



Member Meeting Minutes
October 16, 2019

Opening:

The Member Meeting of Quail Hollow-East Homeowners Association Board of Directors was called to order at 7:38 P.M. on October 16, 2019 in Tigard, OR by Tony Irlbeck.

Board Members Present: Tony Irlbeck
Leilani Arellano
Mike Gadbery
Lianna Lhamon
Stephanie Mitchell

Members in attendance Will Eichorn
Dick Pacholl

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 read.

D. Open Issues

1. Playground Equipment Inspection
Tony inspected the playground equipment (report attached). He found some of the security bolt heads stripped so they could not be tightened. Contact with Kid's Backyard Store revealed no assistance in getting new bolts as they suggested taking one to Oregon Bolt to obtain new ones.
2. Park Equipment
New park equipment has been delivered and is currently stored in the shed awaiting installation. Installation will occur October 21, 2019 with one exception. As a result of an error the wrong mounting hardware for one of the trash containers was purchased. Contact with Belson Outdoor revealed about a three week delay in getting the right mounting hardware. The cost of the hardware is the same for either type. It is suggested the old trash container remain in place until the new trash container hardware arrives.
3. Third Trash Container Requested
A request was made to install a third trash container at the bench located near the Quail Creek end of the park. The Board tabled action until next year.
4. Plants & Tree Requested
A request was made that a tree at the park along 122nd street be replaced. In addition, it was requested that additional plants be placed along the fence between the residences and the park. Suggested were several rhododendrons of reasonable size. The Board tabled action until next year.

E. New Issues

1. Treasurer Presentation relating to 2020 Estimated Budget and the 2019 Reserves Study
Mike presented information that indicates the Association has not generated adequate cash flow to maintain asset reserves or support increasing operating expenses. At the end of 2013, HOA total cash balances were \$45,000. Total cash balances at the end of 2019 are estimated to be about \$19,000. The reduction in cash is due to the replacement of 2 significant assets in the last two years and increasing operating costs without corresponding increases in dues. Since 2013, dues have increased 6% (from \$35/month to \$37/month) while cash operating expenses have increased by 34% (\$23,000 in 2013 to \$31,000 in 2019). Attached are graphs demonstrating the increase of costs which has caused the Association to fall short in maintaining appropriate Reserves and contingency funds.
2. 2019 Reserves Study
The Oregon Legislature has mandated an annual Reserve Study of Association fixed assets. This includes a physical inventory and the replacement cost of such assets. Attached is the Reserves Study for 2019. Ideally the Reserves Funds should be in the neighborhood of 50 to 75 percent of the Replacement cost. The 2019 Reserves Study shows the Association percentage as between 28 and 32 percent. Motion by Lianna was made and seconded to accept the 2019 Reserves Study as attached. The vote was taken and passed.

3. Annual Budget for 2020
The costs of the Association have increased and as a result of the aging fixed assets needing replacement and/or repair, several options have been presented regarding the needs of the organization. All options discussed require an increase in the monthly assessment. Ideally the monthly assessments would be raised to \$44 in order to begin to get the reserves to the level they should be. Realistically such an increase may cause a hardship to some members. Option 1 is to set the monthly assessments at \$42 which allows for \$3 per lot per month to be submitted to reserves along with \$2 per lot per month to be saved as contingency funds. Option 2 reduces the amount to reserves to \$2 per lot per month all else remaining the same. Option 3 reduces the amount to reserves to \$1 per lot per month all else remaining the same. These are submitted with a clear understanding that additional increases will be required in the future. Motion by Leilani was made and seconded to accept option three as the Annual Budget for 2020 and set the 2020 monthly assessments at \$40.00. The vote was taken and passed.
4. Appoint 2020 Elections chairperson
Tony announced he would not be running for the 2020 Board of Directors. Motion by Mike was made and seconded to appoint Tony to act as the 2020 Elections Chairperson. The vote was taken and passed.
5. Chip distribution under swings
There is a never ending battle of trying to keep the chips under the swings properly distributed. A suggestion has been made to purchase a rubber mat to place over the top of the chips. Swing mats (3' x 5' x 2.25") are expensive to ship due to the weight of approximately 100lbs. One source shows the cost of the mat at \$90, however, the shipping cost is over \$200. It was discovered Wilco Farm Store in Newberg has a mat (4' x 8' x .75") priced at \$59.99 that may work to keep the chips in place. Tony agreed to check it out.
6. Contact List
Concern has been expressed that there is not a contact list for the vendors with whom the Association has done business or to contact in the case of an emergency. The matter was discussed to the satisfaction of the Board.
7. Additional Issue
Attached is a Member communication regarding use of the street to play ball etc. The request has been made to insert in the next newsletter something to discourage children playing in the streets or to be more vigilant. The Board agreed to put such a notice in the next newsletter.
8. Election Process
The Annual Election process of the Board of Directors is a cumbersome time consuming process where for the most part the same members who are volunteering their time to handle the business of the Association are required to complete a candidacy application even though they are well known to the membership. Making them each year go thru a make-work process seems to be a waste of time and effort. Motion by Leilani was made and seconded to amend the Association Bylaws as attached to modify the election requirements. The vote was taken and passed. The amended Bylaws must be signed by the President and Secretary before a notary and submitted to Washington County to be recorded. Once recorded a copy will be distributed to each member.

F. Adjournment:

Meeting was adjourned at 9:08 P.M. in Tigard, OR. by Tony Irlbeck. The next meeting is scheduled 7:30PM, January 15, 2020.

Minutes submitted by: Leilani Arellano, Secretary

Park inspection:

- checked all bolts/allens on play structures
- checked chain connectors on swings
- inspected benches
- roof of storage shed (the "before" picture is at the bottom)
 - cleaned roof
 - attempted moss removal...didn't remove everything because there was a ton and I didn't want to rough up the shingles too much
 - applied Moss B Ware & I'll revisit after that has some time to work

Potential issues:



The swings are really high off of the ground. We noticed this after we replaced the seats. My 5 year old has a hard time getting up on his own. The chains are the same so we must have lost quite a few inches in the way the bottom of the chain connects to the swing.

Maybe there is a swing chain extension available somewhere?

Several allens like this are rounded out and can't be tightened. There are lock nuts on the back of them so the pieces are still secure & safe...just not as tight as they should be. There is one place where an allen like

this is missing completely. It is in the middle of a row of approximately 5 so the step that it is connecting is still safe and secure for use.



We could investigate getting a dozen or so of these in the future.



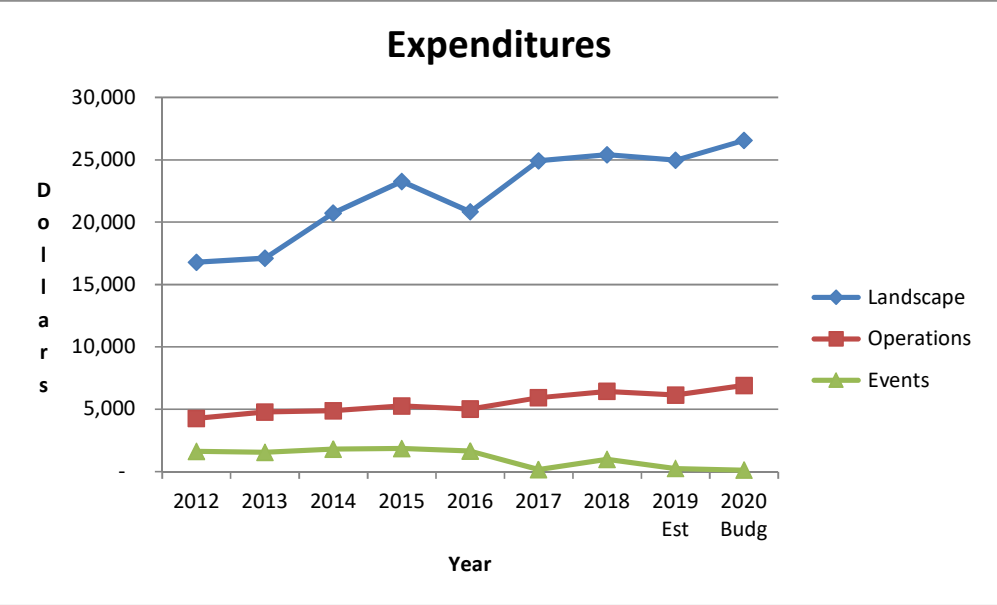
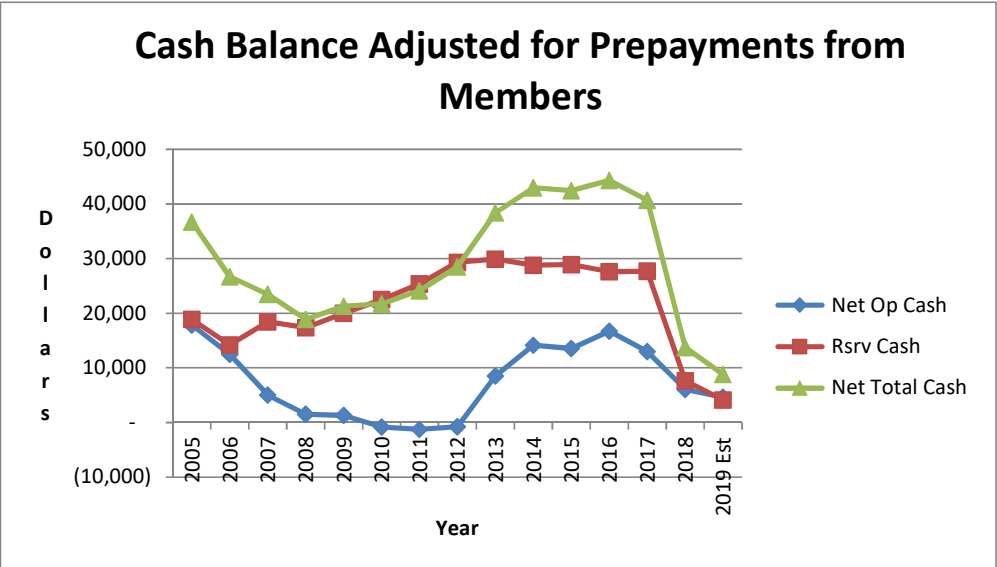
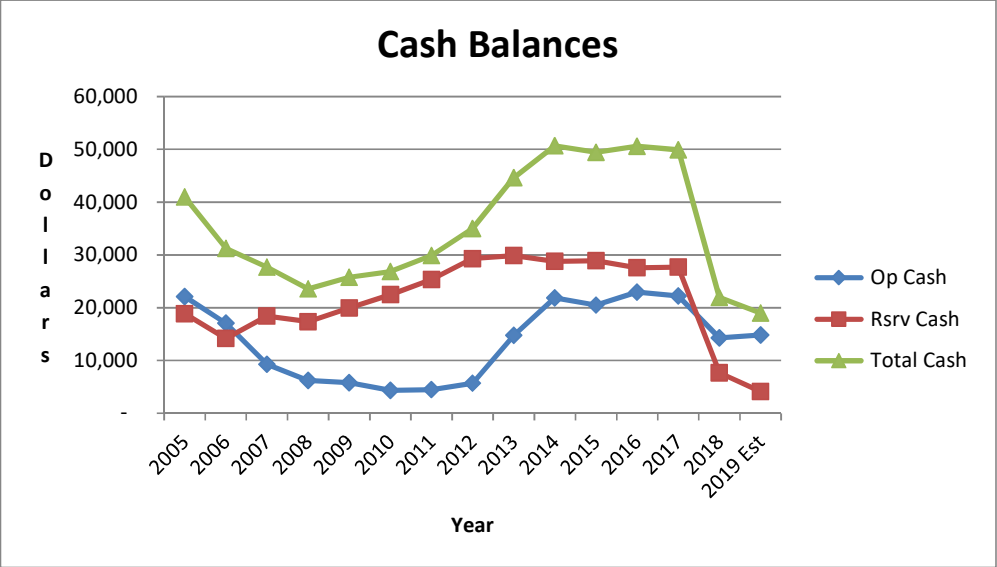
There are supposed to be small bolts through this style of clamp. It must hold moisture really well in there because several of them had heads broken off. Four more were rusted and broke with minimal pressure from the wrench on this inspection.

I looked closely at each of these clamp. They are all tight and secure with the allens that hold them on the poles. I didn't see signs of any of them sliding up and down on the poles. Since they are holding in their place it doesn't appear to be a safety issue or a risk of damaging the poles.



The "before" photo.

The roof on the storage shed is a mess. I removed a decent amount of moss and put on some Moss B Ware. I'll revisit that after that has a chance to work.



**QUAIL HOLLOW EAST HOME OWNERS ASSOCIATION
BUDGET OPTIONS - 2020**

	Ideal Budget	Budget A	Budget B	Budget C	Est. Jan-Dec 19	Actual Jan-Dec 18	Actual Jan-Dec 17	Actual Jan-Dec 16	Actual Jan-Dec 15	Actual Jan-Dec 14	Actual Jan-Dec 13
DUES	\$ 44.00	\$ 42.00	\$ 41.00	\$ 40.00	\$ 37.00	\$ 34.00	\$ 32.00	\$ 32.00	\$ 32.00	\$ 33.00	\$ 35.00
Revenue:											
Assessments, Fees & Interest:											
Collection Fees	-	-	-	-	-	-	-	-	-	164	36
Late Fees	-	-	-	-	221	558	(1,038)	746	1,072	332	(298)
Member Dues Interest	100	100	100	100	39	102	(1,169)	435	608	391	317
Monthly Assessments	39,600	37,800	36,900	36,000	33,300	31,160	28,867	29,421	29,364	30,275	32,248
Penalty Fees	-	-	-	-	162	41	82	-	-	-	-
Returned Check Charge	-	-	-	-	25	-	25	25	25	125	25
Special Dues Assessment	200	200	200	200	222	204	320	64	128	708	140
Other Income	-	-	-	-	-	-	-	-	-	70	-
Total Assessments, Fees & Interest	39,900	38,100	37,200	36,300	33,968	32,065	27,087	30,691	31,196	32,065	32,468
Interest:											
Bank Operating Interest	10	10	10	10	0	14	27	41	2	1	5
Bank Reserves Interest	25	25	25	25	2	70	100	150	2	93	14
Total Interest	35	35	35	35	2	85	127	192	4	93	20
Total Revenue	39,935	38,135	37,235	36,335	33,970	32,150	27,214	30,882	31,200	32,158	32,488
Expense											
Operations:											
Accounting Services	3,159	3,159	3,159	3,159	2,916	2,916	2,916	1,944	1,944	1,944	1,944
Bank Charges	25	25	25	25	36	635	28	12	12	60	12
Collection Costs	-	-	-	-	-	41	82	-	-	164	43
Insurance	2,500	2,500	2,500	2,500	2,148	2,084	1,989	1,921	1,885	1,893	1,793
Miscellaneous	150	150	150	150	-	-	42	19	-	-	135
Office Supplies	600	600	600	600	590	343	179	629	958	375	432
Postage	350	350	350	350	330	292	382	369	341	312	257
Reserves Expense	\$5.78/m/lot	5,619	5,619	5,619	972	97	97	(1,297)	97	(1,076)	486
Taxes & Licenses	50	50	50	50	50	50	228	50	50	50	50
Website	75	75	75	75	72	72	72	72	72	84	119
Total Operations **	12,528	12,528	12,528	12,528	7,114	6,530	6,015	3,720	5,359	3,806	5,271
Landscape:											
Asset Repairs	1,500	1,500	1,500	1,500	602	911	2,190	694	1,285	521	40
Backflow Testing	2,835	2,835	2,835	2,835	2,430	1,600	1,620	-	-	-	-
Depreciation	4,254	4,254	4,254	4,254	9,542	(65)	3,318	2,341	2,372	2,348	2,337
Common Area Maintenance	17,825	17,825	17,825	17,825	17,525	17,225	17,425	16,520	16,105	15,550	14,950
Landscape Special Projects	2,500	2,500	2,500	2,500	2,575	2,985	1,685	1,325	3,955	2,930	855
Irrigation Water	1,900	1,900	1,900	1,900	1,828	2,681	2,001	2,308	1,928	1,742	1,275
Total Landscape **	30,814	30,814	30,814	30,814	34,502	25,337	28,239	23,188	25,645	23,091	19,457
Events:											
Block Party	-	-	-	-	-	887	-	1,606	1,611	1,534	1,445
Garage Sale	15	15	15	15	12	12	12	15	55	-	45
Welcome Basket	100	100	100	100	251	84	158	31	187	263	76
Total Events	115	115	115	115	263	983	170	1,652	1,853	1,797	1,567
Total Expenses **	43,457	43,457	43,457	43,457	41,879	32,850	34,424	28,560	32,857	28,694	26,295
Net Income	(3,522)	(5,322)	(6,222)	(7,122)	(7,909)	(700)	(7,210)	2,323	(1,656)	3,464	6,193
Operating Cash Adjustments:											
Add Back Depreciation (non-cash)	4,254	4,254	4,254	4,254	9,542	(65)	3,318	2,341	2,372	2,348	2,337
Cash Net Income	732	(1,068)	(1,968)	(2,868)	1,634	(765)	(3,892)	4,664	715	5,812	8,530
Less Loan Repayment (50%)											(4,000)
Change in Operating Cash	732	(1,068)	(1,968)	(2,868)	1,634	(765)	(3,892)	4,664	715	5,812	4,530
EXPENSE & DUES ANALYSIS:											
** Operations w/o Reserves Expense	6,909	6,909	6,909	6,909	6,142	6,433	5,918	5,016	5,262	4,881	4,785
Landscape w/o Depr expense	26,560	26,560	26,560	26,560	24,960	25,402	24,921	20,847	23,273	20,743	17,120
Events	115	115	115	115	263	983	170	1,652	1,853	1,797	1,567
Total Expenses w/o Rsrv/Depr exp	33,584	33,584	33,584	33,584	31,364	32,817	31,009	27,515	30,388	27,422	23,472
Expenses Increase over 2013	43.1%	43.1%	43.1%	43.1%	33.6%	39.8%	32.1%	17.2%	29.5%	16.8%	
Dues Increases over 2013	25.7%	20.0%	17.1%	14.3%	5.7%	-2.9%	-8.6%	-8.6%	-8.6%	-5.7%	

Quail Hollow East Homeowners Association
Reserves Study as of
12/31/2019

Purchase Date	Purchase Description	Cost	Useful Life	Location of Fixed Asset	Replacement Cost as of 9/1/2018	Replacement Cost as of 8/1/2019	Rate of Inflation	Calculated Replacement Funds Needed as of 8/1/2019	Cost per lot per year	Number of years to 12/31/2019
01/01/2000	Subdivision Name Monument	\$ 4,500.00	45	Hollow Ln & 121st	\$ 6,700.00	\$ 6,800.00	1.47%	\$ 3,022.22	\$1.87	20.00
01/01/2000	Picnic Table, Benches & Trash Receptacle	\$ 1,500.00	10	Tract D	\$ 5,400.00	\$ 5,477.00	1.41%	\$ 5,477.00	\$6.76	10.00
01/01/2000	125 feet Plastic Rail Fence - Tract A at 124th	\$ 1,080.00	15	Tract A	\$ 1,998.75	\$ 2,373.75	15.80%	\$ 2,373.75	\$1.95	15.00
01/01/2000	Install 2 timers, 600 ft pipe & 53 heads	\$ 14,538.46	25	Tract D	\$ 12,868.00	\$ 14,926.00	13.79%	\$ 11,940.80	\$7.37	20.00
01/01/2000	Install Original 230+ft pipe & 25 heads	\$ 2,687.00	25	Tract G	\$ 3,245.50	\$ 3,765.00	13.80%	\$ 3,012.00	\$1.86	20.00
01/01/2000	Install Original 300+ft pipe & 36 heads	\$ 4,895.00	25	Tract F	\$ 6,550.00	\$ 7,598.00	13.79%	\$ 6,078.40	\$3.75	20.00
01/01/2000	Original Install 150+ft pipe & 14 heads	\$ 1,579.00	25	Tract E	\$ 5,002.25	\$ 5,802.00	13.78%	\$ 4,641.60	\$2.87	20.00
11/06/2006	Benches (3) including installation	\$ 3,830.00	10	Tract D	\$ 4,500.00	\$ 5,220.00	13.79%	\$ 5,220.00	\$6.44	10.00
11/06/2006	Tetherball game with turf surround	\$ 379.00	25	Tract D	\$ 398.00	\$ 465.00	14.41%	\$ 244.64	\$0.23	13.15
11/30/2006	Play Structure & Swings	\$ 18,780.23	25	Tract D	\$ 22,375.00	\$ 25,955.00	13.79%	\$ 13,583.12	\$12.82	13.08
07/30/2007	72 feet Plastic Picket Fence - Tract D at Lot 27	\$ 1,043.53	15	Lot 27 & Tract D	\$ 3,834.00	\$ 4,032.00	4.91%	\$ 3,337.60	\$3.32	12.42
08/31/2007	Tuff Shed Storage Shed	\$ 2,426.41	30	Tract D	\$ 2,384.00	\$ 2,664.00	10.51%	\$ 1,095.20	\$1.10	12.33
07/28/2008	Bench including installation	\$ 589.00	10	Tract D	\$ 589.00	\$ 705.00	16.45%	\$ 705.00	\$0.87	10.00
08/18/2009	Phonic Powerpod 410/S710 PA Package	\$ 208.95	5	Storage Shed	\$ 237.00	\$ 275.00	13.82%	\$ 275.00	\$0.68	5.00
08/15/2011	EZ UP Canopies (10)	\$ 599.70	5	Storage Shed	\$ 1,689.90	\$ 1,960.00	13.78%	\$ 1,960.00	\$4.84	5.00
04/28/2014	HP Laserjet M451dn Color Printer	\$ 359.99	5	Accts Mgr	\$ 799.99	\$ 500.00	-60.00%	\$ 500.00	\$1.23	5.00
06/18/2017	Heads, Hunter Model 200 Timer, Valves & Solenoids	\$ 785.00	5	Tract D - Quail Creek	\$ 858.25	\$ 995.00	13.74%	\$ 504.69	\$2.46	2.54
07/12/2017	Hunter Model 400 Timer, Valves & Solenoids	\$ 991.00	5	Tract D - Hollow	\$ 1,160.00	\$ 1,345.00	13.75%	\$ 664.28	\$3.32	2.47
07/24/2017	Hunter Model 400 Timer, Valves & Solenoids	\$ 1,730.00	5	Tract F	\$ 1,925.00	\$ 2,233.00	13.79%	\$ 1,087.97	\$5.51	2.44
01/28/2018	AmazonBasics External Hard Drive Case	\$ 6.49	5	Accts Mgr	\$ 6.75	\$ 6.00	-12.50%	\$ 2.31	\$0.01	1.93
01/28/2018	Dell Inspiron 17 5000 Series Laptop	\$ 914.94	5	Accts Mgr	\$ 1,109.00	\$ 1,100.00	-0.82%	\$ 423.50	\$2.72	1.93
01/28/2018	Toshiba Canvio Basics 1TB Portable Hard Drive	\$ 49.99	5	Accts Mgr	\$ 64.99	\$ 75.00	13.35%	\$ 28.88	\$0.19	1.93
08/20/2018	312 ft Gray Ecostone Fence	\$ 25,315.70	25	Tract E & F	\$ 25,315.70	\$ 29,350.00	13.75%	\$ 1,601.21	\$14.49	1.36
09/04/2019	E-Series ADA Picnic Table with seats	\$ 976.40	10	Tract D	\$ -	\$ 1,358.55	100.00%	\$ 44.15	\$1.68	0.33
09/04/2019	E-Series (2) Benches with backs	\$ 993.49	10	Tract D	\$ -	\$ 1,312.60	100.00%	\$ 42.66	\$1.62	0.33
09/04/2019	E-Series (2) 32 Gallon Trash Receptacles	\$ 1,429.17	10	Tract D	\$ -	\$ 1,883.97	100.00%	\$ 61.23	\$2.33	0.33
10/31/2019	Installation of Park Furniture	\$ 1,050.00	10	Tract D	\$ -	\$ 1,050.00	100.00%	\$ 17.50	\$1.30	0.17
		\$ 88,789.39			\$ 109,011.08	\$ 129,226.87	15.64%	\$ 67,944.70		
							Less	\$ 5,477.00		
								\$ 62,467.70		

This estimate was made prior to purchase of park furniture

01/01/2019 Reserves Balance	\$ 7,663.64	Computed	
01/01/2019 Savings Balance	\$ 11,434.65	As of 7/31/2019	As of 9/30/2019
12/31/2019 Estimated Reserves Balance		\$ 8,638.02	\$ 8,638.22
12/31/2019 Estimated Savings Balance		\$ 13,379.98	\$ 13,380.04
12/31/2019 Estimated Total Funds Available		\$ 22,018.00	\$ 22,018.26
Fund % of Calculated Replacement		32.41%	32.41%

This estimate was made after purchase of park furniture

01/01/2019 Reserves Balance	\$ 7,663.64		
01/01/2019 Savings Balance	\$ 11,434.65		
12/31/2019 Estimated Reserves Balance		\$ 4,138.02	\$ 4,288.22
12/31/2019 Estimated Savings Balance		\$ 13,379.98	\$ 13,380.04
12/31/2019 Estimated Total Funds Available		\$ 17,518.00	\$ 17,668.26
Fund % of Calculated Replacement		28.04%	28.28%

Missed in 2018

Replaced



Annual Budget for 2020

Expense

Association Management Expenses		
Accounting Services	\$	3,159.00
Bank Charges	\$	25.00
Insurance	\$	2,500.00
Miscellaneous	\$	150.00
Office Expenses	\$	600.00
Postage	\$	350.00
Taxes & Licenses	\$	50.00
Website	\$	75.00
Welcome Basket	\$	105.00
Total Association Management Expenses	\$	<u>7,014.00</u>
Association Operations Expenses		
Asset Repairs	\$	1,500.00
Backflow Device Testing	\$	2,835.00
Depreciation	\$	4,254.48
Fixed Asset Reserves Expense	\$	972.00
Savings Transfer	\$	1,944.00
Landscaping Expenses		
Common Area Maintenance	\$	17,825.00
Irrigation Water	\$	1,900.00
Landscape Special Projects	\$	2,500.00
Total Landscaping Expenses	\$	<u>22,225.00</u>
Total Association Operations Expenses	\$	<u>33,730.48</u>
Event Expenditures		
Garage Sale	\$	15.00
Total Event Expenditures	\$	<u>15.00</u>
Total Expense	\$	<u><u>40,759.48</u></u>
Less Depreciation	\$	4,254.48
Advance Payment Discounted Assessments	\$	(2,199.53)
Estimated Total Budgeted Expenses	\$	38,704.53
Annual per lot	\$	477.00
Monthly per lot	\$	40.00
10% Discount - Advance Payment becomes	\$	432.00

WordPerfect Document Comparison Summary

Original document: 2013 Amended BYLAWS

Revised document: 2019 Amended BYLAWS

Deletions are shown with the following attributes and color:

~~Strikeout~~, **Blue** RGB(0,0,255).

Deleted text is shown as full text.

Insertions are shown with the following attributes and color:

Double Underline, Redline, **Red** RGB(255,0,0).

The document was marked with 16 Deletions, 17 Insertions, 0 Moves.

After Recording Return to:
Quail Hollow East Homeowners Association
15685 SW 116th #311
King City, OR 97224

**AMENDED BYLAWS OF
QUAIL HOLLOW-EAST HOMEOWNERS ASSOCIATION**

Venture Properties, Inc, filed ByLaws for Quail Hollow East Homeowners Association, recorded February 19, 2003 as Document No. 2003-023886 in the Washington County Deed of Records. The ByLaws were amended and recorded October 9, 2007 as Document No. 2007-107748 ~~and~~ September 27, 2010 as Document No. 2010-075537 and February 20, 2013 as Document No. 2013-015819. The governing ByLaws for Quail Hollow East Homeowners Association are hereby amended by the Board of Directors elected by the homeowners as successors to Venture Properties, Inc.

ARTICLE I

Name of Office

1. Name: of the corporation is QUAIL HOLLOW-EAST HOMEOWNERS ASSOCIATION, referred to as the “Association.”
2. Principal Office: The principal office of the Association shall be at such location as the directors may from time to time designate.

ARTICLE II

Definitions

1. “Association” shall mean and refer to QUAIL HOLLOW-EAST HOMEOWNERS ASSOCIATION, its successors and assigns.
2. “Property” shall mean and refer to the duly recorded plat of QUAIL HOLLOW EAST as further described in the Declaration of QUAIL HOLLOW EAST Protective Covenants.
3. “Common Area” shall mean and refer to all property in QUAIL HOLLOW EAST owned or managed by the Association for the common use and enjoyment of the Owners, specifically Tracts “A”, “B”, “C”, “D”, “E”, “F”, “G”, and “H” as shown on the recorded plat. Common Area may also include improvements for the benefit of all Homeowners that may be created or constructed by the Homeowners Association in the future, subject to approval by the City of Tigard.
4. “Lot” shall mean and refer to any numbered parcel of land designated for residential use within and identified on the plat of QUAIL HOLLOW EAST.
5. “Owner” shall mean and refer to the property owner of record in Washington County, whether one or more persons or entities, of the fee simple title to any Lot which is part of the Properties, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.[Amended February 7, 2013]
6. “Declarant” shall mean and refer to VENTURE PROPERTIES, INC.
7. “Declaration” shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property recorded in Washington County, Oregon.
8. “Member” shall mean and refer to those persons entitled to membership as provided in the Declaration.
9. “Voting Membership” shall mean and refer to that specified in the Declaration.

**AMENDED BYLAWS OF
QUAIL HOLLOW-EAST HOMEOWNERS ASSOCIATION**

ARTICLE III

Meetings of Members

1. Annual Member Meeting: The first Member Meeting of the members shall be held after Turnover and each subsequent Member Meeting, hereinafter designated the Annual Meeting, of the members shall be held ~~in January~~ during the first quarter of each year ~~thereafter~~ at such date and time as may be prescribed by the Board of Directors as required by Oregon Planned Community Law. Additional Member Meetings may be held during the year as may be prescribed by the Board of Directors. [Amended February 7, 2013] ~~[[Amended ???]]~~
2. Special Association Member Meetings: A special member meeting of the Association may be called at any time by the President or by any three (3) members of the Board of Directors or upon receipt of a written request stating the purpose of the meeting from ten percent (10%) of the voting membership of the Association. [Amended February 7, 2013]
3. Notice of Member and Special Association Member Meetings: Written notice stating the place, day and hour of the meeting and, in the case of a special member meeting; the purpose or purposes for which the meeting is called, shall be delivered not less than seven (7), nor more than thirty (30) days before the date of the meeting, either personally, by mail or by email to an address provided by the member, by or at the direction of the President, or the Secretary, or the persons calling the meeting, to each Owner of an occupied Lot in the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with postage fully prepaid thereon, addressed to the member's address appearing on the books of the Association or supplied by such member to the Association for the purpose of notice. If emailed, such notice shall be deemed to be delivered when sent. Notice of meeting date, time and location will also be posted on the Association website. [Amended September 21, 2010] [Amended February 7, 2013]
4. Quorum: Those members present or by proxy at any annual or special meeting of members constitute a quorum at the meeting except where a greater number is required by the Declaration, or these Bylaws.
5. Special Quorum Requirements: The presence at any meeting in person or by proxy of seventy-five percent (75%) of the voting membership shall constitute a quorum for action on the following matters:
 - Merger and Consolidations
 - Mortgage of the Common Properties
 - Dedication, sale or transfer of any part of the Common Area
6. Proxies: Voting may be in person or by proxy executed in writing and filed with the Association Secretary. No proxy shall be valid after the meeting for which it was solicited, unless otherwise expressly stated in the proxy, and every proxy shall automatically cease upon termination of membership. [Amended February 7, 2013]
7. Majority Vote: The vote of a majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the members (i.e. Merger and Consolidation or Mortgage of Common Properties etc.), unless a greater proportion is required by these Bylaws, the Declaration or the Planned Community Laws of the State of Oregon. Specifically, seventy-five percent (75%) of the voting membership is required for Special Assessments for Capital Improvement and seventy-five percent (75%) to increase maximum annual maintenance assessment beyond Section 19(B) of the Declaration. [Amended February 7, 2013]
8. Place of Meeting: Meetings shall be held in Washington County.

ARTICLE IV

Board of Directors

1. Number: The affairs of this Association shall be managed by a Board of three (3) Directors appointed by Declarant until the Turnover of the Association.
2. Term: The Directors named in the Articles of Incorporation shall serve until Declarant turns over administrative responsibilities. At the first meeting, after Declarant has turned over the administrative responsibilities to the homeowners, the members shall elect five (5) Directors. ~~No Director may serve for more than three (3) consecutive years in the same office.~~ Each member of the Board of Directors must be a member in good standing within the Association. [Amended June 12, 2003] [Amended February 7, 2013] ~~[[Amended ???]]~~
3. Removal: Any Director may be removed from the Board, with or without cause, by a majority of vote of the voting membership of the Association. In the event of death, resignation or removal of a Director, a successor may be elected by the remaining

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members of the Board and shall serve for the unexpired term of his predecessor.

4. Compensation: No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of duties with the approval of the Board of Directors.
5. Action Taken Without a Meeting: In the absence of a meeting, Directors shall have the right to take action, which could have been taken at a meeting, by obtaining the written approval of all of the Directors. Approval may be obtained by electronic mail. [Amended ???]
6. Election Chairperson: Election Chairperson shall not be related to any current Board member or living in the same household with any current Board member, and shall be appointed by the President prior to each Annual Meeting or by submission of an Application of Candidacy completed by the member. [Amended June 12, 2003][Amended September 21, 2010] [Amended February 7, 2013]
7. Election: Election to the Board of Directors shall be by written ballot mailed to members accompanying the notice of the Annual Meeting with a return envelope addressed to the Election Chairperson. Returned envelopes will remain sealed until the Annual Meeting at which time the votes contained within and the written ballots submitted at the Annual Meeting will be counted to elect the officers to the new Board of Directors. The sealed envelopes will be opened by the Election Chairperson and an inspector appointed by the President of the Association and the ballots counted. At such election, the voting membership may cast in respect to each vacancy the one vote they are entitled to exercise. The persons receiving the largest number of votes shall be elected to the position selected. [Amended June 12, 2003][Amended September 21, 2010] [Amended February 7, 2013]
8. Election Procedure: A notice will be sent to all members ~~in September~~ not less than ninety (90) days prior to the Annual Meeting. The notice will contain a request for the member to select any office to which the member may be interested in serving and to give a brief qualifying statement that will be included within the ballot. The notice will also ask any member interested in serving as the Election Chairperson to select that option. ~~By October,~~ The Election Chairperson will be appointed by the President. If no one indicates a desire to serve as the Election Chairperson, the President will appoint a member at random to serve. ~~In December,~~ The ballots will be prepared for the officer election to be held at the Annual Meeting. If no one is interested in running for a position ~~the Election Chairperson may select the incumbent to run for the position, if the incumbent is willing to run, even though the incumbent has served in that position the past three (3) consecutive years, otherwise~~ the Election Chairperson must secure a person willing to run for the office. ~~In December,~~ The ballots will be mailed to the members with a return envelope addressed to the Election Chairperson. The ballots will accompany the notice of the Annual Meeting. The return envelopes are for the sole purpose of the election at the Annual Meeting and the membership will be advised of that fact. The ballot will contain the names of the parties interested in running for ~~a specific position~~ and an area in which the member may write in any name they choose for that position. The ballots may be returned in the envelope to the Election Chairperson or brought to the Annual Meeting. Should there be a tie vote for any position the Election Chairperson will set up a run-off election at the Annual Meeting. [Amended June 12, 2003][Amended February 7, 2013] [Amended ???]

ARTICLE V

Meetings of Board of Directors

1. Meetings: Within thirty (30) days after each Annual Meeting of the members, the Directors elected at such a meeting, and those holding over, shall hold an organization meeting for the purpose of record turnover and transaction of such other business as may come before the Board. If all Directors are present at the time and place of the Annual Meeting, no prior notice of such meeting shall be required to be given to the Directors. All other meetings of the Board shall be held at such place and time as directed by the Board of Directors. All meetings of the Board of Directors shall be open to Owners except Executive meetings. [Amended June 12, 2003][Amended February 7, 2013]
2. Special Board Meetings: Special meetings of the Board of Directors may be called by the President, or by any two (2) Directors, after not less than three (3) days notice to each Director. Notice to members of Special Board Meetings will be included in the monthly newsletter of the Association and/or placed on the Association website. [Amended February 7, 2013]
3. Quorum: A majority of the Directors shall constitute a quorum. The action of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors.
4. Executive Board Meetings: Executive meetings of the Board of Directors may be called by the President, or by any two (2) Directors, after not less than three (3) days notice to each Director for the purpose of discussion of financial or legal matters involving a specific member account where privacy is a concern. [Amended June 12, 2003]

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ARTICLE VI

Powers and Duties of the Board of Directors

1. General Powers: The Board of Directors shall have power to:
 - a. Adopt and publish rules and regulations governing the use of the Common Area, personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.
 - b. Impose interest during any period in which such member shall be in default in the payment of any assessment levied by the Association.
 - c. Exercise for the Association all powers, duties and authority vested in or delegated to this Association for the purpose of maintaining the Common Area, Public Right of Way Improvements or otherwise promoting the general benefit of the Homeowners within QUAIL HOLLOW EAST.[Amended February 7, 2013]
 - d. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive meetings of the Board of Directors.[Amended February 7, 2013]
 - e. Employ an independent contractor, or such other persons as deemed necessary for maintenance of Common Area, and to prescribe their duties and fix their compensation.
 - f. Levy assessments in accordance with Article 19 (B) of the Declaration.[Amended February 7, 2013]
 - g. Claim a lien against any property for which assessments and or fines are not paid within thirty (30) days after date of final notice, or to bring an action at law against the Member personally obligated to pay the same. To enforce said lien, assessment or fine by sale by the Association or an organization authorized by the Association, in accordance with the provisions Paragraph 19, Section (C) of the Declaration, and the laws of jurisdiction.[Amended February 7, 2013]
 - h. Enforces the provisions of the Declaration.
2. Duties: It shall be the duty of the Board of Directors to:
 - a. Cause to be kept a complete record of all of its acts and the proceedings of its meetings in the form of meeting minutes to be posted on the Association website with the exception of minutes of Executive meetings.[Amended February 7, 2013]
 - b. Actions included in the Minutes of Executive meetings may be reviewed only by the member whose account is discussed in the meeting. If more than one account is discussed only the portion of the minutes relating to the specific member may be reviewed.[Amended February 7, 2013]
 - c. Cause to be presented at or before the Annual Meeting of the members a report reviewing the business and affairs of the Association for the year by placing on the Association website the annual financial reports.[Amended February 7, 2013]
 - d. As more fully provided in the Declaration, to:
 - i. Prepare a report for the Association once per year listing past and present assessment year receipts and expenditures, and where possible include a forecast of upcoming expenses, with adequate allowance for reserves.[Amended February 7, 2013]
 - ii. Prorate the amount of the annual assessment against each Lot once per year and send written notice of such to every Owner at least thirty (30) days in advance of a change in the annual assessment.[Amended February 7, 2013]
 - iii. Cause to be prepared a roster of property subject to assessment, with assessments applicable to each such property. Each Owner has the right to review only their own assessment record. [Amended February 7, 2013]
 - e. Issue, or to cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
 - f. Procure and maintain adequate liability and hazard insurance on property owned, leased or otherwise used by the Homeowners in the Association.
 - g. Cause the Common Area and any improvements thereon to be maintained.

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- h. Procure and maintain insurance protecting the Board of Directors and committee members appointed by the Board against liability in the course of their duties as outlined herein and in the Declaration.
- i. File Association Tax Returns.

ARTICLE VII

Officers

- 1. Officers: The offices of this Association shall be a President, Vice President, Secretary, Treasurer and Officer at Large who shall at all times be members of the Board of Directors. The Board of Directors may appoint an Assistant Secretary or an Assistant Treasurer by resolution entered on its minutes. The Officers shall be elected at the Annual Meeting of the Board of Directors each year, and the term of office shall be for a period of one (1) year and until their successors are elected and assume office, unless such officer resigns or is removed.[Amended February 7, 2013]
- 2. Resignation or Removal: Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.[Amended February 7, 2013]
- 3. Vacancies: A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced. [Amended February 7, 2013]
- 4. President: The president shall preside at all meetings of the members of the Association and of the Board of Directors. The President shall sign for the Association such contracts and other documents as may be authorized by the Board of Directors to sign, and shall perform all acts and duties usually performed by a President or as prescribed by the Board of Directors.
- 5. Vice President: In the absence or disability of the President, the Vice President shall preside and perform the duties of the President. The Vice President shall also perform such other duties as required by the Board of Directors.
- 6. Secretary: The Secretary shall record the votes and shall keep, or cause to be kept, the minutes of all meetings and proceedings of the Board and of the members, keep appropriate current records showing the Homeowners of occupied Lots together with their addresses, and shall perform such other duties as required by the Board of Directors. [Amended February 7, 2013]
- 7. Treasurer: The Treasurer shall prepare or monitor the preparation of an estimated budget of expenditures each year which includes asset depreciation and reserves status, provide a status report at each meeting; shall monitor disbursement of funds as directed by resolution of the Board of Directors, either monitor or keep proper books of account, and prepare or monitor preparation of annual reports to be displayed on the Association website for all members to view and shall perform such other duties as required by the Board of Directors. [Amended February 7, 2013]
- 8. Officer at Large: The Officer at Large will monitor the Neighborhood Watch program and shall perform such other duties as required by the Board of Directors. [Amended February 7, 2013]

ARTICLE VIII

Committees

The Board of Directors shall appoint such other committees as it, in its discretion, deems necessary to assist in the operation of the affairs of the Association. Committee members need not be members of the Board of Directors.

ARTICLE IX

Books and Records

- 1. Inspection by Members: All meeting minutes and financial reports except executive meeting minutes will be available on the Association website for all members to review. Inspection of any Association source documents (i.e. bank statements, contracts, payments and charges or expense reimbursements) associated with a specific member's records, will be available to only that member during reasonable business hours. [Amended February 7, 2013]
- 2. Execution of Corporate Documents: When the execution of any instrument has been authorized by the Board of Directors without specifying the executive officer, such instrument may be executed by any two of the following officers: The President, Vice President, Secretary, Treasurer or Officer At Large. The Board of Directors may, however, authorize any one of such officers to sign any of such instruments for and on behalf of the Association, and may designate officials or employees of the Association other than those named above who may sign such instrument. [Amended February 7, 2013]

ARTICLE X

Assessments

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As more fully provided in the Declaration, each Owner of an occupied Lot is obligated to pay the Association annual, monthly or special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his Lot. [Amended September 25, 2007][Amended February 7, 2013]

ARTICLE XI

Amendments

1. These Bylaws may be amended by a majority of the Board of Director members.[Amended February 7, 2013]
2. At a member or special member meeting of the membership these Bylaws may be amended by seventy-five percent (75%) of the voting membership present in person or by proxy, provided that notice of the amendment had been included in the notice of the meeting. [Amended February 7, 2013]
3. Any matter stated in these Bylaws which is in fact governed by the Declaration may not be amended except as provided in such Declaration. In the case of any conflict between such Declaration and these Bylaws, the provisions of the Declaration shall control.
4. Any matter stated in these Bylaws which is in fact governed by the Planned Community Laws of the State of Oregon may not be amended except as provided by the Planned Community Laws of the State of Oregon. In the case of any conflict between the Planned Community Laws of the State of Oregon and these Bylaws, the provisions of the Planned Community Laws of the State of Oregon shall control.[Amended February 7, 2013]

ARTICLE XII

Miscellaneous

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of each year, except that the first fiscal year may begin on the date of incorporation.

Quail Hollow East Homeowners Association

By _____
President

Dated _____

By _____
Secretary

Dated _____

STATE OF OREGON, County of Washington }ss

Personally appeared Tony Irlbeck who, being duly sworn, did say that he is the President of Quail Hollow East Homeowners Association and Leilani Arellano who, being duly sworn, did say that she is the Secretary of Quail Hollow East Homeowners Association and that said instrument was signed on behalf of said corporation by authority of its board of directors and acknowledges said instrument to be its voluntary act and deed.

Notary Public for Oregon
My Commission expires: _____