

REPORT ON THE SILVER SPRINGS SINGLE FAMILY HOA ANNUAL MEETING AND ELECTION

Tuesday, October 12, 2010 7:00 to 8:50 p.m.

Board Trustees in Attendance: James Larson, Brian Robinson, Kristian Mulholland, Chris Butler, William Gunter

Board Trustees Absent: Harry Fuller, Richard Krebs

Homeowners in Attendance: Clay and Lucy Archer, Jim Harsch, Rob Vandenberg, Tracey Douthett and Matt Lindon, Ed Cody (and Corinne?), Bill Noland, Les Carriel, James and Carol Goldman, Grant and Kathy Hedges, Larry Moffett, Bob Lentz, Rick Hovey, Mike Broome, David and Cathy Schaede, James and Karen Schoephoerster, Michael Winer, Sue Pollard, Lyn Cier, Julia Loughlin, Tim Doughtery, Karen and Bill Tafuri, Russ Paskoski, Rebecca Erickson, Bruce and Lisa Kirchenheiter, John and Bonnie Adams, Mike Odernheimer, Robyn Bailey, unidentified man, second unidentified man, County Sheriff Deputy (to guarantee peace). (38 lots out 189 represented; some owners in attendance own multiple lots).

The Board distributed an Agenda to the Property Owners.

Gunter then instructed the attendees to excuse the board while they held a quick board meeting. Two amendments to the Bylaws were proposed and approved by the board.

<u>SSSFHOA Bylaws</u> <u>Article XI. Amendments</u>. These Bylaws may be amended, at a regular or special meeting of the Board of Trustees by majority vote.

<u>Article XII. Association Rules</u>: ..."Copies of all rules and regulations adopted by the Board of Trustees shall be presented at the annual meeting or mailed or delivered to all Members at least ten (10) days prior to the effective date thereof.

Gunter then proposed a change to the SSSFHOA Bylaws.

<u>SSSFHOA Bylaws</u> <u>Article III, Section 2, Annual Meeting, Line 2</u>: The annual meeting date will be held on the second Tuesday in October.

Rationale: Since 1983 the Annual Meeting and Election was scheduled on the second Monday in October a holiday, officially proclaimed in 1937 as Columbus Day. The board has been known to move the meeting to various days in October.

Rebuttal: The record shows that the majority of the meetings that have produced a quorum of property owner attendees have been held on Columbus Day. The record also shows that between 1994 and 2007, a period of fourteen years, the Annual Meeting dates that were scheduled on alternative days did not produce a quorum and were then rescheduled within thirty days in November when "**any number of attendees**" could select the board and conduct business. The first recent instance of a quorum Columbus Day Election meeting is October 13, 2008. This meeting produced a participation of 120 property owners or 81%. However, this meeting was usurped by Gunter and Pollard then rescheduled to December 15, 2008 where participation was scant and the board conducted business with a smattering of property owners present

Gunter then proposed a second change to the SSSFHOA Bylaws:

SSSFHOA Bylaws Article V, Section 1. Nomination and Election of Trustees: Nomination:

Proposed to add a line at the end of this section: "All nominees to the Board of Trustees must be members in good standing."

Rationale: The SSSFHOA Bylaws permit only "members in good standing" to **vote** in Board of Trustees elections. The Bylaws are mute on the question of whether a member not in good standing can be nominated for the Board of Trustees. The definition of "a member in good standing" is an owner who has kept current in paying association fee obligations. The interpretation of association fee obligations includes *the expectation that the fee was assessed in a legitimate process*.

Rebuttal: The changes suggested by Gunter were presented at this meeting in a covert attack against property owners who have been nominated to be on the ballot but who have withheld the \$182 SSMA special capital improvement assessment for the private 5.24 acre pond in SouthShore. The SSMA Bylaws and the SSSFHOA CCR's establish the procedure for special capital improvement assessments billable only if the assessment receives the 66 2/3% voted approval of the property owners. Neither the SSMA nor the SSSF boards have remedied their error of imposing this assessment without collecting a vote of the property owners as stipulated. **Second Rebuttal**: This rule cannot be implemented and made effective for the Election that is today in progress. At the September 7, 2010 SSSFHOA board meeting Gunter made himself the chairman of the Nomination Committee. This committee is to also have two or more Member-atlarge participants. Nominations were received by the SSSF board for Clay Archer (6) Lucy Archer (1), Linda King (1), Randy Cassidy (1), Suzanne Beck (1), Ed Cody (1), Tracey Douthett (1), Jim Harsh (1), Rob Vandenberg (1), and possibly others. The ballot that was distributed to the property owners included only the last four names listed above. Obvious prejudice was shown when Gunter and Pollard eliminated nominees without a valid reason, and later taking action to change the Bylaws in an attempt to support their manipulative actions is a blatant unethical move by Gunter and the board members who allowed him to proceed.

In the SSSFHOA Bylaws Article XII, the ten-day notification period stipulated was not been provided therefore the elimination of nominees on today's election ballot by the "Nomination Committee" makes this ballot and election more invalid than was suggested by Gunter and Pollard in October 2008. See 2008 Election accusations by Gunter and Pollard. In 2008 Pollard and Gunter read this script to the attendees as they usurped the Election supported by 81% of voters:

I move to call a Special Meeting of the Board of Trustees to be held as soon as all are able to be present, to review irregularities, some of which pertain to the process of the nomination procedure in accordance to Article 5; Nomination and Election of Trustees, in our bylaws. (Bill Gunter)

Review of purported "irregularities" was never carried out, a second illegal election meeting in December 2008 cost homeowners nearly \$8,000, spent by Gunter and Pollard, mostly for attorney Lincoln Hobbs. It seems that Gunter and Pollard were so successful at manipulating election results in 2008 that they conspired to manipulate the election again in 2010.

Third Rebuttal: The current board president has persistently used his position on the board to manipulate outcomes. First, he restrained participation of six elected property owners from taking office when elected in 2008; he has prevented neighbors from a fair chance at election (2008, 2009, 2010); and he has excluded interested Members from contributing to the HOA.

Fourth Rebuttal to this Board's actions: The Community Group distributed a <u>Survey Ballot</u> in March and April of this year that was also online at <u>www.silverspringscommunity.com</u>. The <u>recommendations that were outlined</u> should have been added to the Annual Meeting Agenda and ballot but were completely ignored by this board. These included: "A vote that the board shall re-

write all existing HOA document Sections that allow the board to act without 50% majority vote of property owners, whether present or by proxy." (Delete "any number of") **87% of property owners responded in the affirmative.**

Gunter then adjourned this pre-election Board Meeting without allowing comment or a vote from property owners in attendance.

Gunter stated that the HOA and the board have enormous powers over the homeowners. The Bylaws and state laws give the HOA more control over home property ownership than any other set of laws. There are many websites and blogs that warn perspective homebuyers regarding buying property that is within the auspices of an HOA. See http://cafacts.blogspot.com/ OR http://www.thehoaprimer.org/ OR http://www.thehoaprimer.org/ OR http://www.capitalismmagazine.com/index.php?news=3151 Some of these may seem extreme but you have to wonder why there are so many protests by homeowners against HOAs. Also most books written about HOAs are against them and enumerate reasons why. See list of HOA books at: http://www.silverspringscommunity.com/wp-content/uploads/hoa-booklist.doc

General Annual Meeting Called to Order.

It was noted, see above, that five of the seven trustees were in attendance providing a quorum.

The Nominee Candidates that were listed on the ballot were allowed the opportunity to introduce themselves. Their biographies are at http://www.silverspringscommunity.com/wp-content/uploads/2010-candidates.pdf

Gunter then asked for Nominations from the floor.

A nomination was made for Clay Archer (who had previously been nominated by six property owners on six Nomination forms). Gunter responded that Archer could not be nominated because he was not "in good standing". When asked what made him "not in good standing" Gunter said Archer had not paid his HOA dues. The response was that the canceled checks for timely payment of these dues were here available. Gunter then said that the SSMA \$182 for the private little lake capital improvements had not been paid. The response was that assessment was not legitimate; there had been widespread protest of this assessment since February 9, 2010 when it was announced by the SSMA. The two boards had not remedied their error by holding a vote of the property owners, and without this vote the boards had no authority to assess it. Many of the property owners who had paid it did so to avoid the type of bullying that the Archers and others had endured at the hands of an unrepentant, conflicted board. There is nothing in the Bylaws regarding the status of the nominees. The change made tonight is not effective until 10 days after all the property owners have been notified of the changes. Noland then said that the repair of the little lake gates, dams, and water outlets (at the proposed amount of \$135,000), was not a "capital improvement"; it was just a repair. So what is the definition of "capital improvement"?

Definition of "capital improvement":

Remax dictionary of terms: "Any improvement that extends the life or increases the value of a piece of property."

Barron's Investment Terms: "Any major physical development or redevelopment to property. Betterment to land, a building or equipment, which extends its life or increases its usefulness or productivity."

Established Silver Springs Documents regarding Assessments:

1979, 1982 SSCCRs "Article V Section 4. Special Assessments for Capital Improvements. In addition to the regular assessments authorized above, the Association may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of a two-thirds majority of the combined votes of both classes of membership entitled to vote and who are voting in person or by proxy at a meeting duly called for this purpose."

Assessments. In addition to the regular assessments authorized above, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a capital improvement upon the common area, including fixtures and personal property related thereto, or costs incurred for any other Association purpose, provided that any such assessment shall have the assent of a majority of the Members entitled to vote at a meeting duly called for this purpose. Written notice of such meeting shall be sent to all Members not less than ten (10) calendar days or more than thirty (30) calendar days in advance of the meeting."

It could also be argued that the repairs to the little lake are not part of the SSMA Common Area as the lake and its perimeter have been recorded for private and exclusive use and access only for the 25 or so small lake view owners. Also an \$80,000 CD was already accumulated by the SSMA up to 2008 for this work, possibly from the SSMA Income of \$201,050 in 2005. A number of times board members have stated that the \$32,000 check received from Mountain Regional in 2004 was never spent and is still in a savings account.

Property Owner, Clay Archer, then raised his hand to voice the above rebuttals. When Archer was given the floor and began to voice his concern for the questionable procedures the board was using during this election Gunter told him "Just be quiet." Then Gunter proceeded with the next Agenda item.

Community Issues:

--- CC&R Enforcement:

SSSFHOA CCRs "Article X Use Restrictions Section 9: Overnight Parking and Storage of Vehicles.

No vehicle of any kind, including but not limited to automobiles, trucks, buses, tractors, trailers, camping vehicles, boats, boat trailers, snowmobiles, mobile homes, two and three wheeled motor vehicles, or other wheeled vehicles shall be permitted to be parked on any public street within the subdivision projects between the hours of 12:00 o'clock midnight and 10:00 o'clock A.M. of any morning or at any other times while it is snowing.

The storage of any automobiles, trucks, buses, tractors, trailers, camping vehicles, boats, boat trailers, snowmobiles, mobile homes, two and three wheeled motor vehicles, or other wheeled vehicles shall be forbidden unless such vehicles are kept from the view of the general public and/or vehicular circulation."

A number of complaints were voiced regarding property owners who park their vehicles for extended periods of time in full view by neighbors and passers-by. Named were Brennan, Sanbotmatsu, Hedges, others. Gunter said it was difficult to enforce because "people just move

things around." Though there have been a half dozen violations this year no one has been fined."

There is an application available for a temporary parking permit at http://www.silverspringscommunity.com/wp-content/uploads/application rv permit.PDF

Past boards have established rules for parking, produced form letters and procedures for handling this situation. Rick Hovey, newly returned property owner (August 25, 2010), stated that the procedure is established but ARC Committee enforcement is lax.

John Adams asked if anyone had checked with other subdivision HOA's for possible solutions.

Corrine Cody(?) stated that she wanted liens placed on violating property owners.

The results of the <u>Community Survey Ballot</u> this last spring indicate that Item 8. "The board cannot sue or foreclose against any homeowner. An arbitrator or mediator shall handle disputes not resolved between the board and the homeowner. The maximum action against an owner shall be non-interest liens against title to be collected when the property is sold by the owner(s)". This received a 93% affirmative vote by respondents.

There was a reminder that this is a neighborhood association. The "teeth" behind the rules need not be more than the goodwill and charity of neighbors.

Compliance Committee:

- ---- It was reported that a tree house was constructed on Lot 84, on the property line. There is also a shed and trampoline newly placed on that adjoining property line. Chris Butler said the problem would be resolved this week. (See Tree House issue recently resolved in Park Meadows.)
- ---- Rick Hovey asked how many dogs could be kept on a property. One of his neighbors seems to have a kennel in place. Each morning the baying and barking in unison of a large group of dogs can be heard throughout the neighborhood. Response was that the county allows 3 dogs; a kennel license has to be issued by the county for four or more.

SSSFHOA CCRs Article X. Section 10: "Pets, Livestock and Poultry. No animals other than housepets shall be kept or maintained in a residential lot less than 2 acres or in any residential project. These animals shall be contained or otherwise controlled at all times and shall be restricted to two per household."

---- Underdrain System: It was announced that there have been no problems this year. There are proposed plans to perform some preventative maintenance using a tree root cutter to which there is dissent. See Sept. 7, 2010 board Minutes. The majority of this board's expenditures have been for this "abandoned" system. Lucy Archer inserted that last year's board's survey results had never been published. She asked the attendees how many had detrimental effects from this system on their property. Three kept their hands up, Winer, Vandenberg, Lindon. The latter two live next to or near Willow Creek and the county storm drain junction.

Matt Lindon stated that he felt the board had a responsibility to maintain the underdrain system and that the members had not had the right to abandon its acceptance, maintenance, or inclusion in the rewriting of the 1985 and 1994 (most current) HOA CC&Rs. Others noted that those past boards had updated the CC&Rs based on the completion of the storm drains, sewer drains, street gutters, water outlets, creeks and retention ponds that were found adequate to move water through

Silver Springs to Swaner and East Canyon. The possible spring overflow of Willow Creek (which clean out the County has deemed the responsibility of the creek-side property owners), and the storm drain junction becoming clogged, along with the existence of a number of artesian springs underground within Silver Springs, could be managed without the underdrain system as a whole. The option to abandon the underdrain had been weighed against the written individual property rights and the negative effects of cutting roots on desirable landscaping and vegetation (trees particularly) and the disruptive effects on fences, sheds, driveways, etc. within each homeowners' private property. Also the underdrain's function leaches out valuable lawn and landscape water all year long. The past Association boards' decision to abandon the underdrain was further enhanced by calculating that only a very small number (6 or 7) of properties (189) had run-off concerns and they could be handled with sump pumps in these individual crawlspaces without the detrimental effects of underdrain landscape water being leached off from desirable plantings and the enforcement of root cutting and proposed rotoring of the neighborhood.

Lucy Archer requested that Noland, who has been the forefront proponent of this system, beginning when he had seasonal runoff in his crawlspace, to provide to her for posting on the www.silverspringscommunity.com website any information that would support his adamant posture on the "un-abandonment" of the underdrain system. Noland made the comment that the website content and minutes were from Lucy's point of view. Lucy pointed out that everyone in the room would walk out of this meeting with their personal point of view of these proceedings, but few of them would make the effort to record and post them. The site is open for input, and many requests have been made for website contributions. If board members do not communicate with interested members then individual points of view and exploratory reports result.

Budget Report: Paid bookkeeper Lyn Cier distributed copies of the Profit & Loss <u>Budget from January 1, 2010 through October 12, 2010</u> indicating that the board had collected \$73, 306.40 from the Silver Springs property owners of which \$67,473.00 had been sent to the SS Master Association. This assessed amount is mostly for the maintenance, insurance, repair, and management of the private lakes and dams. See <u>Report on dams</u>.

Cier reported that the SSSF dues might go back down to \$75 per lot in 2011. The increased assessment of \$30 per lot (raising the dues to \$105 per lot for 2010) was reported to be unnecessary and controversial. It has been avoidable to tap into the HOA reserves. Controversy also occurred with the SSMA private small lake assessment that was excessive and not voted for approval. See Sept. 7, 2010 board Minutes for board discussion on partial refunds of the \$182 capital improvement assessment to the property owners for the excess amount collected.

Jim Goldman asked, "You mean we are sending the Master Association \$67,000 per year? What are they using it for?" ...the lakes and attorney fees for consultation? "Doesn't that seem excessive?"

At this point Gunter again became verbally abusive of the participating attendees during this meeting. Lucy Archer responded by saying that property owner input should not be demeaned by board members but rather attended to with sincere and respectful consideration. She continued that it was disappointing that other board members allow Gunter to act out against meeting attendees with whom he disagrees or does not understand their contributions. The board and attendees are neighbors and friends. Work to maintain and govern our Community should include input from all parties. The individual volunteer board members have a duty to know and

uphold their responsibilities and not to allow themselves to be bullied and coerced to follow improper proposals and procedures.

Cier continued by emphasizing that she has turned over **all** letters, notes received with checks, postcards, and Community Survey Ballots mistakenly received in the board mailbox, to the board to act on them at their discretion. Survey Ballots received by the board were not forwarded to the Community Group for inclusion in the tabulation of property owners responses.

Discussion meandered around a number of topics. When discussion was again directed at the \$182 Master Association special capital improvement assessment for the private little lake, Rich Hovey added that the dues that property owners pay in Silver Springs are a bargain compared to the dues paid by Park City subdivisions he is familiar with. We are not sure if that is a good measure of what is reasonable in this community. It follows the old adage, "if he jumps off a bridge does that mean you should jump also."

Noland made the comment that Archer had continually insisted that in 2008 the SSMA board had discussed an \$80,000 CD which was to be used for the work on the private little lake yet he had searched the website and had found no mention of this CD in her postings. Archer recounted the April 2008 conversation she overheard between Ron Duyker and Jerry Romero with Robyn Bailey acquiescing to their remarks regarding this CD. She asked Noland if he had questioned these individuals. She said the conversation might not be in the Minutes because it was an aside discussion but that it was mentioned on the 2008 SSMA Information sheet that was distributed to all SSSFHOA attendees at the October 13, 2008 meeting. Also recorded was the April 12, 2010 SSSFHOA meeting attended by Noland and Ron Duyker, the latter had been loudly ranting regarding another SSMA matter. When he was asked point blank where the \$80,000 CD was Duyker became completely silent. (Later, a search showed that mention of the \$80,000 CD was in seven locations on the website. This information and links was then emailed on October 15, 2010 to Noland who has not responded.) Archer added that she was told that the recent unofficial audit of the SSMA 2003-2009 financial records was not conclusive because it was not possible to know whether all records had been delivered to the unofficial auditors.

Lucy Archer responded that the amount of the assessment was not as much the issue as the manner in which the SSMA and the SSSFHOA cavalierly disenfranchised the property owners when they made the 200% assessment without a vote. Then when the angry property owners requested the boards follow the HOA charter rules the dissenters were threatened with liens and lawsuits, basically bullied into submission. It is a matter of principle; there are still property owners who will not pay the \$182 assessment until it is approved by a majority vote of the HOA property owner members.

Another topic discussed was the <u>mailboxes</u>. Hovey asked what the rules were because he would like to see all the Silver Springs Community mailboxes to be the same, "like the ones in NorthShore." He was advised that the mailbox situation had been thoroughly discussed and input collected from the SSSF owners. It was agreed in April 2008 that everyone could select any style they wanted as long as it was approved by the ARC Committee and the County. See <u>Mailbox report</u>. It may be of interest to note that NorthShore manager Brenda Lake did a review this month of the NS mailboxes and found that 26 of the 90 mailboxes have some form of deterioration defect. That is nearly one-third in disrepair of some sort after merely 3 years in service. Seattle Lux, the company who provided these costly (including installation) mailboxes, guarantees them but the property owners contacted consider replacement to be too much trouble.

NS President Mooney stated on 10/19/2010 that the new 2011 board would probably go back to allowing the homeowners to select whatever type of mailbox they want as long as their ARC Committee approves it. So they are coming full circle to what SSSF concluded in 2008.

Gunter continued talking about the <u>SSMA funds and liabilities</u>. Jim Goldman asked if the individual property owners have any kind of limited liability through the SSMA. Gunter responded "there is <u>now a letter in place</u> that does pass the lakes and SSMA liability directly to the individual homeowners" (circumventing the SSMA and its board?). There was some discussion about the insurance policy that the SSMA holds. Noland added, "If a judgment goes over the insurance limit the overage will be distributed to the homeowners." Noland told Gunter to table any further discussion on this matter.

Noland announced if folks want to know what is going on that on November 9th the SSMA board, he being the unelected president, was going to hold a really big meeting that would change everything. But he would not expand on this comment tonight. Archer then asked if Noland would provide the (costly) attorney opinions given for the benefit of the SSMA to her to post on the website. Noland replied that attorney Ted Barnes' "opinions were sketchy and incomplete but" in Noland's opinion "arrived at the right conclusion."

Contributions from non-elected Neighbors. It should be noted that after December 2008, Bill Noland has represented the SSSFHOA board as a nominee to the SSMA board though he is not an elected officer from this subdivision. Noland has advanced his situation further by taking on the responsibilities of the office of president of the SSMA board. The SSSFHOA Bylaws state that if the SSSFHOA board president prefers not to be the SSSF representative on the SSMA board then a nominee (elected new officer) should be selected from one of the six other elected trustees.

SSSFHOA Bylaws: ARTICLE IV

TRUSTEES: SELECTION: TERM OF OFFICE

Section 1. <u>Number.</u> The affairs of this Association shall be managed by a Board of Trustees comprised only of the various Presidents, or the nominees thereof, of the member associations.

Section 2. <u>Term of Office</u>. ...**The various trustees shall change as the individual associations <u>elect new</u> officers.**

This is brought up for two reasons. First, here is another example of the Silver Springs boards not upholding the most fundamental tenants of the Bylaws. Secondly, this "president" has spent huge amounts of money for attorney consultation fees; he has billed the property owners an unnecessary and excessive capital improvement assessment for the private small lake without the required vote of the Community property owners; he has spent SSMA resources to discover information that has existed on the www.silverspringscommunity.com website for years including the waterways and Community. We has not shared the survey and parses out pertinent Community information; he operates without transparency; and he has ignored the input of the property owners and the Community Group June 13, 2010 Survey Ballot regarding assessments and the restructuring of the SSMA.

On the upside, this "president" has brought order to the meeting procedures of the SSMA meetings; he has put on record the April 20, 2009 unanimous acceptance vote by the SSMA board for the incomplete 1990 Draft Bylaws; he has begun the process of completing and unifying the

SSMA charter documents; he has pursued the completion of the first (though unofficial) audit of SSMA financial records since it began in 1990; and he has had the board finally write and sign the first property management contract since 1990.

Other neighbors who have contributed greatly to this Community are Clay and Lucy Archer who were called in 2000 by the SSMA board to start-up a Community website which they have worked on, researched, and built at their own expense, for the benefit of the boards and Community Members. The position of Webmaster is not an elected office, nor is it mentioned in the charter documents. Most of the activities listed in the above paragraph have been enumerated, requested, and posted on the www.silverspringscommunity.com for years. Community Property Owners now have free access to maps, photos, minutes, budgets, history, board rosters, full documents, and other information relevant to the Silver Springs Community.

Websites: Gunter then took responsibility for ordering refrigerator magnets advertising the website Chris Butler started in March 2009. Many homeowners now own stainless steel refrigerators that will not hold these magnets. He continued to encourage the attendees to use the site, which holds limited and selected information, and which requires an individual password issued by an administrator. The website of choice by the homeowners, as quantified by the 40,000 user hits, is online at www.silverspringscommunity.com (Gunter voted to shut down this site on November 6, 2008 in a move to cover up his and Pollard's part in usurping the October 13, 2008 election. Then later, in 2009, he demanded that it be returned to the board (to cannibalize its contents for their cover up plans.)

New Business: Matt Lindon said that he wanted to revisit the discussion regarding the maintenance of the lakes. He said he was a participant when the 2004 Lakes Conveyance Agreement was on the table and when the SSMA commenced the extensive work involved to bring it up to State standards. He said that Mountain Regional owned the two lakes for five years yet performed no maintenance or upkeep on them. The lakes were beginning to exude the stench of rotting vegetation and the gates, baffles and outlets were in dire need of repair in 2004. He continued that Les Carriel, a lake front owner, had provided an inordinate amount of effort to have the lakes transferred from Mountain Regional to SSMA. That Les had actively worked to collect bids and reports on the disposition of work to be accomplished to bring the large lake up to safe standards. He said that Mountain Regional had paid for the attorneys involved and given SSMA a \$32,000 check to assist with what turned out to be \$145,000.00+ of repair work plus concrete over-runs. (The difference was assessed to all the Community property owners without their vote). Lindon continued saying that he saw Carriel diving in the murky water, assisting the repairs and putting in much work, time, and energy for the lake project. Just this last January Carriel called Cross Marine to repair and caulk an aerator in the lake area near his home, the \$8,000 invoice for that work was not pre-authorized but the SSMA board paid it anyway. Carriel shows up to most of the SSMA meetings to ensure that the lakes are forefront in receiving funding from the SSMA budget for maintenance and management. When the SSMA 2003-2009 audit was completed there were large checks noted, written to Carriel for various work on the large lake. No one can dispute that Carriel is a dedicated, untiring proponent for lake repairs and maintenance.

Membership response was that there was no doubt that Carriel did pursue the improvement of the lake but that it was a benefit to himself more than for the community at large. Improvements to the lake increase the value of his lake view property, and that of his other 28 large lake view neighbors. Carriel's work and ideas have been funded by the monetary resources of the 504 Community property owners who were not given a choice whether to transfer the liability and cost

of the lakes to the Community property owners; the Conveyance did not take into account the owners who were not asked if they preferred a Community Park on those 20.84 large lake acres, and who instead have been excluded by the efforts of lake view property owners from access and use of the original Enjoyment Easement. Both boards, SSMA and SSSFHOA, have turned a deaf ear to the opinions and input from the Community.

Election Results: In the last minutes meeting attendees turned in a few final ballots. While they were being tallied the Nomination Committee was identified. Chairman was Bill Gunter, members were Sue Pollard and Julia Loughlin, and Election Judge was Cathy Schaede. Bill Gunter and Sue Pollard were the co-conspirators in usurping the 2008 election and now it appears they have again conspired during this election to unfairly eliminate nominees from the ballot. Votes for nominees allowed on the ballot were:

Tracey Douthett (61), Ed Cody (53), Jim Harsch (52), Rob Vandenberg (51). The first three will serve as the new board trustees for the next two years, joining Kristian Mulholland, Harry Fuller, Brian Robinson, and Richard Krebs completing the seven board slots.

The total count of ballots was not announced. Based on attendance and the yellow ballots on the table it is dubious whether a full quorum participated.



Counting the yellow ballots.

Disclaimer: This report is not written to produce offense but simply to testify to the condition of our Community governance and the actions of those we have entrusted with its administration. This reporter feels that if her research work had not discovered so many malignancies then there would have been more acceptance, civility, and open rapport by the SSMA and SSSFHOA boards consistent with the depth of interest and research that this writer has provided to them and the

Community property owners. This reporter has been mistreated, bullied, and ostracized by the efforts of a couple vocal board members and the complicity of the other board members. However, this writer's contribution, disregarded by the board, but praised by the Community, confirms the value and correctness of findings and reports. The confidence and input received from Community property owner's supports the fact that the elected volunteers serving as HOA trustees have largely ignored the homeowners' trust, opinions, and needs.

After meeting closing:

It was noted by attendees that the grassroots Community Group has had a marked positive affect on the workings of the individual Silver Springs HOA's and the SSMA.

- ----In years past it was difficult to find enough volunteers to fill all the HOA board positions. This year for the SSSF ballot there were nine nominees for three openings.
- ----Attendance at advertised or posted HOA Board meetings has increased. Board meetings have been held more consistently.
- ----From 1993 to 2007 poor participation at the Annual Meeting became a route to rescheduling it within 30 days then allowing the few that attended to make all decisions and trustee assignments. Beginning in 2008 the October meetings have claimed quorum attendance.
- ----There was a request that the property management company be held to a contract for cost regulation and liability protection of the property owners. There is now a contract that is annually renewable. Two or more bids should be solicited each December for cost control. There is still concern that the SSMA manager writes the payment checks to her own company for lawn maintenance work.
- ---- There are fewer violations of the CC&Rs by the property owners. However, there has been recognition of violations and ethically questionable actions by board trustees.
- ---- The <u>www.silverspringscommunity.com</u> website has become a fantastic resource of Community and Common Area information, oversight, and history. It has been a force for uniting Silver Springs' property owners, providing them a voice. It supplies readily accessible information to everyone. (40,000 hits to date)
- ---- Property owners are more aware of the proceedings, positive and negative, of the subdivision and SSMA board members.
- ---- HOA Budgets are now more in balance and hold adequate reserves. Concerned members became active in the bid cost of the private small lake repair and were instrumental in decreasing these costs with the approval of the State Water Division. The boards have discussed refunds to homeowners of part of the \$182 special capital improvement assessment for the private little lake.
- ----The SSMA has existed since 1990 with the same manager and with some longstanding board members. An audit was requested since 2008 and at last was unofficially completed in July 2010.

---- The Master Association, existing in the shadows for nearly 20 years, its documents neglected and incomplete, is being updated. Let's hope that the Community property owners are not left out of this process again.

----There is still much work to be done on proper election procedures, disenfranchisement, and the recognition by the boards of the voting rights of the property owners.

On Tuesday, October 12th, during the Silver Springs Single Family HOA Annual Meeting and Election, <u>Bill Noland stated that the Master Association is planning a meeting on November 9th at 6:30 p.m. "It is going to be a really big one"</u>. He would not elaborate except to conclude that it was going to be held at St. Luke's Episcopal Church.

On Tuesday, October 19th, during the NorthShore Single Family HOA Annual Meeting, Gaylynn Mooney announced that "the big" SSMA meeting that was expected to change everything is scheduled for December 7, 2010. Noland's site does not mention this meeting.

Updates will be posted on the www.silverspringscommunity.com website calendar.

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From Matthew Lindon on November 3, 2010- in reference to the SSSFHOA October 12, 2010 Annual Meeting:

"My deal stands with the homeowners, I'll do the water forever if I don't have to serve on the board. That is a thankless task.

Keep them [the HOA board] honest...

Matt"