



Meadowwood Glen
Homeowners Association

2023 Annual Meeting Minutes

July 11, 2023 @ 6:15pm

Having achieved quorum through the collection of 34 Ballots, the Annual Meeting was called to order at 6:15pm. Prior to the meeting, Members gathered for a potluck to help build community and promote attendance.

On June 16th, notice of the Annual Meeting, together with an agenda and balloting materials, were sent by first class mail to the address on file for each Member. In addition, the notice and all related materials were distributed by email and posted to the website homepage at www.meadowwoodglenhoa.com.

ELECTION OF DIRECTORS One Director seat is up for election in 2023. Nominations were called from the floor but with no response, the incumbent candidate introduced himself. Running unopposed, Todd Taylor was announced as the winner.

2022 AUDIT In addition to the election, a Ballot measure was submitted for Member consideration in regard to a 2022 Audit of the Association's financial report. RCW 64.38.045(3) mandates that HOAs with annual assessments more than \$50k must be audited at least annually unless 67% of a quorum of Members determines otherwise. Of the 34 Ballots collected, 18 voted to waive the audit requirement, which is insufficient to pass the vote. An Audit will be obtained for the year ending 2022 and an assessment increase of \$30 will be imposed to all Members.

FINANCIAL REPORT A copy of the 2022 year to date financial report is available on the website at www.meadowwoodglenhoa.com/financial-reports.

IRS RULING 70-604 TAX ELECTION With none opposed the Members approved a motion to adopt the attached Resolution for the year ending 12/31/2023.

2021 & 2022 ANNUAL MEETING MINUTES With none opposed the Members approved a motion to adopt both the 2021 and 2022 Annual Meeting Minutes as presented. Copies are available through the website at www.meadowwoodglenhoa.com/minutes-archive.

With no other business rightfully come before the Members, the meeting was adjourned at 7pm.

Respectfully Submitted,
Melissa Owens, AMS, CMCA
Association Admin, Rockwood Property Management

MeadowWood Glen Homeowners Association
ANNUAL ELECTION: IRS REVENUE RULING 70-604
Excess Income Applied to Future Obligations

EXPLANATION: Tax experts recommend that all HOA hold an annual vote on elective IRS Ruling 70-604, which allows the HOA to file Form 1120 (vs 1120H) thus only net non-membership income would be taxed. If the election is not made, any excess membership income would be subject to higher taxation. Essentially, this election gives the Association's CPA the opportunity to file the tax form (1120 or 1120H) that's most advantageous for the HOA (whichever form provides the lowest tax liability). Most CPAs make this election on behalf of their clients when filing the HOA's annual return; this election documents the CPA's authority to make such a determination. The Association has always applied excess income (if/when it exists) to future obligations, this election resolution formalizes its decision to do so.

WHEREAS, the MeadowWood Glen Homeowners Association is a not for profit, mutual benefit 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 on behalf of the MeadowWood Glen Homeowners Association:

RESOLVED, that any excess of membership income over membership expenses for the year ending 12/31/2023 and all years prior 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 July 11, 2023.