

# DRAFT

for consideration by Board at December 2025 meeting.  
If adopted, will be kept with governing documents  
until those documents are updated to conform with statute.

(draft prepared by Board Member Virginia Vroegop, Nov. 23, 2025)

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## IMPORTANT NOTICE Governing Documents Modified by Statute

**Disclaimer:** This document represents the Board’s understanding and analysis of statutory provisions based on our review of the controlling statute, RCW 64.90. It does not constitute a legal opinion. Every homeowner is encouraged to study the law for themselves and to alert the board if they believe there are any errors in this memorandum.

**Multiple provisions in our governing documents have been superseded by statute.** As of November 19, 2025, this includes provisions relating to the budget process and requirements for reserve studies. These provisions (or an earlier version of them) have been in effect for our association since 2018.

As of January 1, 2026, additional statutory requirements will supplement and to some degree replace provisions for noticing and conducting Member and Board Meetings. Other statutory provisions that are currently or will become effective in January 2026 impose additional requirements not specifically addressed in our governing documents.

The two tables below summarize the changes. The first table is an abbreviated cross-reference between statute and governing documents. The second table includes key content of both. Please note the statute may be amended from time to time. You should consult the latest version of the statute if you are reviewing this document after 2025. For your convenience, cited key statutory provisions as they existed on the date of this notice are attached as well as one additional resource shared by the South Bay Homeowners Association.

NOTE: The full statute (RCW 64.90) will be applicable to our association on January 1, 2028. This will supersede additional provisions of our governing documents. It may be necessary or advisable to amend our governing documents to ensure compliance with the statute.

SUMMARY TABLE – SUBJECT AND SOURCES		
Subject	RCW 64.90 provision and effective date for us	Effect on TVHA’s governing documents
Budget & Assessments	RCW 64.90.525 (2018)	Suppl. Decl. Art. 7.3-7.5 – procedures for setting budget and assessments <b>fully replaced</b> by statute, Bylaws Art.VI, Sec.2(c)(1) (timing).

<b>Reserve Study</b>	RCW 64.90.545 (2018)	<b>Replaces</b> full discretion in Suppl. Decl. Art. 5.2.10 with mandatory requirements
<b>Annual Assessment Requirement</b>	RCW 64.90.480(1) (2018)	This is already our practice and consistent with Suppl. Decl. Art 7.1
<b>Meeting Requirements</b>	RCW 64.90.445 (1/1/2026)	<b>Replaces some and adds other requirements</b> to less detailed meeting requirements in Suppl. Decl. Art. 17.8, Bylaws Art. III, sec. 1, Art. IV. Sec. 5, Art. V.
<b>Method of dues payment</b>	RCW 64.90.480(10) (1/1/2026)	Not addressed in our documents
<b>Emergency and Emergency Powers</b>	RCW 64.90.502 (1/1/2026)	Little if anything specific in our documents
<b>ARC-related (Heat pumps &amp; EV charging stations)</b>	RCW 64.90.513 & .580 (1/1/2026)	Likely addressed in South Bay Decl./ARC standards, nothing in our documents

<b>Provisions of RCW 64.90 already applicable to our association vs. related provisions of our governing documents</b>		
<b>Budget/ Assessment Process</b>	<b>RCW 64.90.525 – supersedes governing documents.</b> The statute has governed our budget process since 2018. The board adopts a budget, sends notice to members within 30 days of adoption, and sets a meeting for members to consider ratification. The notice must include specific information listed in the statute. The meeting must be set within 14 to 50 days after the budget notice is sent out. The budget is ratified unless at least 51% of the <i>eligible</i> votes (for us, one per lot) reject the budget. No quorum is required. If these steps are not followed or the majority rejects the budget, the last ratified budget remains in effect. NOTE: the statute allows governing documents to require a “larger percentage” to <i>reject</i> the budget. This language does not save the converse (60% quorum and 2/3 approval) provisions of our governing documents.	<b>Suppl. Decl. Art. 7.3- 7.5 (superseded by statute).</b> Art. 7 allows the board to adopt budget/set assessment without member vote if it does not exceed a 5% or CPI-based increase. Larger increases require a 60% quorum and 2/3 majority of those voting to approve. Notice must go out 30 to 50 days before meeting. <i>See also</i> Art. 5, sec. 5.6.1 (requires pro forma operating stmt 60 days before start of year); Bylaws Art VI.2(c) (fix assessment 30 days before due).
<b>Special Assessment</b>	<b>RCW 64.90.525(3) – supersedes governing documents.</b> Same procedures apply as for regular budget (discussed above).	<b>Suppl. Decl. Art. 7.4 (superseded by statute).</b> Allows up to 5% special assessment without member vote. For more, it requires

		60% quorum and majority vote.
<b>Reserve Studies</b>  <b>RCW 64.90.545</b>	<b>RCW 64.90.545 -- adds mandatory requirements.</b> Requires a reserve study every year (with some exceptions, none of which apply to us). Every third year, the study must be performed by a professional based on a site visit. Governing documents may require more (ours do not). Specifics of what must be in a reserve study are set out in RCW 64.90.550, but that does not yet apply directly.  Note: Information about the reserve study and fund status must be included in the budget disclosure documents, RCW 64.90.525(2)(e), (f).	<b>Supp. Decl. 5.2.10 (modified by statute)</b> allows our board to create reserve funds “in its sole and absolute discretion.” <b>A 2011 Board Resolution</b> established a reserve fund policy, which requires reserve studies every three years but does not require the study be done by a professional <b>(modified by statute).</b> A <b>2017 Balanced Budget Policy</b> specifies steps to remove money from reserve funds. The statutory sections currently applicable do not modify the policy for using funds.
<b>Other Sections applicable</b>	Additional sections already applicable to us include: 64.90.370, .405(1)(b), and .010. These are generally administrative provisions, addressing which sections are applicable to which associations, ways to opt-in to the full statute before 2028, and definitions. They do not require substantive changes in how we conduct business. Section 64.90.480(1) requires assessments be made at least annually. While substantive, this provision does not modify how we currently impose assessments or conflict with governing documents.	

<b>Additional provisions of RCW 64.90 that apply to us on January 1, 2026</b>		
<b>Conduct of Meetings</b>  <b>Member Meetings</b>	<b>RCW 64.90.445 supersedes some and supplements other provisions in governing documents.</b> This section provides detailed procedures for sending notice and conducting both Member and Board Meetings.  Member Meetings must be noticed 14 to 50 days in advance. Agendas must be made available at the same time notice is given.  A different section of statute that is <i>not yet</i> applicable to us provides 20% is quorum for Member Meetings. RCW 64.90.450. Since this does not yet apply, we still require 25% per Art. III for Member Meetings. Quorum	<b>Bylaws Art III is superseded by statute as to time, content, and conduct of meetings but not general quorum rules for Member Meetings.</b> Art III addresses member meetings and requires notice 30 to 60 days in advance with time, date, place and purpose only if a special meeting. “Non-annual” meetings may be noticed by an adopted schedule or on 10 days notice. Quorum for Member Meetings is 25% unless

	rules for budget/assessment approval are governed by statute.	otherwise provided, which still controls. Any quorum rule for budget/assessment approval is replaced by statutory provisions specific to that topic.
<b>Board Meetings</b>	<b>RCW 64.90.445 (cont'd) supersedes and supplements what governing documents require as to Board Meetings.</b> Must be noticed 14 days in advance or through a published schedule. Seven days notice allowed for unanticipated events. Agenda must be given by same deadline. Copies of materials given to board must be made available to members. Meetings must be open unless purpose is within exception for executive session. The meeting must include a 15 minute comment period at the outset. Ministerial actions may be taken outside of meeting by unanimous consent (limited use, such as approval of minutes or matters that must be ratified). Challenges to action taken must be within 90 days of publication of approved minutes.	<b>Governing documents mostly do not address. Bylaws Art IV</b> addresses board election, terms, etc. <b>Art V</b> addresses board meetings “at such place and time selected” by the board, quorum is majority of board. Only specific time noted is three days for special meetings, though 10 days for non-annual member meeting above might apply. Need not determine whether the 10-day rule applies to Board Meetings because statute requires 14 days (as of 1/1/26).
<b>Method of dues payment</b>	<b>RCW 64.90.480(10).</b> Must allow a no-cost method of paying dues.	Nothing in governing documents but we already do that.
<b>Emergency and Emergency Powers</b>	<b>RCW 64.90.502.</b> Defines emergency and establishes emergency powers.	We have provisions in Suppl. Decl. (Art 17.8) and Bylaws (Art. V, Sec. 2) that allow for special meeting on 3 days notice. Did not find specific emergency provisions.
<b>ARC-related</b>	<b>RCW 64.90.513 and .580</b> address electric charging stations and heat pumps. These will be addressed, if at all, through South Bay ARC rules.	We have no related provisions.

**Attachments:**

- RCW 64.90.445 (Meetings)
- RCW 64.90.525 (Budget)
- RCW 64.90.545 (Reserve Study)
- Memorandum from SBCA (prepared by their counsel)
- (Note: typographical error incorrectly cites Meetings provisions (correct is RCW 64.90.445))