

Quail Hollow - East

Homeowners Association

15685 SW 116th Avenue #311
King City, OR 97224

Meeting Minutes
February 15, 2012

Opening:

The Special Board Meeting of Quail Hollow-East Homeowners Association was called to order at 7:43 P.M. on February 15, 2012 in Tigard, OR. by Mike Gadbery.

Board Members Present: Mike Gadbery
Leilani Arellano
Matt Frazer
Stephanie Mitchell
Wayne Kephart

A. Approval of Agenda

The agenda was unanimously approved as distributed.

B. Approval of Minutes

Reading of the minutes of the previous meeting was waived.

C. Treasurer's Report

The treasurer's report was approved as read by Stephanie Mitchell.

D. No Open Issues

E. New Issues

1. Estimated 2012 Budget (See attached)

Depreciation which is simply a transfer of asset to expense - not an actual cash outlay is not included in the estimated budget. Motion by Matt was made and seconded to accept estimated budget for 2012. The vote was taken and passed unanimously.

2. Amending Billing, Payment and Collection Policy

Currently the policy of the HOA is to apply a late fee of \$50.00 when the account is 60 days delinquent. This means the account is 90 days past due inasmuch as the dues are due the first of each month and there is a 30 day grace period as indicated in the CC&Rs. If the account remains delinquent not only a late fee but also a penalty fee of \$50.00 is assessed each month the account remains delinquent until a lien is filed. Historically the late and penalty fees have been waived when the account is brought current. Last year there was some consideration of scaling the amount to be waived based on the number of times the account has been delinquent. The original intent of the extremely large late/penalty fee was as an attention getter. Most of the members maintain their account in a timely manner however there are some who wait to pay the dues until they are significantly delinquent counting on the board to waive the late/penalty fees. Amending the policy to make the late fee more in line with the norms eliminates the numerous waivers and makes the late fee more realistic. Waiver of the late fee will be considered only under extreme circumstances. Motion by Leilani was made and seconded to adopt the Collection Policy with changes as shown attached. The vote was taken and passed unanimously.

3. Insurance Umbrella

The HOA carries a secondary umbrella that covers the same area as the liability and director coverage covers. In the past the cost was significantly lower than this year's estimated cost. Motion by Stephanie was made and seconded to eliminate the secondary umbrella. The vote was taken and passed unanimously.

F. Adjournment:

Meeting was adjourned at 8:27 P.M. in Tigard, OR. by Mike Gadbery. Next meeting is scheduled for May 15, 2012.

Minutes submitted by: Matt Frazer, Secretary



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 before the next assessment due date.
 - 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.
 - d. Transfer fee means fee payable from buyer at time of property purchase.
4. LATE FEES, PENALTIES, NSF AND INTEREST CHARGES.
 - a. **Effective immediately** ~~A a late fee of \$50 five (5) percent of balance due~~ will be charged ~~each the first month an account is 60 days or greater delinquent beginning immediately which will increase to ten (10) percent starting on the second month an account is delinquent until the account is brought current.~~
 - b. ~~In addition to the late fee, a penalty fee of \$50 will be charged for an account delinquent 90 days and each month thereafter until the account is paid.~~ **Waiver of late fees will be considered upon the written request of the member with demonstration of severe circumstances causing delinquency.**
 - c. A \$25 NSF (Non-Sufficient Funds) charge will apply to any returned check.
 - d. Any balance older than 30 days will incur an interest charge of 12% 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)~~ **one hundred twenty (120)** 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 **and Section 19 of CC&Rs.**

- ii. Board of Directors may waive late fee upon receipt of payment. **Each monthly statement will show amount due.**
 - 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 thirty (30) days.~~
 - ~~c. Notice to include:
 - i. Home Association may place a lien on the Owner's property at a cost to the Owner.
 - ii. Copy of collection policy and CC&R's section 19.
 - iii. Board of Directors may waive late fee and/or penalty upon receipt of payment.~~
 - d. ~~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 thirty (30) days.~~
 - e. ~~At one hundred twenty (120) **fifty (150)** days *delinquent* a notice of intent to file a property lien will be filed with Washington County.~~
 - i. Notice to include:
 - (1) Notification of lien to be placed.
 - (2) **Intent to Board may** turn the matter over to an attorney for collection enforcement.
 - (3) 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.
 - (4) Attorney actions may include but not limited to filing a personal judgement against the Owner and property foreclosure.
 - f. ~~At one hundred fifty (150) **eighty (180)** days *delinquent* referral to attorney for a lien to be recorded.~~
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

Recorded in the Book of Minutes: May 8, 2003 [Amended September 17, 2003][Amended May 10, 2007][Amended Feb 15, 2012]

Date: _____

President, Board of Directors
Quail Hollow-East Homeowners Association



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 - 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.
 - d. Transfer fee means fee payable from buyer at time of property purchase.
4. LATE FEES, PENALTIES, NSF AND INTEREST CHARGES.
 - a. Effective immediately a late fee of five (5) percent of balance due will be charged the first month an account is delinquent which will increase to ten (10) percent starting on the second month an account is delinquent until the account is brought current.
 - b. Waiver of late fees will be considered upon the written request of the member with demonstration of severe circumstances causing delinquency.
 - c. A \$25 NSF (Non-Sufficient Funds) charge will apply to any returned check.
 - d. Any balance older than 30 days will incur an interest charge of 12% 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 one hundred twenty (120) days delinquent, as defined in number 3 of this policy, the following notification process applies:
 - a. Notice of past due charges will be sent by First Class Mail to an Owner requesting full payment within thirty (30) days.
 - i. Notice to include copy of collection policy and Section 19 of CC&Rs.
 - ii. Each monthly statement will show amount due.
 - b. At one hundred fifty (150) days *delinquent* a notice of intent to file a property lien with Washington County.

- i. Notice to include:
 - (1) Notification of lien to be placed.
 - (2) Board may turn the matter over to an attorney for collection enforcement.
 - (3) 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.
 - (4) Attorney actions may include but not limited to filing a personal judgement against the Owner and property foreclosure.
- c. At one hundred eighty (180) days *delinquent* a lien to be recorded.
- 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
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