



PO Box 46637
Seattle, WA 98146

Ballot Enclosed

**Mill Creek Community Association
2025 Budget Election Notice &
Ballot Authorization Credential
Division/Lot #: xWWWWWWx**

Your Voting PIN:

xWWWWWWWWWWx

FName Lname
Address 1
Address2
CTZ

Dated Material - Action Required: Important Ballot Enclosed
**MILL CREEK COMMUNITY ASSOCIATION ABSENTEE BALLOT
TO RATIFY THE 2025/2026 BUDGET**

Meeting: Wednesday, April 23, 2025, at 7 pm (online)

Dear MCCA Resident,

The Board asks the membership to ratify the approved 2025/2026 Budget. Please read the enclosed voting packet materials, which include your ballot, the budget newsletter and the proposed budget. The voting packet is also on the MCCA website (www.mcca.info). Click on Voting Packet in the Announcement section. The MCCA Collections Policy, updated to comply with state statutes, is also enclosed and will go into effect starting May 1, 2025.

The Board encourages you to attend the Budget Meeting online at 7 p.m. Wednesday, April 23. The meeting link is on the MCCA website calendar. Click "Calendar" in the top right corner and then click on the Budget Meeting item. Contact the MCCA Office with any questions: info@mcca.info or 425-316-3344. If you have budget questions, join us in the MCCA boardroom on Thursday, April 17, at 6 p.m. for our Anatomy of a Budget session. We look forward to seeing you there!

Hilary Bublitz
Association Director
Mill Creek Community Association

You Have Three Ways to Vote. Choose One!

- 1 VOTE ONLINE NOW through 9 pm April 23, 2025.**
 - Using your smartphone, tablet, or computer browser, go to: mcca.voteegrity.net
 - Enter your Voting PIN from the top right corner of this page
 - Follow the on-screen instructions to mark, review, and cast your online ballot
 - **Need help? Email: support@voteegrity.net**
- 2 VOTE BY MAIL-IN BALLOT NOW. Ballots must be received by April 23, 2025.**
 - Mark your enclosed Paper Ballot and return it to **Voteegrity, PO Box 46637, Seattle, WA 98146**
 - Please mail your ballot ASAP. The ballot receipt deadline is April 24, 2024.
- 3 BALLOT DROP OFF NOW through 9 pm April 23, 2025.**
 - Mark your enclosed Paper Ballot and drop it in the MCCA dropbox by the office door (**15524 Country Club Drive, Mill Creek, WA 98012**).



MCCA BUDGET

March 2025



COMMUNITY ASSOCIATION

The Mill Creek Community Association (MCCA) is pleased to present the 2025-2026 fiscal year budget. Our focus continues to be on preserving property values through diligent maintenance and efficient management of our common areas. The Board and Association Director have carefully crafted this budget with input from committee members, staff, historical trends, and homeowner requests.

We hope you will **join us online to review and ratify the budget on Wednesday, April 23rd, at 7 pm.** Use the link on the MCCA calendar on our website (www.mcca.info). We encourage all MCCA members to come with questions and comments. We will highlight budget details, including revenue and expense estimates for the upcoming fiscal year, starting July 1, 2025. Remember, there are no quorum requirements for the budget meeting, and it will be ratified unless a majority of property owners vote against it. We look forward to your involvement!

If you have questions about the budget, please join us in the MCCA boardroom on **Thursday, April 17, at 6 p.m. for our Anatomy of a Budget session.** Bring your questions! If you cannot attend the meeting, send your questions to our Association Director at hilary@mcca.info to get them answered.

BUDGET SUMMARY

The proposed 2025/2026 budget is enclosed. We are happy to share a bright spot for the budget this year. While insurance costs continue to rise for HOAs like ours, we were very fortunate to keep our property, auto, and healthcare insurance costs flat.

The expenses are budgeted as follows:

- Maintenance: \$941,900
- Administration (includes insurance): \$589,400
- Security: \$260,900
- Reserve Fund Deposit: \$232,000

2025/2026 ASSESSMENT

The Board recommends a 3% assessment increase to meet operational costs and continue to adequately fund our Reserves. **The proposed 2025/2026 assessment level for single-family homes is \$736, townhomes are \$552, and condominiums and apartments are \$368 per unit. Assessments are due to be *paid in full* by July 1, 2025.**

WHAT DO THE ANNUAL ASSESSMENTS COVER?

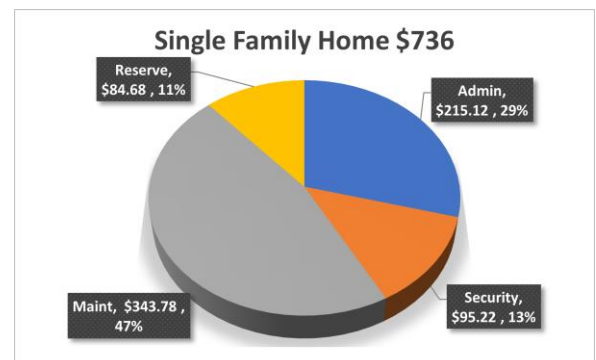
The single-family unit homeowners assessment includes:

- **\$343.78** is dedicated to routine maintenance tasks: keeping our parks, paths, Nature Preserve, stormwater facilities, and other common areas in good condition.
- **\$215.12** covers administrative expenses for essentials like insurance, communications, accounting, and professional services supporting our Association's operational framework.
- **\$95.22** is earmarked for security patrol services, providing residents peace of mind.
- **\$84.68** is directed to the Reserve Fund, ensuring the availability of resources for future repairs or improvements.

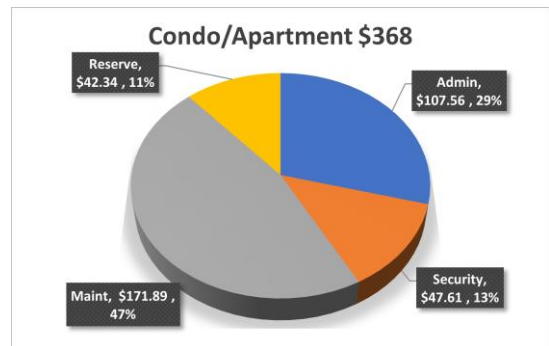
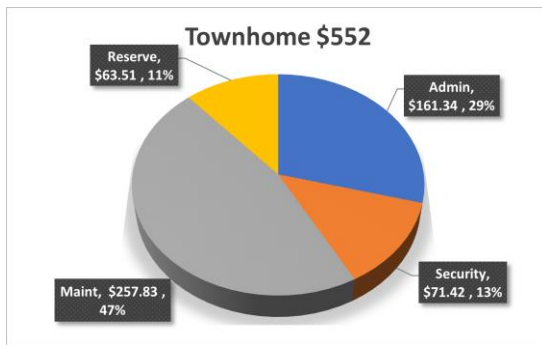
See the tables on the next page for information on the Condo/Apartment and Townhome assessment levels:

MCCA FACTOIDS:

- 1595 Single Family Homes
- 622 Condominium Units
- 269 Townhome Units
- 5 Apartment Buildings
- 160 Acres of Common Area
- 27 Entries
- 21 Parks
- 16+ Miles of Trail
- 12 Playgrounds
- 10 Bridges
- 7 Retention ponds
- Nature Preserve, Fish Ladder, Dam
- Office and Maintenance Buildings
- 11 Full-time Employees
- 8 Part-time Employees
- 2 Seasonal Employees



CONDO/APT & TOWNHOME ANNUAL ASSESSMENTS



ANNUAL RESERVE STUDY

An **annual reserve study** is a financial planning tool that ensures adequate funds are set aside for major repairs and replacements of common area components. These studies are also legally required, so in compliance with RCW 64.90.550, MCCA undergoes a full reserve study every three years, with annual updates. With the study's findings, MCCA can prevent the need for special assessments. In fact, MCCA has never had a special assessment.

MCCA Has Never Had A Special Assessment.

The reserve study also evaluates the current status of the Reserve Fund, including the percent funded, and recommends a multi-year funding plan. This helps ensure that MCCA has adequate resources to maintain its physical assets while ensuring that costs are fairly distributed among current, past, and future residents.

This year, the reserve study recommends a contribution of \$232,000 to the Reserve Fund, a 3% increase from last year. The summary of our reserve study below shows that MCCA is adequately funded for 2025/2026. To view the reserve study, log into your PayHOA account, select the *Documents* tab, click on the *MCCA Documents* folder, select the *Reserve Study* folder, and open the *MCCA Reserve Study 2025 Final.pdf* file.

Reserve Study Summary

Starting Reserve Balance (est.): \$746,539

Current Fully Funded Reserve Balance: \$1,315,896

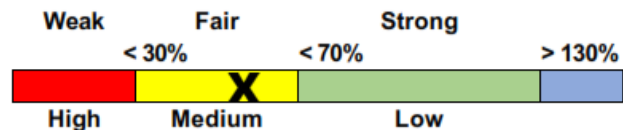
Percent Funded: 56.7%

Special Assessment Risk: Medium

Average Reserve (Deficit) or Surplus per Unit: Single Family Home (\$212), Townhome (\$159), Condo/Apt (\$106)

Recommended 2025/2026 100% Annual "Full Funding" Contributions: \$232,000

Budgeted Annual Contribution Rate for 2025/2026: \$232,000



HOW TO VOTE FOR THE 2025/2026 BUDGET

The MCCA Board of Directors encourages all members to VOTE YES TO APPROVE the 2025/2026 budget. Members are entitled to one vote for each Living Unit they own. If a Living Unit is owned jointly, those owners must cast their vote together, so no more than one vote per Living Unit is cast (MCCA Bylaws Article V, paragraph 5.1(ii)).

Your ballot and unique PIN are included in the Voting Packet sent to you via USPS mail or email, depending on your preference. If you cannot locate your ballot or PIN, don't hesitate to contact Voteegrity at support@voteegrity.net. You can access the voting packet and the link to vote online by clicking the Voting Packet link on the Announcements section of the MCCA website (www.mcca.info). You may also use the paper ballot provided and place it in the lockbox outside the MCCA office door.

ELECTRONIC COMMUNICATIONS

Did you receive this packet by mail? Please help us save money and efficiently share information by opting into electronic communications within PayHOA. The MCCA office can help! Email (info@mcca.info) or call (425-316-3344) and ask for our opt-in instruction sheet.

Mill Creek Community Association 2025-2026 Annual Budget & Assessment Approved Plan

	2024/25 Budget		2025/26 Budget	1595 Single	269	1774 Condos
	Approved	2024/25 Projected	Proposed	Family Homes	Townhomes	& Apartments
Ordinary Income/Expense						
				Proposed Assessment by Unit		
Income						
Revenue - Homeowners	1,821,982	1,930,429	1,985,240	736	552	368
Revenue - Other	14,000	34,700	31,300			
Total Income	1,835,982	1,965,129	2,016,540			
Gross Revenue	1,835,982	1,965,129	2,016,540	736	552	368
Expense						
Administration						
Payroll Costs	280,800	290,220	300,500			
Professional Fees & Services	63,000	57,421	76,000			
Communications	22,300	25,300	23,700			
Facilities & Office	14,200	37,080	38,200			
Community Relations & Meetings	15,000	14,555	15,000			
Insurance	123,000	133,000	136,000			
Total Administration	518,300	557,576	589,400	215	161	108
Security						
Payroll Costs	216,200	228,110	247,000			
Cell Phone	720	800	1,700			
Vehicle Maintenance	5,000	6,000	6,000			
Administration	1,200	1,400	1,600			
Gasoline	5,500	4,300	4,600			
Total Security	228,620	240,610	260,900	95	71	48
Maintenance						
Payroll Costs	591,300	621,985	653,300			
Grounds Maintenance	199,500	218,000	204,000			
Vehicles & Equipment Costs	58,000	59,000	60,000			
Administration	14,300	17,800	24,600			
Total Maintenance	863,100	916,785	941,900	344	258	172
Unspent Operating			-7,660	-3	-2	-1
Reserve Fund Deposit	225,340	225,340	232,000	85	64	42
Total Expense	1,835,360	1,940,311	2,016,540	736	552	368
Net Ordinary Income	622.00	24,818.50	0.00			

Mill Creek Community Association Collection Policy

Prompt payment of Assessments by all Owners is critical to the financial health of the Association and to the preservation and enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligations under the Association's governing documents and Washington State law to enforce the members' obligations to pay Assessments. The policies and practices in this Collection Policy supersede any existing policies and/or resolutions pertaining to collections, and shall remain in effect until the Board adopts an updated Collection Policy. All Association actions referenced in this policy may be taken by a Board member or by the Association's manager, if authorized by the Board.

1. Payment of Assessments. Regular and Special Assessments, late fees, interest charges, and collection costs, including attorneys' fees and management fees, are the personal obligation of the Owner of the Unit at the time the Assessment or other charge is due. It is the Owner's responsibility to pay each Assessment in full regardless of whether the Owner receives a payment statement or payment coupon. An Owner may not withhold Assessments owed to the Association on the alleged grounds that the Owner is entitled to recover money or damages from the Association for some other obligation.

2. Association Lien. Delinquent amounts automatically create a lien against the Unit even before the Association records a written lien. The Association has the right to record a lien against the Unit whenever the Owner's account is past due, and nothing in this Collection Policy shall limit or otherwise affect the Association's right to record a lien against the Unit to protect and provide public notice of the Association's interest in the Unit.

3. First Late Fee & Delinquency Notice. Annual Assessments are assessed against each Unit and become due and payable by July 1st of each year. All other Assessments, including Special Assessments, are due on the date specified by the Board. An account becomes delinquent when an annual Assessment is not paid in full before the last day of the month, and/or when a Special Assessment is not paid by its due date. A delinquent account will incur a late fee in the amount of \$50 per Unit on the date the account becomes delinquent. The President, Treasurer, or Manager is authorized and directed to charge a late fee against any delinquent account on the date the account becomes delinquent.

The Association will send a notice to the Unit Owner once the account becomes delinquent, informing the Unit Owner of the status of that Owner's account, the late charge, and the steps the Association will take if the Owner does not immediately pay the full amount due. The notice should also contain the following statement: "Nonpayment of your Assessments may lead to a lawsuit to foreclose on the Association's lien against your Unit. The homestead exemption under Chapter 6.13 of the Revised Code of Washington will not apply in an action to foreclose on an Association lien." The Association will also include in the first notice of delinquency a pre-foreclosure Notice of Delinquency that complies with the Association's governing statute.

4. Second Late Fee & Delinquency Notice. If a Unit Owner remains delinquent, the President, Treasurer, or Manager is directed to charge another \$50 late fee per Living Unit on the last day of the following month. The Association will also send the Unit Owner a second written notice of delinquency reminding the Unit Owner of the status of that Owner's account. The second notice will also inform the Owner that if the account is not paid in full within 90 days of when the delinquency arose, it will be turned over to the Association's attorney for collection; a lien will be recorded against the Unit; and the Unit Owner will be liable for all fees and costs associated with collecting on a delinquent account.

5. Third Late Fee & 90-Day Notice of Delinquency. If a Unit Owner remains delinquent, the Association will charge another late fee to the Owner's account. The Association will also mail to the Owner a second pre-foreclosure Notice of Delinquency that complies with the Association's governing statute.

6. Ongoing Late Fees, Interest, and Other Charges. Every account with an outstanding balance shall be subject to a monthly late fee of \$50 per Unit. The Association may also assess any fees associated with the collection of the delinquent account charged by its management company.

7. Referral to Association Attorney. If an account remains delinquent for 90 days, the Board may refer the account to the Association's attorney. Additionally, the Board may consult with the Association's attorney at any time when the Unit Owner has filed for bankruptcy or is the subject of a petition for relief under the bankruptcy code; a lender has started a foreclosure action against the Unit; or any other legal action has commenced against the Unit. Once an account has been referred to the Association's attorney for collection, the Association will cease sending delinquency notices and account statements to the delinquent Owner, and may instead send any such notices to the Association's attorney.

8. Assessment of Attorneys' Fees and all Collection Costs. All attorneys' fees and costs incurred in the collection of past due Assessments shall be assessed against the delinquent Owner's account and shall be collectible as an Assessment. This includes but is not limited to any fees paid to the Association's Manager/Management Company because of the Owner's delinquency.

9. Payment Plans & Communication with Delinquent Owners. Once an account is placed with the Association's attorney for collection, all contacts with the delinquent Owner should be handled through the attorney. If an Owner requests an accounting from the Association or its manager, the Owner should be referred to the Association's attorney. Should the Association or its manager provide the Owner with an account ledger or balance due while the Association's attorney is handling the Owner's account, any such statement shall not bind the Association. The Owner may not rely on a statement of account from any source other than the Association's attorney so long as the attorney is handling the Owner's delinquency.

Any revisions of the amounts demanded of the Unit Owner and/or any payment plans proposed by the delinquent Owner should be handled through or immediately communicated to the attorney. The Board will consider payment plan requests on a case-by-case basis and with the advice of the Association's attorney. The Board is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien against the Unit.

10. Rent Interception. As provided by Section 6.12 of the Declaration, when a property is rented out by a delinquent owner, the Board of Directors shall demand that the tenant submit rent payments directly to the Association rather than the property owner until the account has been brought current.

11. Foreclosure. As provided by Section 6.11 of the Declaration, if an owner fails to respond to the Association's attorney, the Board of Directors may decide to foreclose on the Association's lien. The owner could lose ownership of the property if a foreclosure is completed, and will be responsible for significant additional attorneys' fees and costs if a foreclosure is started against the owner's property.

12. Appointing a Receiver. As provided by Section 6.13 of the Declaration, if a foreclosure lawsuit has been filed, the Association may request that the Court appoint a Receiver to take possession of a property that is not occupied by the Owner. The Receiver has the authority to refurbish and rent out the property on behalf of the Association.

13. Acceleration of Assessments. As provided by Section 6.14 of the Declaration, if an account is delinquent for more than 30 days, the Association may require acceleration of one year's assessments.

14. Payments Received from Delinquent Owner. All payments received may be applied to the oldest amounts due first, as is the Association's standard practice. At the Board's discretion, payments may be applied differently if such application is in the Association's best interest. All payments collected from delinquent Owners during the collection process shall be made out to the Association, but mailed or delivered to the attorney's office so that the attorney can keep accurate, up-to-date records of the remaining amounts due. If the Association receives payment from a delinquent Owner after the file has been referred to the Association's attorney, the Association will provide a copy of the payment to the attorney before depositing it in the Association's account. Only upon approval from the Association's attorney should any payment be deposited.

15. Waiver & Additional Collection Action. Nothing in this Collection Policy limits or otherwise affects the Association's right to proceed in any lawful manner to collect any delinquent amounts owed to the Association. Specifically, the Association retains the right to refer a delinquent account to the Association's attorney at any time. The Association's failure (or the failure of any agent of the Association) to comply with any provision of this policy shall not be viewed as a waiver of the Association's right to proceed to collect delinquent assessments in any lawful manner.

16. Effective Date. This policy was adopted by the Board of Directors on March 20th, 2025, and has an effective date of May 1, 2025.

17. Date of Publication. A copy of this policy was mailed to all Owners via regular US Mail on or before April 1, 2025.

SIGNED this 20th day of March 2025 by Sidney Siegel, President of the Board of Directors for Mill Creek Community Association.


Signature

Title: MCCA Board President