - i. The Home Association will place a lien on the Owner's property if payment not received at a cost to the Owner of \$200.
 - ii. Copy of collection policy and CC&R's section 19.
 - iii. Intent to notify credit reporting bureau of delinquency status
 - b. Board of Directors may waive late fee and/or penalty upon receipt of payment in full.
 3. Ten (10) Day Demand for payment will be sent by First Class Mail to an Owner whose balance is one hundred twenty (120) days delinquent requesting full payment within ten (10) days.
 - a. At one hundred twenty (120) days delinquent a lien is filed with Washington County recorded in both the Liens Index and Deed Index.
 - b. Notice to include:
 - i. Notification of lien placement and charge of \$200.
 - ii. Report of credit bureau notification of delinquency.
 - iii. Intent to turn the matter over to an attorney for collection enforcement.
 - iv. If a delinquent account is referred to an attorney for collection, the Owner shall be charged the Association's reasonable attorney fees and related costs as described in CC&R's section 19 subsection D.
 - v. Attorney actions include but not limited to filing a personal judgment against the Owner and property foreclosure.
- L. For accounts in arrears as of April 30, 2003 notification will be sent by First Class Mail on or about May 15, 2003 to any Owner whose balance is greater than \$50 excluding May 2003 assessment charge
1. Notice to require full payment within 10 days.
 2. Notice to include newly implemented collection policy.
 3. Notice to Owners whose balance exceeds \$125 excluding May 2003 assessment charge intention to refer matter to an attorney for collection enforcement citing CC&R section 19
 - a. Notice to state if account referred to an attorney for collection, the Owner shall be charged the Association's reasonable attorney fees and related costs.
 - b. Attorney actions include but not limited to filing a lien against the Owner's property, a personal judgment against the Owner and property foreclosure.
 - c. Include copy of collection policy
 - d. Include notification of delinquency status to credit reporting bureau
- M. If this motion passes the collection policy would read as on the following pages with the secondary policy for the past due accounts as of April 30, 2003:



Collection Policy

WHEREAS, Article VI of the Bylaws of the Quail Hollow-East Homeowners Association grants power to the Board of Directors to conduct Association business, and Section 19 of the Covenants, Conditions and Restrictions grants the authority to levy assessments against owners. Because the Association's economic well-being relies on the timely payment of assessments and other allowable charges, it is the Board's duty to use its best efforts to collect funds owed to the Association.

LET IT BE RESOLVED THAT these collection procedures shall be followed:

1. AMOUNTS PAYABLE TO THE ASSOCIATION include, but are not limited to, regular assessments, special assessments, rules enforcement fees, legal fees and other costs associated with collection of funds on behalf of the Association.
2. PAYMENT SCHEDULE. The regular assessment is payable the first of each calendar month. Assessment payments not received or postmarked by the 30th (28th in February) will be considered past due.
3. DEFINITIONS:
 - a. A "*delinquent account*" is an account for which assessment payment has not been received (or postmarked) 31 days after the assessment due date following the grace period ending April 30, 2003 therefore, for purposes of this rule, no account will be considered "*delinquent*" until May 31, 2003.
 - b. The "*assessment due date*" is defined as the first of the month for which the assessment is payable as described in section 19 subsection C of the Declaration of Covenants, Conditions and Restrictions.
 - c. *Delinquency time count* means the number of days the assessment remains unpaid once the account becomes delinquent beginning day 31 after due date. Partial payments do not restart the delinquency time count.
4. LATE FEES, PENALTIES, NSF AND INTEREST CHARGES.
 - a. A late fee of \$50 will be charged each month an account is 60 days or greater delinquent beginning immediately.
 - b. Besides the late fee, a penalty fee of \$50 will be charged for an account delinquent 90 days for a total charge of \$100.
 - c. Besides the late fee, a penalty fee of \$150 will be charged for an account delinquent 120 days for a total charge of \$200.
 - d. Besides the late fee, accounts remaining delinquent more than 120 days will be charged an additional penalty fee that increases \$100 each 30 days the account remains delinquent to a maximum of \$1000.
 - e. A \$25 NSF (Non-Sufficient Funds) charge will apply to any returned check.
 - f. Any balance older than 30 days will incur an interest charge of 2% above the Bank of America Prime Rate per annum (calculated monthly) until paid.
5. ORDER OF CREDITING PAYMENTS. Payments received shall be first applied to interest, late fees, penalties, legal/collection expenses, other charges as described below, then assessment payments beginning with the oldest charge first.
6. PROCESS OF DELINQUENCY NOTIFICATION. For all balances that are sixty (60) days delinquent, as defined in number 3 of this policy, the following notification process applies:
 - a. First Notice of past due charges will be sent by First Class Mail to an Owner whose balance is sixty (60) days *delinquent* requesting full payment within thirty (30) days.
 - i. Notice to include copy of collection policy.
 - ii. Board of Directors may waive late fee upon receipt of payment.
 - b. Second Notice of past due charges will be sent by First Class Mail to an Owner whose balance is ninety (90) days *delinquent* requesting full payment within twenty (20) days.

Collection Policy

Page 2 of 2 pages

- c. Notice to include:
 - i. Home Association will place a lien on the Owner's property at a cost to the Owner of \$200.
 - ii. Copy of collection policy and CC&R's section 19.
 - iii. Intent to notify credit reporting bureau of delinquency status.
 - iv. Board of Directors may waive late fee and/or penalty upon receipt of payment.
- d. Ten (10) Day Demand for payment will be sent by First Class Mail to an Owner whose balance is one hundred twenty (120) days *delinquent* requesting full payment within ten (10) days.
- e. At one hundred twenty (120) days *delinquent* a property lien will be filed with Washington County.
 - i. Notice to include:
 - (1) Notification of lien placement and charge of \$200.
 - (2) Delinquency status reported to credit reporting bureau.
 - (3) Intent to turn the matter over to an attorney for collection enforcement.
 - (4) If a delinquent account is referred to an attorney for collection, the Owner shall be charged the Association's reasonable attorney fees and related costs as described in CC&R's section 19 subsection D.
 - (5) Attorney actions include but not limited to filing a personal judgement against the Owner and property foreclosure.
7. LEGAL SERVICES. If a delinquent account is referred to an attorney for collection, the Owner shall be charged the Association's reasonable attorney fees and related costs.
8. OTHER CHARGES. The Association may charge the Owner for:
 - a. Fees charged to collect funds payable to the Association:
 - b. Owner Bankruptcy
 - c. Foreclosure action or deed in lieu of foreclosure
 - d. Notification, filing and satisfying liens
 - e. Enforcement of the Association's Rules, Bylaws, Declaration or Policies
 - f. Cost of litigation

Secondary policy for past due Accounts as of April 30, 2003

1. For past due accounts as of April 30, 2003 notification will be sent by First Class Mail on or about May 15, 2003 to any Owner whose balance is greater than \$50 excluding May 2003 assessment charge.
 - a. Notice to:
 - i. Require full payment within 10 days.
 - ii. Include newly implemented collection policy.
 - b. In addition for account balances exceeding \$125 excluding May 2003 assessment charge
 - i. Intention to refer matter to an attorney for collection enforcement citing Declaration of Covenants, Conditions and Restrictions Section 19.
 - ii. Notice to state if account referred to an attorney for collection, the Owner shall be charged the Association's reasonable attorney fees and related costs.
 - iii. Attorney actions include but not limited to filing a lien against the Owner's property, a personal judgment against the Owner and property foreclosure.
 - iv. Include intention to notify credit reporting bureau of delinquency status

Recorded in the Book of Minutes: May 8, 2003

Date: _____

President, Board of Directors
Quail Hollow-East Homeowners Association

The vote was called for and passed unanimously.

6. Accounts to be sent to an attorney

Motion by Dick Pacholl was made and seconded to have the Treasurer determine which accounts are to be sent to the attorney after May 25, 2003. The vote was called for and passed unanimously.

7. Attorney firm to use

Motion by Steve Bintliff and Jess Kriegel was made and seconded to refer cases determined to go to an attorney to Cosgrove Verger Kester on condition Jason Pistacchio not personally represent the Home Association to prevent conflict of interest and to authorize a retainer in the amount of \$500. The vote was called for and passed unanimously.

8. Non-Compliance Violation Policy

Motion by Jess Kriegel was made and seconded relating to action be taken regarding non-compliance issues as follows:

1. Definitions:

- a. *Resident* - party living in the home which may be the homeowner or party to which the homeowner is leasing or renting the property
- b. *Violation* - an action taken by a *resident* in contradiction to the Declaration of Covenants, Conditions and Restrictions or Bylaws of the Association which has the effect of causing safety hazards or overall reduction of property value.
- c. *Complaint* - written notification to the Board of Directors of a perceived *violation* as defined above

2. Upon notification to the Board of a *violation*, a letter will be sent to the *resident* as defined above advising the *resident* of the *complaint* and asking the *resident* to meet with the Board (and optionally complaining party) at a time convenient to all

3. The *resident* and the Board will discuss the *violation* to attempt to arrive at a solution mutually agreeable to all

4. If an agreement can not be reached, the Board will vote to determine if a *violation* as defined above exists and if the *resident* needs to remove the *violation* within 30 days.

If the motion passes the rule would be written as follows:



Violation Policy

WHEREAS, Article VI of the Bylaws of the Quail Hollow-East Homeowners Association grants power to the Board of Directors to conduct Association business, Section 17 of the Covenants, Conditions and Restrictions grants the authority to make rules governing the Home Association.

LET IT BE RESOLVED THAT these procedures shall be followed:

1. DEFINITIONS:
 - a. *Resident* - party living in the home which may be the homeowner or party to which the homeowner is leasing or renting the property
 - b. *Violation* - an action taken by a *resident* in contradiction to the Declaration of Covenants, Conditions and Restrictions or Bylaws of the Association which has the effect of causing safety hazards or overall reduction of property value.
 - c. *Complaint* - written notification to the Board of Directors of a perceived *violation* as defined above
2. Upon notification to the Board of a *violation*, a letter will be sent to the *resident* as defined above advising the *resident* of the *complaint* and asking the *resident* to meet with the Board (and optionally complaining party) at a time convenient to all
3. The *resident* and the Board will discuss the *violation* to attempt to arrive at a solution mutually agreeable to all
4. If an agreement can not be reached, the Board will vote to determine if a *violation* as defined above exists and if the *resident* needs to remove the *violation* within 30 days.

Recorded in the Book of Minutes: May 8, 2003

Date: _____

President, Board of Directors
Quail Hollow-East Homeowners Association

The vote was called for and passed unanimously.

9. **Billing Procedure**

The current procedure is expensive and time consuming. We should encourage paying ahead and consider a discount for annual payments. Might want to consider a handling charge for those that want to pay monthly. The issue is tabled to next meeting.

E. New Business

1. **On Street Parking**

One of the homeowners wrote a letter that his guests are being harassed for parking in front of a neighbor's house. A mention will be placed in the Newsletter reminding homeowners that the street parking is public and can be used by anyone as long as the vehicle is not abandoned.

2. **Expense Reimbursement**

Motion by Tracy Miller was made and seconded to approve reimbursement expenditures for Steve Bintliff and Dick Pacholl. The vote was called for and passed unanimously.

F. Agenda Next Meeting

1. **Open Issues**

a. Any tabled items this meeting

2. **New Issues**

a. Fourth of July Activities

b. Subdivision Garage Sale

Adjournment:

Meeting was adjourned at 8:45 PM by Dick Pacholl. The next Special Board meeting will be at 7:00 PM on May 22, 2003 in Tigard, OR.

Minutes submitted by: Jess Kriegel, Secretary