

An open letter to the Silver Springs Community.

The recent Masters HOA meeting and the current assessment bill brings to light a growing problem in our community. The Master HOA was formed with a narrow and specific task of maintaining common areas between our subdivisions, specifically, the park, street lights & signs and a few other properties. In 2004 without neighborhood input or consent, the MHOA accepted ownership of the lakes. Whether or not this was a good idea is debatable, but it seems we are burdened with them. The MHOA has proposed more than \$150,000 in 2010 repairs to the “dams” and “gates” and other maintenance to mostly the little lake.

The “dams” are the lots, foundations and homes on the lower, North end of the lakes. These “dams” are in no danger of bursting, not this year or in fifty years. I have walked on canal banks & levies with fast moving water with banks that were only 10 feet thick and only a few inches above the water line. Our “dams” are 30 feet or more wide and several feet taller than the water line, with concrete foundations of the homes in the way. The water is static, there are no motorboats to cause waves and erode the banks. Bill Noland provided an impressive graphic of the homes that would be flooded if the “dams” were to “break”. Perhaps it would be true if the lakes were suddenly uplifted and their entire contents were spilled into the community. The fact is, if someone were to get a backhoe, and trench through his or her lot, the water would run down the street into the storm drains and sewer lines. The “gates” pose a similar limited risk.

But yet, we are faced with a new assessment to rebuild or repair these dams and gates, and other structures in these lakes with the threat that some properties could be flooded out. If the Masters Assoc. had maintained their previous level of assessment, budgeted for repairs and improvements, collected these funds over the next few years, and then implemented these repairs as the funds were available, perhaps few would have complained. But the last MHOA meeting proclaimed that these funds were immediately needed and would continue to increase each year. After the big lake draining & maintenance a few years ago the little lake maintenance was being scheduled. I attended several MHOA meetings where the little lake money was discussed, collected and “should have enough next year”.

The MHOA budget information available points to a collection of over one million dollars since its creation in 1990 from community funds (\$26,700 each year until 2001, \$56,800 in 2002, \$63,000 until 2004, Special assessment \$201,050 in 2005 and 2006, \$88,200 until 2009). An audit has been continually proposed, but through resistance and mismanagement this has not been done in the last 20 years. Note that the 2010 budget includes a large raise for the “manager”.

The problem is not limited to the Master HOA but to our individual HOA’s also. The only way to regain control of the Master HOA is through our community HOA. These community HOA’s are not without their own problems. Those individuals who have a special interest have mostly occupied the homeowner association’s offices. Some are

lake front owners wanting to make sure the cost to maintain the lakes is spread to as many people as possible, thus lowering their costs. To people with water in their crawl spaces very interested in restoring the under-drain system. Others have a need to fulfill some desire of power, some actually have a desire to help the community. Some are retired homeowners wanting something to do to occupy their time. Sometimes this has positive results, but recently this has created a monster in our community, with an ever-growing hunger for more power, money, and influence. Across the country stories of over-bearing HOA's causing problems have become commonplace. There is a need to regulate our individual HOA, not just the Master HOA.

Several options have been proposed for dealing with the Master HOA, some are outgrowths of disillusionment, some seek equity and order. The Master HOA is not a true Homeowner's Association in the legal sense; it is a corporation that was formed to hold and maintain common area properties. It has no CC&R's, and no binding or official bylaws. Its officers are the presidents or appointees of the individual HOA's that participate. It can be dissolved as quickly as it was formed. What then would become of the common area properties and maintenance of the lakes, etc.? Common properties could be turned over to the adjacent HOA's, perhaps a new Lake View Owner HOA could be formed. Perhaps the big lake could be drained or reduced in size and the park expanded. The costs of these changes may pose an increased expense until implemented. At the very least the Masters HOA should be restructured and strictly limited (see below). Any work that is done to the lakes should be to making them self-sustaining or low maintenance. Believe it or not, lakes and ponds do exist that require no man-made intervention.

The community has the ultimate power to regulate and set boundaries to our community HOA's. This can be done through petition or proxies from a majority of homeowners providing revisions and additions to the HOA's bylaws. I propose these draft amendments:

- 1) Expenditures of the Board greater than the sum of \$1,000 must be approved by proxy vote of 90% of members in good standing. This includes, but not limited to, projects, maintenance and legal action... For emergency purposes, specifically, where life or property is in immediate danger, expenditures greater than \$1,000 may be approved with the condition that a full written report be provided to all members. Such report must contain a detailed accounting of expenditures, and proof of the immediate danger. Large projects may not be divided for the purpose of circumventing this amendment. It is the responsibility of the HOA's to request funding, by collecting written votes of their members, for any community projects. If said funding is not approved the "project" is abandoned.
- 2) Eliminate existing bylaws sections that allow the Board to act without a proxy vote of the majority of homeowners.

- 3) HOA Board cannot bring legal court action against any homeowner in the community. There is no community rule that is more important than the security of a neighbor's homeownership. Any dispute by the board against an individual homeowner, such as but not limited to: noncompliance to CCR's, nonpayment of dues, etc, etc,... will be handled by a volunteer arbitrator or mediator ... {only after polite requests have been tried.} Any legal action by the Board (nothing more than remedy liens without accruing interest, and preferably without attorney fees) needs to be approved by a written signed vote from 75% of the community. Legal action and attorney consultation costs us all money and should be very limited if allowed at all. It should be assumed by any board member, if what they have in mind they feel they have to consult an attorney they should not be considering doing what they are thinking at all.

- 4) Any attorneys fees incurred by any member of the board will be paid by that member of the board. The board, association, or members are not responsible for attorneys fees incurred by contact by an individual member of the board. Any needed attorney consultation or advice must be approved by 100% on the signed motion by each board trustee, and are subject to the cost limitations in amendment paragraph (1) (above).

- 5) Participation and regulation (or dissolution) of the Master HOA (The Master HOA was created by the individual community HOA's and has no power in itself to levy assessments on individual homeowners). If the Master HOA is allowed to continue it must be structured with a clear fixed budget and responsibility and accountability. Proposed projects, improvements, and non critical repairs will be delayed until enough funds are collected through the normal fixed yearly assessments {"assessments" is the wrong word, perhaps "stipend" or "apportionment" would be better}. A clear and detailed accounting of the previous year's expenditures is to be provided to each individual HOA before the Master HOA receives its next apportionment.

The above intent is to make sure the boards (HOA's) work for and are accountable to the homeowners, and that no special interest projects are adopted without community approval. The Boards can come up with all the projects and ideas they want, but must ask for community permission and funding to implement these projects. The HOA's do not run or control the community and its members. The Members are the authority and control of the HOA's.