Shana Park HOA Budget Q&A: The 2028 WUCIOA Transition & Our CC&Rs

This Budget Q&A is part of our homeowner information series explaining the draft CC&Rs. The proposed CC&Rs, Bylaws, and Rules and Regulations will undergo legal review, as described in our previously posted Q&A about the update process.

The WUCIOA budget process

Q1: How does annual assessment (dues) fund the budget?

A: Annual assessment (dues) is Shana Park's main source of income and fund the HOA's overall budget. The proposed budget shows the planned expenses, reserve contributions, and the dues needed from each Lot.

Q2: How are the budget and dues ratified under WUCIOA?

A: The budget and its included dues are ratified together unless owners holding more than half of all association votes vote to reject them at the ratification meeting.

How does ratification work?

Q3: What does "budget ratification" mean?

A: Ratification means the proposed budget takes effect unless owners cast enough votes to reject it. Owners can review the budget, ask questions, and comment. No majority approval vote or minimum attendance (quorum) is required. (RCW 64.90.525(1); RCW 64.90.445(1)(d).)

Q4: Do annual assessments (dues) increases need a separate approval vote?

A: No. Annual assessments (dues), including any increases included in the proposed budget, are ratified with the budget—not by a separate approval vote. (RCW 64.90.525(1).)

Q5: What notice and budget information will owners receive?

A: Owners receive the proposed budget within 30 days of Board adoption, with the meeting held 14–50 days later. Meeting notice must include the date, time, place, and agenda, also 14–50 days before the meeting. The budget lists income and expenses by category, each unit's dues and due date, reserve contributions, reserve-study status and how closely the budget follows it, and any reserve funding shortfall or surplus per unit. (RCW 64.90.525(1) – (2); RCW 64.90.445(1)(c).)

Q6: How many votes are needed to reject the budget and dues?

A: More than half of all allocated association votes—not just a majority of those attending or voting—must reject the proposal at the ratification meeting, unless the Declaration or applicable law requires a larger percentage. Shana Park has 138 total allocated votes, with one vote per Lot and no higher rejection threshold, at least 70 rejection votes are needed. (RCW 64.90.525(1)(a).)

Q7: Does not voting count as approval?

A: No. An abstention or missing vote is not an affirmative approval vote. However, it adds no rejection vote. If the required rejection total is not reached at the meeting, the budget is ratified under the statute. (RCW 64.90.525(1)(a).)

Q8: What happens to the budget and dues if owners reject the proposal?

A: The last periodic budget ratified by owners continues until owners ratify a subsequent budget proposed by the Board. The same rule applies if the required notice was not given. The proposed replacement budget and its included dues are not ratified; rejection does not eliminate the HOA's existing assessment obligations or leave it without a budget. The Board can propose a replacement and repeat the notice and ratification process. (RCW 64.90.525(1)(b).)

Q9: What about special assessments?

A: The Board may propose a special assessment, but it becomes effective only after the statutory budget-ratification procedures are followed and owners do not reject it. The Board may allow installments or an early-payment discount. (RCW 64.90.525(3).)

Which parts are HOA choices?

Q10: Must ratification happen at the annual meeting?

A: No. The ratification meeting may be held separately or combined with the annual meeting, if all required notice and timing rules are met. The Board's goal is to hold it in early December each year so annual assessment notices can be sent by January 1. This is Shana Park's planned schedule, not a WUCIOA deadline.

Based on WUCIOA, RCW 64.90.525 (budgets and assessments) and RCW 64.90.445 (owner meetings).