

## HOW THE HOA DISSOLUTION WILL BE CONDUCTED.

10/5/2018

Technically an HOA consists of two parts, the legal entity plus its Homeowner Membership. Both parts require the consent of the other to complete the termination/dissolution action.

The first step in dissolution of an HOA is to receive the consent of the majority of the Homeowner Members on a ballot. The second part is to follow the procedures outlined in the Bylaws, in the Articles of Incorporation or in the applicable State laws. In Utah the Legislature body of content Part 14 Dissolution 16-6a-1401 begins the instructions to terminate the existence of an HOA in a subdivision.

A study of the State's twelve pages show that a single-family, stand-alone home subdivision that owns no property, no common areas, no amenities, is relatively easy to dissolve. Remember that in a properly managed HOA all authority resides with the Homeowners.

At the **Silver Springs Annual Membership meeting on Tuesday October 9, 2018 at 7 p.m. at Parley's Park Elementary School** the 188 lots Ownership will begin the process of terminating the Silver Springs Single Family Homeowners Association by Acclamation and Individual ballot vote of the Owners. According to the SSSFHOA Articles of Incorporation, Article II Duration of Corporation, "The Corporation shall have perpetual existence unless dissolved or terminated according to law, and according to the desires and requirements of the 51% majority vote of the Silver Springs Single Family Homeowners."

Owners in our Neighborhood have visited a large number of the SSSF Owners during the last ten days, one reason for these face-to-face visits was to receive a sense of whether the Owners will support the dissolution of the HOA. The response was nearly unanimous with one possible dissenter. We learned the Association exists as a highly despised annoyance, there were many "bless you for doing this" praises spoken. We feel confident that the dissolution vote will be prodigiously accepted by our Neighbor Owners.

After the Owner vote to terminate the HOA, our Owner volunteers will complete the task of ending the legal entanglements and refining the Association rules to a simpler, more efficient, and acceptable set **approved by the Owners**. The compiled rules will be known as our *Neighborhood Code of Conduct* after it is discussed and has Owner voted acceptance. More details are forthcoming and will be discussed at the Tuesday October 9<sup>th</sup> Homeowners Annual Meeting at Parleys Park Elementary School to begin at 7 pm.

There will also be an Election of New Trustees. Four of the existing trustees' terms in office expire on October 9<sup>th</sup>, 2018: Robertshaw, Reynolds, Reddy(for Dittmer), and Noland (for Evans).

Our Association has a contract with property managers Model HOA that extends to April 2019, the rules of dissolution require their contract be honored. The length of this contract for six more months will facilitate the establishment of new Owner rules, the dissolution of the HOA, and the financial and Owner notification management process. We hope the six months will allow the new board to amend the former boards Model HOA contract instructions to make it less onerous and more Owner friendly. In April the Owners and Model HOA can decide whether to continue their relationship.

We are certain everyone has questions and comments regarding how all this will work out. It will be great fun and exciting to have the opportunity to come together to create the kind of neighborhood we all will feel happy to coexist in. Participation and comments are always appropriate. See you Tuesday!



Working for Positive Outcomes,  
Lucy Archer  
435-649-4663

**SSSFHOA Articles of Incorporation**, Article II, Duration of Corporation:

The Corporation shall have perpetual existence unless dissolved or terminated according to law (Utah Code Part 14, Dissolution) and according to the desires and requirements of the **51%** majority vote of the Silver Springs Single Family Homeowners.

FYI: Park Meadows is in the process of terminating their HOA. Summit Park has a voluntary HOA. Eagle Ridge in Pinebrook does not have an HOA, the original one was challenged because it was not properly formed, we could probably do the same. Silver Creek Estates abandoned their HOA. There are others.....

HOAs for single family, stand-alone home subdivisions are imploding. There is nothing here in Silver Springs Single Family neighborhood for the board to manage, except our individual properties.

At these links are posts regarding our neighborhood water availability:

<https://www.facebook.com/SilverSpringsCommunityUT/>

AND <https://www.silverspringscommunity.com/wp-content/uploads/SAVE-OUR-NEIGHBORHOOD-GROUND-WATER-10-2018.pdf>

The HOA Bylaws stipulate the Annual Meeting is to be on the second Tuesday of October. The second Tuesday of October is October 9, 2018. On this date four or the seven trustee terms in office expire.

Expired terms are for Robertshaw, Reynolds, Reddy, and Noland.

The Homeowners group is accepting candidates who would like to be on the October 9th ballot. The board is saying they are looking for volunteers but Reynolds has candidates she has pre-selected, the same process she used in 2017.

The board announced at the March meeting that **the board will be electing the new trustees**.

That is why the boards election instructions are expected to be a proxy to be delivered from the Homeowners to the trustees, instead of creating actual ballots.

Not only is that unethical, it is not legal. Now the board is playing with their term expiration date by extending the Annual Meeting to October 25th.

At the meeting on October 2nd, while discussing how the CCR review process will work there was much talk about reviewing and voting on several occasions in what the attorney called "springboarding off the October 25th meeting for 30 days, then 60 days or even 90 days."

By this process the current board is extending the termination day of their expired terms. Cheeky at best.

What our October 9th Meeting and Election will do is challenge their term extensions by electing new homeowners to fill their expired terms, thereby, hopefully, eliminating the rotten apples from our neighborhood barrel.

They don't care what the majority of Homeowners want to have done, they think they have the power to do as they please, and to interpret the HOA Governing Documents in any manner their attorney can figure out will thwart the established practice and interpretation of the documents we depend on for fairness and to support the authority of the Homeowners. As Richard Callahan wrote: "The newest draft CCRs transfers power wholesale from the Association Membership to the sole discretion of the Board of Trustees. No checks and balances are included in this draft."