



18720061-367-1-20



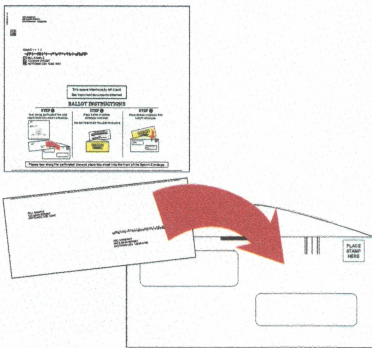
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## BALLOT INSTRUCTIONS

### STEP 1

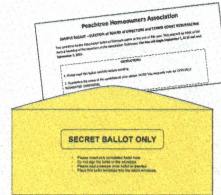
Tear along micro-perforated line and insert stub into return envelope.



### STEP 2

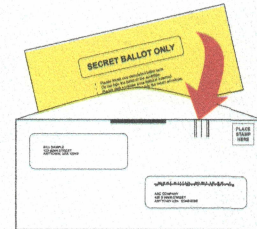
Place ballot in yellow envelope and seal.

**DO NOT WRITE ON YELLOW ENVELOPE**



### STEP 3

Place sealed envelope into return envelope.



**Please tear along the micro-perforated line and place this sheet into the front of the Return Envelope.**

ACCT: \_\_\_\_\_  
MICHAEL MORREY & ADRIANA DE SOUZA FARIA  
17747 93RD AVE E  
PUYALLUP WA 98375-9684



SILVER CREEK ASSOCIATION  
BALLOT COLLECTOR  
950 BROADWAY SUITE 406  
TACOMA WA 98402



### BALLOT INSTRUCTIONS

STEP 1	STEP 2	STEP 3
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The Management Trust™  
Community Management. Built Differently.

## SILVER CREEK HOMEOWNERS ASSOCIATION

November 11, 2025

The Silver Creek Homeowners Association has set the date for the 2026 Budget Ratification meeting as shown below.

**Date:** Thursday, December 18, 2025  
**Time:** Sign-in 6:00 PM  
Call to Order 6:30 PM  
**Place:** Via Zoom Meeting  
<http://zoom.us/>  
**Meeting ID: 875 9321 1985**  
**Passcode: 860122**  
or Dial (253) 215-8782

Enclosed for your review is a copy of the 2026 budget that has been adopted by the Silver Creek Homeowners Association Board of Directors for the fiscal year starting January 1, 2026, ending December 31, 2026.

The Board of Directors and your management company have worked diligently to take into consideration as many current as well as future anticipated expenses as possible to ensure the budgeted amounts are accurate. **There is an increase of 16.44%. The annual assessment is \$850. The assessment in the amount of \$425 is due on January 1, 2026, and July 1, 2026. There are neighbors who also pay \$120 supplemental assessment per Association's CC&R's. The supplemental assessment in the amount of \$60 supplemental assessment is due on January 1, 2026, and on July 1, 2026.**

The procedure to ratify the 2026 budget is found in the Washington State Statute RCW 64.90.525(1)(a), which states.

*"Unless at that meeting the unit owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, the budget and the assessments against the units included in the budget are ratified, whether or not a quorum is present."*

To clarify, the 2026 budget will be considered ratified unless unit owners representing a majority (51%) of the votes in the Association reject the budget. There is no vote necessary to ratify the budget. Should you have any questions or are unable to attend the meeting, please contact Jari Phillips at (425) 897-3400, via email at [thetrustwa@ManagementTrust.com](mailto:thetrustwa@ManagementTrust.com).

Sincerely,

The Board of Directors  
Silver Creek Homeowners Association

Enclosures: Agenda, 2026 Adopted Budget, Budget Memo, and Reserve Disclosure

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19820 North Creek Parkway, Suite 101 • Bothell, WA 98011 P: (425) 897-3400 F: (425) 897-3401  
950 Broadway, Suite 406 • Tacoma, WA 98402 P: (253) 472-0825 F: (253) 472-0628  
4405 7<sup>th</sup> Avenue SE, Suite 102 • Lacey, WA 98503 P: (360) 455-1131  
E-mail: [thetrustwa@managementtrust.com](mailto:thetrustwa@managementtrust.com) • Web: [www.managementtrust.com](http://www.managementtrust.com)



**SILVER CREEK ASSOCIATION  
2025 Budget Ratification  
December 18, 2025**

**Agenda**

**Date:** Thursday, December 18, 2025  
**Time:** Sign-in 6:00 PM  
Call to Order 6:30 PM  
**Place:** Via Zoom Meeting  
<http://zoom.us/>  
**Meeting ID: 875 9321 1985**  
**Passcode: 860122**  
**or Dial (253) 215-8782**

1. Call to Order
2. Introductions
3. Homeowner Q&A
4. Ratification of the 2026 Budget
5. Adjourn Meeting

# SILVER CREEK ASSOCIATION

1/1/2026 - 12/31/2026

## 2026 Proposed Annual Budget Comparison

### Income

	2025	2026	% Variance	Monthly	Per Unit* (1776)	Notes
<b>Income</b>						
41000 - Assessments	1,296,480.00	1,509,600.00	16.44%	125,800.00	70.83	The assessments are based on the budgeted expenses for operating the property for the upcoming year. This makes homeowner's annual payments \$850 or 425 semi-annually. This is an 16.44% increase from prior year. Assessment billing is on a semi-annual basis
42260 - Clubhouse Rentals	6,387.00	9,300.00	45.61%	775.00	.44	This income line items accounts for the assumed amount of income from renting out the clubhouse to homeowners for private events. Assumed minimal rental will be 31 days out of the year.
45425 - Supplemental Assessments	186,360.00	186,360.00	0.00%	15,530.00	8.74	This is \$120 annually or \$60 every January and July. Assessments required from Ashford, Brookfield, Country Hollow, Grayhawk, Hillsboro, Premier, and South Ridge per the CC&R
45850 - Reserve Funding	(300,000.00)	(431,860.00)	43.95%	(35,988.33)	(20.26)	Suggested funding per the 2026 reserve study Which will put the reserve at 75% funded
48000 - Reserve Funding	300,000.00	-	-100.00%	-	-	
Reserve	300,000.00	-	-100.00%	-	-	
<b>Total Income</b>	<b>1,489,227.00</b>	<b>1,273,400.00</b>	<b>-14.49%</b>	<b>106,116.67</b>	<b>59.75</b>	
<b>Total Income</b>	<b>1,489,227.00</b>	<b>1,273,400.00</b>	<b>-14.49%</b>	<b>106,116.67</b>	<b>59.75</b>	

### Expense

# SILVER CREEK ASSOCIATION

1/1/2026 - 12/31/2026

## 2026 Proposed Annual Budget Comparison

18720061-367-5-20



	2025	2026	% Variance	Monthly	Per Unit* (1776)	Notes
<b>Administration</b>						
52020 - Accounting Services	10,050.00	10,050.00	0.00%	837.50	.47	Assumption is based on having an audit review for the year and annual tax preparation by a certified public accountant. 2025 budget based off engagement letter from CPA.
52090 - Bad Debt	2,840.00	2,000.00	-29.58%	166.67	.09	Assumptions include potential debt that may need to be written off. Decrease is based off historical usage of this GL
52120 - Collection Fees	284.00	-	-100.00%	-	-	Item is not normally budgeted for.
52160 - Delinq Admin Fee	34,228.00	-	-100.00%	-	-	Item is not normally budgeted for.
52162 - Delinq Admin Fee Billed to HO	(49,440.00)	-	-100.00%	-	-	Item is not normally budgeted for.
52250 - Insurance	62,400.00	58,225.00	-6.69%	4,852.08	2.73	Assumption is based off the insurance company suggestion of 20% increase off current cost. The cost of insurance in 2025 was \$48,521
52350 - Legal	50,000.00	35,000.00	-30.00%	2,916.67	1.64	Assumption is based on securing legal advice when required. Decrease due to historical usage.
52360 - Legal Reimbursable	65,161.00	-	-100.00%	-	-	Item is not normally budgeted for.
52370 - Legal Reimbursable Billed to HO	(37,893.00)	-	-100.00%	-	-	Item is not normally budgeted for.
52450 - Management Contract	128,000.00	131,017.00	2.36%	10,918.08	6.15	Assumption is with 3% increase per contract for 2026. Management Company acts as the daytime office for the Association providing services such as payment of association expenses, preparation of monthly financial reports for the Board of Directors, issuance of correspondence as directed by the Board, assist the Board in obtaining quotes for services and insurance, and performing periodic general review of common areas, as well as the manager in attendance of meetings.

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# SILVER CREEK ASSOCIATION

1/1/2026 - 12/31/2026

## 2026 Proposed Annual Budget Comparison

18720061-367-6-20



	2025	2026	% Variance	Monthly	Per Unit* (1776)	Notes
52575 - Office Expenses	56,277.00	57,854.00	2.80%	4,821.17	2.71	Assumptions include but not limited to: General correspondence; ACC application communication; compliance notices, Board of Directors meeting preparation & meeting packets, special mailings, annual and special meeting notifications including any necessary documentation, newsletters, budget mailings. Cost of postage
52800 - Professional Services	11,425.00	2,000.00	-82.49%	166.67	.09	Assumption is for potential cost of services from management outside of contract such as production of meeting minutes, project management, and other miscellaneous items.
52815 - Reimb Exp Billed to HO	(267.00)	-	-100.00%	-	-	Item is not normally budgeted for.
52830 - Reserve Study	3,500.00	3,070.00	-12.29%	255.83	.14	Assumption is based on the 3-year contract with Association Reserve. Contract is good up to the 2029 reserve study.
52840 - Security Services	50,000.00	150,000.00	200.00%	12,500.00	7.04	Assumption is based on the cost for security patrols in the common areas of the community.
52870 - Social Events	3,000.00	3,000.00	0.00%	250.00	.14	Assumption based on costs for Community Events for the 2025 year
52900 - Storage Fees	3,000.00	3,000.00	0.00%	250.00	.14	Assumption is based on the cost of storage of association documents and items at a private storage facility
52920 - Income Taxes	22,000.00	22,000.00	0.00%	1,833.33	1.03	Assumption is based on the amount of taxes projected to be owed.
52925 - Federal Tax	36,667.00	36,667.00	0.00%	3,055.58	1.72	Assumption is based on the amount of projected federal taxes owed. Amount is set per the board.
52930 - Real Estate Taxes	10,000.00	10,000.00	0.00%	833.33	.47	Assumption is based on the amount of projected property taxes owed. Amount is set per the board.
52990 - Website	1,500.00	904.00	-39.73%	75.33	.04	Assumption is based on the cost for the Silver Creek Community website.
53260 - Vandalism	-	1,000.00	100.00%	83.33	.05	This assumption is based off the assumed cost of repairing common area vandalism.
53400 - Clubhouse	7,500.00	7,500.00	0.00%	625.00	.35	Assumption based on the cost for items related to the clubhouse such as cleaning material, maintenance and general items

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# SILVER CREEK ASSOCIATION

1/1/2026 - 12/31/2026

## 2026 Proposed Annual Budget Comparison

	2025	2026	% Variance	Monthly	Per Unit* (1776)	Notes
54150 - Common Area	7,500.00	10,000.00	33.33%	833.33	.47	Assumption based on the cost of items in the common areas of the community that need repair or replacement.
56380 - Irrigation Repairs and Maint	7,245.00	-	-100.00%	-	-	GL is merged with 59200
<b>Total Administration</b>	<b>484,977.00</b>	<b>543,287.00</b>	<b>12.02%</b>	<b>45,273.92</b>	<b>25.49</b>	
<b>Landscaping</b>						
59200 - Irrigation	19,394.00	21,000.00	8.28%	1,750.00	.99	Assumption is for the cost of repairs and maintenance such as start-up and winterization of the irrigation as set up in the landscaping contract.
59300 - Landscape Contract	250,000.00	257,500.00	3.00%	21,458.33	12.08	Assumption is based off the contracted price with Nassim. Contract with Nassim that started January 1, 2025. There is an assumed 3% increase
59350 - Landscape Maintenance	60,702.00	60,702.00	0.00%	5,058.50	2.85	Assumption is for costs of services outside the contract such as crane fly treatment, moss removal and the like.
59384 - Landscape Supplies	1,000.00	1,000.00	0.00%	83.33	.05	Assumption based on the cost of materials needed outside of the landscaping contract. Budgeted amount is provided by the board.
59500 - Tree Maintenance	50,000.00	50,000.00	0.00%	4,166.67	2.35	Assumption is based on the projected cost for tree maintenance in common areas.
<b>Total Landscaping</b>	<b>381,096.00</b>	<b>390,202.00</b>	<b>2.39%</b>	<b>32,516.83</b>	<b>18.31</b>	

# SILVER CREEK ASSOCIATION

1/1/2026 - 12/31/2026

## 2026 Proposed Annual Budget Comparison

	2025	2026	% Variance	Monthly	Per Unit* (1776)	Notes
<b>Repairs and Maintenance</b>						
60615 - Parking Enforcement	24,000.00	24,000.00	0.00%	2,000.00	1.13	Assumption is based on the projected price for parking compliance to be done by a 3rd party vendor that is not management
64671 - Playground Repairs	10,000.00	10,000.00	0.00%	833.33	.47	Assumption is based of the cost of repairs on playgrounds within the community
66050 - Backflow	2,500.00	2,500.00	0.00%	208.33	.12	Assumption is based on backflow testing required by Peirce County.
66100 - Cleaning Service	4,450.00	4,450.00	0.00%	370.83	.21	Assumption is on the projected price for cleaning of the club house after events.
66204 - Retention Pond	35,000.00	-	-100.00%	-	-	These services are part of the landscape contract and are incorporated into the contracted price
66215 - Fences	10,000.00	10,000.00	0.00%	833.33	.47	Assumption based on the costs to repair or replace common area fences
66230 - Fire Equipment	500.00	500.00	0.00%	41.67	.02	Assumption is based on the cost for annual fire inspection and occasional repair/replacement of fire equipment such as fire extinguishers and smoke detectors.
66300 - Gate Repairs	50,000.00	50,000.00	0.00%	4,166.67	2.35	Assumptions are based on the projected cost for gate repairs throughout the community.
66330 - Gate Remote	1,000.00	1,000.00	0.00%	83.33	.05	Assumption based on the cost to purchase remotes to have on hand for homeowner purchase.
66360 - HVAC	1,500.00	1,500.00	0.00%	125.00	.07	Assumption based on the repair and/or replacement of HVAC unit in the clubhouse.
66390 - Lighting	1,484.00	9,000.00	506.47%	750.00	.42	Assumption based on the cost to repair and/or replace the lights in common areas such as the gates and around the clubhouse.
66410 - General Maintenance & Repairs	70,255.00	70,255.00	0.00%	5,854.58	3.30	Assumption is the cost of general repairs.
66745 - Security System	2,000.00	2,000.00	0.00%	166.67	.09	Assumption is based on the cost for camera monitoring and upkeep of the security system around the clubhouse.
66760 - Signage	1,000.00	1,000.00	0.00%	83.33	.05	Assumption is based on the assumed cost to replace signs throughout the community. This is not including monuments. Decrease due to historical usage of this GL
66780 - Storm	20,000.00	20,000.00	0.00%	1,666.67	.94	Assumption is based on the cost for storm drain cleaning which is done annually

# SILVER CREEK ASSOCIATION

1/1/2026 - 12/31/2026

## 2026 Proposed Annual Budget Comparison

	2025	2026	% Variance	Monthly	Per Unit* (1776)	Notes
<b>Total Repairs and Maintenance</b>	<b>233,689.00</b>	<b>206,205.00</b>	<b>-11.76%</b>	<b>17,183.75</b>	<b>9.68</b>	
<b>Utilities</b>						
70070 - Electricity	41,000.00	42,640.00	4.00%	3,553.33	2.00	Assumption is based on operation of all common area lighting for the preceding twelve months. GL includes a 4% increase.
70270 - Gas	1,750.00	1,803.00	3.03%	150.25	.08	Assumption is based on gas usage in the clubhouse for the preceding twelve months GL includes a 3.5% increase.
70300 - Internet	1,900.00	1,900.00	0.00%	158.33	.09	Assumption is based on cost of internet usage for common areas for the preceding twelve months. There is no indication of an increase to this service for next year.
70551 - Water & Sewer	5,598.00	11,000.00	96.50%	916.67	.52	Assumption is based on usage in all common area for the preceding twelve months. This GL includes the normal sewer and water plus the use of the Honey Buckets during the summer. There includes a 3% increase
70600 - Telephone	3,917.00	4,400.00	12.33%	366.67	.21	Assumption is based on operation of the gate access for the preceding twelve months.
70650 - Trash	3,300.00	3,400.00	3.03%	283.33	.16	Assumption is based on cost of trash disposal in the common areas.
70670 - Water	32,000.00	67,240.00	110.13%	5,603.33	3.16	Assumption is based on usage in all common area for the preceding twelve months. GL includes a 3% increase
<b>Total Utilities</b>	<b>89,465.00</b>	<b>132,383.00</b>	<b>47.97%</b>	<b>11,031.92</b>	<b>6.21</b>	
<b>Reserve</b>						
80235 - Community Pathways	20,000.00	-	-100.00%	-	-	
80340 - Mailboxes	163,000.00	-	-100.00%	-	-	
83640 - Gate Monuments	5,000.00	-	-100.00%	-	-	
83750 - Roads	5,000.00	-	-100.00%	-	-	
85220 - Clubhouse Building	8,000.00	-	-100.00%	-	-	
<b>Total Reserve</b>	<b>201,000.00</b>	<b>-</b>	<b>-100.00%</b>	<b>-</b>	<b>-</b>	
<b>Total Expense</b>	<b>1,390,227.00</b>	<b>1,272,077.00</b>	<b>-8.50%</b>	<b>106,006.42</b>	<b>59.69</b>	

\*Per unit is based on the total number of units. For Associations with variable assessment rates, please refer to the variable assessment schedule.)\*



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## SILVER CREEK ASSOCIATION

### Budget Cover Memo

Our objective as a management company is to provide Leadership Management to our clients. As such, our budgets reflect where we, in concert with the Board, believe the association should go in the upcoming year, not simply reflective of where it's been.

This budget for the community is based on a review of expense data accounted for during the previous twelve-month period, plus projections for future cost changes. The anticipated budget sum for each category is a combination of historical accounting data and market trends. This budget is intended as a tool for the Board of Directors to fulfil its duty to maintain the Association's property and oversee the administrative aspects of the community.

#### Homeowner Assessments & Billing Information

- Based on our analysis of all aspects of the association's operations (physical, financial and administrative), our proposed budget recommends no change.
- The assessment structure for your Association is based on information outlined in the Association's CC&Rs and is determined by the following budget line items information. Your community has a flat rate assessment where all members contribute an equal share of the assessments. There are communities who also pay \$120 supplemental assessments per the Association's CC&Rs.
- Assessments are semiannually billed on the 1<sup>st</sup> of January and the 1<sup>st</sup> of July commencing January 1, 2026.
- For this budget year the annual total assessment income reflects a 16.44% increase over prior year.

#### The key contributors to our recommended changes are:

##### **The Reserve Fund and Reserve Study**

- Funding the Reserves is important part of an association's budgetary process. Funds are to be set aside for major repair, restoration, or replacement of common elements the Association is responsible for. Following a Reserve Study's recommendations should ensure the association a smooth transition from one fiscal year to the next, and either decrease or eliminate the need for special assessments.
- ***Unless a compelling reason exists, the Trust recommends you follow the Reserve Study recommendations for funding corrections (whether to correct deficiencies or overfunding)***





**and the corresponding allocations.** Once a funding plan is selected, your final budget will reflect any applicable contribution to reserves in accordance with the funding plan.

- The Association’s Reserve Fund balance as of January 1, 2026, will be \$3,514,366. The Association’s goal is to have \$4,670,269 as a fully funded balance as outlined in the Reserve Study for 2026. The difference between actual funds in the account and the fully funded projection reflects either a surplus or deficit.
- As required by the Revised Code of Washington (RCW) for Homeowner Associations, Condominiums and Common Interest Communities, the reserve fund surplus or deficit must be disclosed to the membership annually with the budget and with the following statements:
  - The Association’s Reserve Study does meet the requirements of RCW 64.90.550.
  - The reserve contribution does not meet the recommendation in the 2026 Reserve Study.
  - The fund balance reflects an average deficit of \$651 per unit.

**Insurance**

- The Association maintains insurance policies for: property (association owned structures), General Liability, Directors & Officers Liability (board members + management), and Crime or Fidelity coverage to protect association funds, and cyber protection.
- Industry-wide impacts are being reflected in significant premium increases for homeowner association ranging from 15% to 30%. Budget estimates 20% increase over current year premiums in anticipation of the next policy year expense. Actual policy premium will be determined at the time the new policy is engaged – current policy expires February 18, 2026.

**Other Items & Recommendations**

- As of October 2025, there will be a security contract that increased security cost by 200%.
- Professional Services GL decreases by 82.49% based on historical usage
- There was a GL created for vandalism

**Legal Considerations & Timeline:**

Most of Washington’s governing documents for Associations outline a requirement to publish the annual budget to the membership not less than 30 days prior to your Fiscal Year End before taking effect.

To accommodate the overall budget process including board review, holding a ratification meeting, as well as the production and mailing of billing statements or coupons to homeowners before year end, the board approved the budget on October 30, 2025, the membership ratification meeting is scheduled for December 18, 2025.





Silver Creek HOA

Puyallup, WA

Level of Service: Update "No-Site-Visit"

Report #: 22848-12

# of Units: 1,776

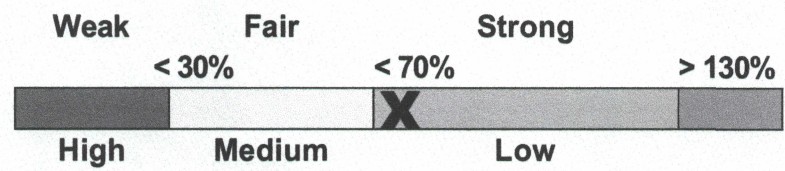
January 1, 2026 through December 31, 2026

Findings & Recommendations

as of January 1, 2026

Starting Reserve Balance	\$3,514,366
Current Fully Funded Reserve Balance	\$4,670,269
Percent Funded	75.2 %
Average Reserve (Deficit) or Surplus Per Unit	(\$651)
Recommended 2026 100% Annual "Full Funding" Reserve Transfers	\$431,860
Recommended 2026 70% Annual "Threshold Funding" Reserve Transfers	\$374,000
2026 "Baseline Funding" minimum to keep Reserves above \$0	\$329,990
Recommended 2026 Special Assessment	\$0
Most Recent Budgeted Reserve Transfer Rate	\$300,000

Reserve Fund Strength: 75.2%



Risk of Special Assessment:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves	1.00 %
Annual Inflation Rate	3.00 %

- This is a Update "No-Site-Visit", meeting all requirements of the Revised Code of Washington (RCW). This study was prepared by, or under the supervision of a credentialed Reserve Specialist (RS™).
- Your Reserve Fund is currently 75.2 % Funded. This means the association's special assessment & deferred maintenance risk is currently Low. The objective of your multi-year Funding Plan is to fund your Reserves to a level where you will enjoy a low risk of such Reserve cash flow problems. The current annual deterioration of your reserve components is \$337,612 - see Component Significance table.
- Based on this starting point and your anticipated future expenses, our recommendation is to budget Reserve Transfers to within the 70% to 100% range as noted above. The 100% "Full" and 70% transfer rates are designed to gradually achieve these funding objectives by the end of our 30-year report scope.
- No assets appropriate for Reserve designation known to be excluded. See appendix for component information and the basis of our assumptions. "Baseline Funding" in this report is as defined within the RCW, "to maintain the reserve account balance above zero throughout the thirty-year study period, without special assessments." Funding plan transfer rates, and reserves deficit or (surplus) are presented as an aggregate total, assuming average percentage of ownership. The actual ownership allocation may vary - refer to your governing documents, and assessment computational tools to adjust for any variation.



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## Silver Creek Homeowners Association

November 11, 2025

Dear Homeowner:

The Silver Creek Homeowners Association Board of Directors has called a meeting of the members of the Association to hold the Annual Homeowners Meeting. The meeting is set for:

**Date:** Thursday, December 18, 2025  
**Time:** 6:00 PM Sign-in  
**Call to Order directly after Budget Ratification Meeting**  
**Place:** Zoom Meeting  
<https://zoom.us/>  
**Meeting ID: 875 9321 1985**  
**Passcode: 860122**  
**Dial (253) 215-8782**

There are no Board positions to be filled at this year's meeting. Each homeowner has four votes that they can allocate how they wish for the nominated individuals on the ballot. For the annual meeting and IRS resolution please mark either approve or deny when voting.

**Please plan to attend this important meeting!**  
**The Declaration requires ten (10%) percent of the ownership to be represented by ballot to hold a valid Annual Meeting.**

To help make sure that quorum for the annual meeting is met please complete ballot and have returned by December 17, 2025, to Management Trust by using the addressed envelope or you can email a copy to [thetrustwa@managementtrust.com](mailto:thetrustwa@managementtrust.com).

Sincerely,  
The Board of Directors  
Silver Creek Homeowners Association

Enclosure(s): Annual Meeting Agenda, 2025 Ballot, 2023 Annual Meeting Minutes, IRS Resolution Memo, and IRS Resolution

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19820 North Creek Parkway, Suite 101 • Bothell, WA 98011 P: (425) 897-3400 F: (425) 897-3401  
950 Broadway, Suite 406 • Tacoma, WA 98402 P: (253) 472-0825 F: (253) 472-0628  
4405 7<sup>th</sup> Avenue SE, Suite 102 • Lacey, WA 98503 P: (360) 455-1131  
E-mail: [thetrustwa@managementtrust.com](mailto:thetrustwa@managementtrust.com) • Web: [www.managementtrust.com](http://www.managementtrust.com)



## Silver Creek Homeowners Association

### ANNOUNCEMENT

Pursuant to the Bylaws of the Silver Creek Homeowners Association, Article 5, Section 5.5 Notice of Meetings, the Board of Directors announces:

### ANNUAL MEETING LOCATION

**DATE:** December 18, 2025  
**TIME:** 6:00 PM Sign -in  
 Call to Order Directly After Budget Ratification Meeting  
**LOCATION:** Zoom Meeting  
<https://zoom.us/>  
 Meeting ID: 875 9321 1985  
 Passcode: 860122  
 Dial (253) 215-8782

### AGENDA

- I. Determination of Quorum
- II. Introductions
- III. Committee Reports
- IV. Community Update
- V. Unfinished Business
- VI. New Business
  - a. 2023 Annual Meeting Minutes
  - b. IRS Resolution
- VII. Questions & Answers
- VIII. Announce Election / Voting Results
- IX. Adjournment

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# SILVER CREEK HOMEOWNERS ASSOCIATION BALLOT

## 2025 ANNUAL MEETING BALLOT

This ballot is only valid for the Silver Creek Homeowners Association Annual Meeting scheduled for December 18, 2025. Per WICIOA votes must be a secret ballot. **All ballots must be received by The Management Trust no later than December 17, 2025, by 4:00 P.M.** All ballots received will be used for quorum purposes and are irrevocable. Only one ballot per lot allowed.

Number of Members/Units in Community:	1776
Quorum Requirements:	1/10 (10%)
Ballots Required to Meet Quorum:	178

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### Silver Creek Voting Process

This Ballot is what counts towards the ten (10%) percent of the ownership for a valid quorum. Because there are no open positions for the board there will be no board elections. There are other items on the agenda that need a vote such as the 2023 annual meeting minutes and the 2025 IRS resolution. Owners of single-family lots shall be entitled to cast one (1) vote for each lot owned for the items below (If you own more than one lot, you will receive a separate ballot for each lot that you own).

I do not wish to vote. This ballot is to be used for quorum purposes only.

I approved the annual meeting minutes.

I agree any surplus funds remaining in the Association's budget at the end of the fiscal year shall be applied to the following year's budget as provided for in IRS Revenue Ruling 70-604.

Name: \_\_\_\_\_ Signature: \_\_\_\_\_  
(Please print name)

Address: \_\_\_\_\_ Lot/Unit #: \_\_\_\_\_

# SILVER CREEK

2023 Annual Meeting Minutes  
January 16, 2024

## Call to Order:

The meeting was called to order by Michale Morrey at 6:38 PM. A quorum of the association was established via ballot by Brantley Janson CPA who is the 3<sup>rd</sup> part that was contracted to count the votes

## Election results

Michael Morrey: 128 votes

Rober Schultz: 127 votes

Tiffany Dotlich: 98 votes

Peter Riss: 50 votes

Joshua McCoy: 46 vote

Statement from Brantley Janson attached with minutes

Homeowners approved the 2008 annual meeting minutes via ballot

Homeowners approved the 2023 IRS resolution via ballot

## Board Report

- Board president talked about the issues with prior management REIS. There is litigation happening for the release of money and for other issues.

## Homeowner Q&A

- Concerns about gates that are not functioning properly throughout the community
- It was asked for clarification of where payments need to be made to. The community manager is to send out notice to everyone with the different pay options.
- Concerns brought up about parking situations and violations being given. Homeowners were directed to the CC&R's that give clear directive on what is appropriate parking.



February 14, 2024

To the Board of Directors, Association Members and Management  
Silver Creek Association

We have performed the procedures enumerated below, which were agreed to by Silver Creek Association, solely to assist you in evaluating the accompanying results of the ballot and budget counts for Silver Creek during January and February 2024. Silver Creek Association is responsible for organizing and initiating the ballot process with the members and providing us with the correct criteria for counting the ballots. This engagement was conducted in accordance with the Statements on Standards for Consulting Services issued by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures are as follows:

Silver Creek Association was responsible for sending out ballots, handling postage arrangements and costs, providing us with a list of members, and providing us with any other information requested with respect to the election ballot count. We were responsible for receiving, protecting, verifying membership, counting timely legitimate ballots, and determining proper community votes.

We have counted the election ballots for Silver Creek Association in compliance with the procedures set forth in our original agreement. We only accepted ballots that were properly completed and sent by February 8, 2024. After recording each ballot, we confirmed them with the client list you provided to verify the information was valid and accurate. The final results of the count are shown below.

**Ballots**

Qualified	113
Ineligible – delinquent account	26
Total ballots received by February 8, 2024	139

**Ineligible Homeowners** – We received a list of homeowners who were ineligible to vote from the property manager. The list consisted of 681 homeowners.

Per the association’s governing documents, quorum would be represented by votes from at least 10% of the eligible homeowners. There are 1,776 total homeowners in Silver Creek. After subtracting the 681

ineligible homeowners, there were 1,095 eligible homeowners. Quorum would be reached by obtaining 110 ballots. As noted above, there were 113 eligible ballots receive by the deadline.

The results of the votes are below:

Michael Morrey	128
Robert Schultz	127
Tiffany Dotlich	98
Peter Riss	50
Joshua McCoy	46

There were 449 total votes cast, versus a maximum number of 452 (113 ballots times four votes). One ballot included two votes and one ballot included three votes.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the ballot count. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Silver Creek Association's Board of Directors, Association Members and Management and is not intended to be and should not be used by anyone other than these specified parties.

*Brantley Janson*



**DATE:** November 11, 2025  
**TO:** Silver Creek Homeowners Association  
**FROM:** Jari Phillips  
**RE:** 2025 IRS Resolution

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Accompanying this memo is a proposed resolution that the Silver Creek Homeowners Association Board of Directors, upon the advice of the Association's accountant and auditor, recommends that the ownership adopt at the upcoming Annual Meeting on December 18, 2025.

Although this is a routine accounting "housekeeping" resolution, you should review it and be prepared to vote when the chair requests a motion, receives a second, and a vote is called.

Revenue Ruling 70-604 is a tax ruling only. The purpose of this ruling is to allow a homeowner's association to avoid taxation on any excess member income (as defined in the Internal Revenue Code) that may inadvertently arise in a given tax year. The ruling states that the members of the Association meet to make the election. The ruling applies to any excess member income. The ruling allows two options only; (1) refund the excess member income to the members or (2) apply the excess to the following year's assessments.





**RESOLUTION OF**

**SILVER CREEK HOMEOWNERS ASSOCIATION**

**ASSOCIATION RESOLUTION FOR REVENUE RULING 70-604 ELECTION-  
EXCESS INCOME APPLIED TO THE FOLLOWING YEAR'S ASSESSMENTS**

WHEREAS the **SILVER CREEK HOMEOWNERS ASSOCIATION** is a Washington corporation duly organized and existing under the laws of the State of Washington; and

WHEREAS, the members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service.

NOW, THEREFORE, the members hereby adopt the following resolution by and behalf of the **SILVER CREEK HOMEOWNERS ASSOCIATION** .

RESOLVED, that any excess membership income over membership expenses for the year ended **December 31, 2025**, shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

This resolution is adopted and made a part of the minutes of the meeting of the **SILVER CREEK HOMEOWNERS ASSOCIATION** held on December 18, 2025.

BY: \_\_\_\_\_  
President

ATTESTED: \_\_\_\_\_  
Secretary

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