



SSSFHOA Board of Trustees

Meeting Minutes, Feb. 2, 2010

The meeting, convened in the St. Luke's Episcopal Church, was called to order at 6:05 p.m.

Members present: Bill Gunter; Vice President James Larson; Secretary Harry Fuller; trustees Brian Robinson; Richard Krebs.

Members Absent: Kristian Mulholland; Chris Butler

Proxies: Vice President Larson holding Mr. Butler's proxy.

Guests : Lynn Cier, SSSFHOA bookkeeper; Bill Noland, 2nd SSSF board representative to the Silver Springs Master Assn. board of trustees; Julia Loughlin, lake view owner and SSSFHOA representative on the Master Assn. ad hoc committee for studying MA lakes use guidelines.

Quorum : President Gunter declared a quorum present.

Minutes : Richard Krebs moved approval of Jan. 5, 2010 minutes. Motion passed unanimously.

Special Assessment for Master Assn. Small Lake Repairs. Bill Noland reported that the MA board of trustees, having finalized its 2010 budget, is proposing to issue two assessments, one, \$175 a unit for the MA's general accounts budget, and another, \$182 a unit as a special capital improvement assessment to fund repairs on the gate and dam for the MA's small lake expecting to cost around \$135,000. The MA Bylaws state that all of the MA General Owners need to vote and reach a 66 2/3% majority for the assessment to be valid and billable through the HOAs to the Members. The SSMA is holding the "MA Annual Meeting" on February 9, 2010 at PPES Auditorium, at which time the General Members can be presented with their right to vote on the Budget and assessment. Discussion considered how and when these billings would be managed with no decision reached. The SSSFHOA CCR's also require a 66 2/3% vote by the General Members for capital improvements.

SSSFHOA Budget and Membership Dues.

There was no monthly Income and Expenditures review.

Three alternative 2010 SSSFHOA budget estimates were presented for discussion, totaling (A) \$63,735; (B) \$67,585; (C) \$61,585.

Most line items were identical except for **projected legal fees** (A) \$11,000; (B) \$12,000; (C) \$10,000 and reserves (A) \$10,150; (B) \$12,000; (C) \$9,000. Expected per lot dues for supporting each alternative were (A) \$260; (B) \$280; (C) \$250 (D MA) \$357.

The single largest SSSFHOA expenditure in each projected line item was the Silver Springs Master Assn. dues: \$33,075, the same as last year plus \$34,398 for the capital improvement assessment. For a total of \$67,473 in 2010.

Grunter speculated that, no major legal matters now being visible on the horizon, the estimated expenditure in that category could be considerably less, pointing out that while \$11,000 was budgeted for 2009 legal fees, only \$380 was spent. The approved 2010 budget contained an estimated \$12,000 "Legal Fees" amount.

Discussion ultimately focused on the need for building a reserve capable of meeting costs resulting from such matters as unanticipated lawsuits or damages caused by unexpected natural events or greater than expected infrastructure repairs, the [underdrain system](#) which are actually the individual homeowner responsibility. The 2009 budget estimated \$4,000 for "drainage" purposes, the actual cost being \$5,975. Optional budget (A) projected drainage costs at \$4,000; (B), \$5,000; (C), \$6,000.

Butler observed that actual budget balances in 2008 and 2009 resulted in zero operating reserves and resulting discussion provoked the conclusion that it was past time to start creating a constant reserve, making special assessments unnecessary when and if financial emergencies arise.

Consequently, the board voted unanimously to begin this year by approving option B, a \$67,585 annual budget for 2010, which projects a \$12,000 operating reserve. It also requires a dues increase from \$250 to \$280. [The 2009 dues were \$75, increase will go to \$105.]. Bookkeeper Cier emphasized that those who prefer, can arrange to remit their annual dues in installments. She emphasized that all dues payment difficulties can be worked out if members having such problems would call her and discuss alternatives. "It's better than having property liens filed," she said. Preferably the board should have the Budget for the coming year prepared and ready for Member vote approval by the October Annual Association Meeting each year as outlined in our charter documents.

Master Assn. 'Tiered Assessments.' Saying that the Silver Springs Master Assn. remains interested in creating an additional assessment for homeowners on its two lakes similar to the tiers used in 2004 for funds to be used for meeting lake maintenance costs, Gaylynn Mooney, lake committee maintenance group, stated on February 9, 2010 that all she needs is \$6-8,000 per year for chemicals. The \$145,000 in repairs and maintenance by Cross Marine during 2005 paid by the Associations Members is guaranteed for two or three decades. Gunter explained his feeling is that lake front homeowners derive more permanent benefit from lake views and recreation than other MA members. He presented, for discussion's sake, a list of possible "tiered assessments."

Ensuing comments from the four lake view property owners in attendance referred to the lakes' perpetual maintenance expense, carried by all the HOAs regardless of the degree to which their members directly benefit. Brian Robinson, a lake front owner, pointed out that the lakes do constitute valuable "open space" and have always been considered a "unique feature in Park City." Questions were raised as to whether members of an HOA could legally be assessed fees in addition to regular dues on the basis of being adjacent to the HOA's commonly held and used amenities. Sigi Verhalen had lived in Wisconsin near a lake and only the perimeter property owners were assessed for its maintenance. The four lake view property owners, Fuller, Robinson, Krebs, Loughlin, did not quote or refer to advice received from their lake view owners group attorney.

[Silver Springs lakes.](#) Julia Loughlin, a lake front owner, observed that while this matter always prompts comments about lakeside homeowners and their responsibilities, what needs emphasizing is that the impounded waters constitute a danger to downstream homeowners if the dams are not kept in constantly safe condition. She observed that this is not strictly a lake view issue, but more of a community-wide concern.

It was also observed that the State Water Engineer's letter and lakes classification indicates that the lakes have a moderate ranking, no active water, no motion impact on the dams/shores, and the dams themselves are the individual properties and homes on the north shore of NorthShore and SouthShore subdivisions. The danger of flooding or dam breach is highly unlikely. The lake view property owner's superficial urgency for breach maintenance and assessments seems to be used as a means by which lake view owners induce the General Members to approve or pay for the work they want performed for their enjoyment of the ponds.

[\[NorthShore lots 1-4 and 6-12, Park Place lots 38-44, Silver Springs lots 47-49 and 193-199, and SouthShore lots 1-11 and 50-60 and LL-SLS lots 1-4 surround the Little Lake, of these however NorthShore lots 1-4 and 6-12 and SouthShore Lots 1-11 back lot property are the dam itself.\]](#)

Richard Krebs, a small lake view property owner, observed the listed tiered assessment options seemed irrelevant at this point, discussion diminished and concluded with no action taken.

New Business. There being no new business, Vice President Larson moved adjournment. The motion passed unanimously at 7:50 p.m.

Next Meeting. Scheduled for 6 p.m. March 8 at Gunter's home.