



**ISSAQUAH
HIGHLANDS**

**COMMUNITY
ASSOCIATION**

MAINTAINING COMMUNITY

Frequently asked Questions, FAQ

What is a community Association? It is a non-profit corporation registered with the State and managed by a volunteer Board of Directors.

What is the purpose of a community association? The primary purpose of a community association is to establish an entity that will preserve, maintain, enhance and protect the value of property and amenities within the boundaries of a specific community. It does this by maintaining common areas and governing the community in accordance with the provision of the legal documents: CC&Rs (Covenants, Conditions, & Restrictions); Bylaws; Use, Rules and Restrictions; and Articles of Incorporation. It is financially supported by all members of the community association through payment of assessments. Membership is both automatic and mandatory.

What are the CC&Rs? The Covenants, Conditions and Restrictions (CC&Rs) are covenants imposed by a builder or developer that run with the land and detail how the community is to be governed. In a master-planned community, these rules provide stability and structure for the residential part of the project, which translates into improved property values for the members. The CC&Rs are a recorded document and are included in the title to your property.

What are the Bylaws? The Bylaws are developed during creation of a non-profit corporation. They are the provisions that govern the internal management of the association and cover such topics as election of directors, the terms of the Directors, process for board and member meetings, the principal office of the homeowner's association, as well as other specific items that are necessary to run the homeowner's association.



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What are the Use Restrictions and Rules? The Use Restrictions and Rules are specific rules and requirements identifying the types of activities and/or conduct of the homeowners in a community association.

Are governing documents received by each association member? Copies of governing documents (CC&Rs, Bylaws, and Use Restrictions and Rules) can be obtained through the association or, if a recorded document, usually online through the County recorder's office.

What is a common area? The term "common area" is generally used to describe elements within the community that are owned and maintained by the association, and dedicated to shared use and enjoyment of all owners.

How Aside from the CC&Rs, what rules affect homeowners on a day-to-day basis? The IHCA has developed Use Restrictions and Rules (URRs) as provided for in the CC&Rs and adopted by the Board of Directors. URRs are established to provide direction to the homeowners for common courtesies with regard to parking, vehicles, pets and park use hours, etc. In addition, the IHCA has adopted Architectural Guidelines with procedures for submitting requests to make exterior changes to your home (for example, landscaping, fences, exterior color changes or extensive interior changes and additions). These rules and guidelines are set up to maintain the aesthetic value and integrity of the community on behalf of all owners, and protect the market value of your investment as well.

Are Board Meetings open to all residents? If so, where and when are they held? Yes. Notice of the time and place of any regular board meeting is noted in the monthly community Connections News (distributed by Highlands Council). Some portions of board and committee meetings can be closed if matters discussed are confidential in nature (for example, in the event of litigation).

What are my assessments? Assessments are obligatory fees each home owner pays to fund their share of the common expenses benefitting all, or a portion of, the association. Base assessments



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are levied equally against all homes on the basis of a budget prepared annually by the Board covering the estimated costs of operating the association. Neighborhood assessments are fees paid by a homeowner to fund additional services for the neighborhood in which they live.

What do my IHCA assessments pay for? Homeowner's assessments finance ongoing operation costs including landscape maintenance, park maintenance, maintenance of common areas, snow removal, utilities, insurance, management, administration, architectural control and violation enforcement. In addition, a capital reserve account is funded for long-term maintenance and repair of IHCA property.

How is the amount of my assessments determined? Annual budgets (one base budget and multiple neighborhood budgets) are developed by the Board of Directors with the assistance of a resident-led finance committee. The budgets are calculated estimates of expenses for operations, capital costs and reserve for one fiscal year, and after adoption may be adjusted periodically to meet anticipated expenses.

Will my assessments increase? The IHCA budget is a zero-based budget, which essentially means that all expenses must be justified for each new fiscal year. The CC&Rs dictate the process by which the budget is drafted and approved by the Board. Homeowners are empowered by both the CC&Rs and by statute to "vote down" a proposed budget on an annual basis. The Board of Directors may amend the budget during the year as necessary and in compliance with the CCRs and state statute. Assessments can increase or decrease depending upon the income expected versus the estimated expenses to be incurred. For instance, while new homes "joining" the association add additional income, the new parks or additional services would increase expenses.

What happens if I don't pay my assessments? The maintenance and management services incurred by the IHCA are dependent upon timely receipt of the assessments from each



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homeowner. When homeowners fail to pay assessments, the IHCA has the right to charge late fees with interest, pursue a lien on property, or even foreclose.