



2010 SILVERWOOD HOA ANNUAL MEETING RECAP
Thursday November 4, 2010 @7PM
AGENDA

<u>Topic</u>	<u>Host</u>
Meeting “Call to Order” & Determination of Quorum	Ann Sherman
Introductions & Agenda Review	Pat Coletti
Neighborhood Safety (<i>tentative</i>)	Sergeant Randy Gardner-Bedford Police
Treasurer’s Report	Mark Adamson
2011 Annual Dues Increase	Mark Adamson & Pat Coletti
HOA Management Options	Pat Coletti
Parking	Pat Coletti
Social Updates	Ann Sherman
Election of Board Members	Pat Coletti
Open Discussion	All Board Members
Meeting Adjourned	



MEETING RECAP

Meeting was convened at 7:11PM by Pat Coletti

Quorum

A quorum was declared with 45 residents registered either in person or by proxy. (50%)

Agenda Review

During the agenda review Pat Coletti announced that Sergeant Gardner could not attend so the Neighborhood Safety topic was dropped from the list.

Treasurer's Report

Mark Adamson reviewed the 2011 Budget with the attendees. (see last 2 pages in this document for financial details)

2011 Annual Dues Increase

Mark and Pat C discussed the need for increasing the annual dues to \$575 next year. (see section below)

New Annual Dues Amount

The annual dues will increase to \$575 effective January 2011.

Dues Increase Drivers

1. Large slate of anticipated future expenses- listed below
2. Compelling need to accelerate contributions to the Reserve fund- The objective is to gradually increase the annual contribution to \$5000 - \$8000 annually. Since Silverwood owns its street, road repaving and repairs are the biggest expenses for which we need to plan.

The Board plans to evaluate the need for dues increases on an annual basis going forward to ensure that available funds meet the needs of anticipated maintenance expenses and allow for satisfactory growth of the Reserve Fund.

Major Expenses in 2010

Description	Amount
Fountain Pump Outage Repairs	\$2,174
Front Retaining Wall Repairs	2,000
Front Tree Lights (<i>pilot for future expansion of lighting</i>)	1,480
McDaniel Well Settlement to Terminate Easement (*1)	3,000
Silverwood Court Drainage Project	4,665
Sprinkler System Outage Repairs	2,065
Tree Debris Removal	542
Tree Maintenance & Removal of Dead Trees	1,541
Well Pump Outage Repairs	516
TOTAL	\$17,983

Footnote:

*1 = This estimate is based on the negotiated settlement with the McDaniels (on Woodpark Lane); expense has not yet been paid but is the projected amount to be disbursed by 12/31/10. This is Silverwood's allocated costs for the new well on the McDaniels' property which will allow the HOA to terminate the existing easement that obligates the HOA to allow the McDaniels unlimited use of our well to feed their irrigation system.



Allocations for Future Expenses (2011 and Beyond)

Description	Amount
Erosion Repair- west side of north pond (*2)	\$3,500
Expansion of Lighting at Front Entry around Silverwood Sign	1,800
Fountain Lights Repair/Replacement (*3)	TBD
Legal Fund (<i>for enforcement of Silverwood deed restrictions</i>)	3,000
Miscellaneous Signage (<i>in anticipation of stricter enforcement of Silverwood deed restrictions</i>)	400
Painting Gates (*4)	1,200
Repairs to Front Manual Gates	1,500
Replacement of Lights- east side of south pond	7,400
Replacement Reserve (<i>target allocation</i>) (*5)	4,500
Street Sealing	1,800
TOTAL (*6)	\$25,100

Footnotes:

*2 = Estimate received from Lawn Firm

*3 = Fountain Lights are beginning to show signs of decay; an estimate needs to be obtained

*4 = Estimate is based on previous front gate paint job in 2006 at \$1,085

*5 = This is the budgeted contribution to Replacement Reserve for 2011; the goal should be \$5,000 - \$8000 or more annually.

*6 = Total excludes Fountain Light Repair estimate

HOA Management Options

Declining participation in the HOA by residents at large over the years has prompted the current Board to explore options for acquiring the additional help necessary for ensuring that all functions can be performed well. The number of new residents has made enforcement of the Silverwood covenants and deed restrictions an on-going dilemma; a challenge that exceeds the amount of time and expertise of the Board.

The following options were presented and discussed by the group.

Option 1 => Hire a HOA Property Management Company to perform specific functions as designated by the Board.

Option 2 => Hire an Attorney with HOA expertise to handle problematic matters that infringe on Silverwood covenants and deed restrictions.

Option 3 => Make NO CHANGE with the understanding that more residents will get involved in performing HOA functions.

The pros and cons of each option were shared by the attendees in an open forum. At the conclusion of the discussion, a vote was taken by “show of hands” to determine a consensus. The attendees unanimously voted for Option 2. The Board has already identified a qualified attorney with HOA expertise, who was recommended to us with high marks. She will be invited to the first meeting of the 2011 Board for further discussion and negotiation of an agreement will be pursued.



Parking

One of the most controversial Silverwood restrictions has been the enforcement of Parking Rules. The following options were presented and discussed by the group.

Option 1 => Modify the Parking Rules with less stringent requirements

Option 2 => NO CHANGE to the Parking Rules but leverage the HOA attorney for stricter enforcement on the more problematic situations.

Option 3 => Nullify the Parking Rules all together and have **NO RULES**.

The pros and cons of each option were shared by the attendees in an open forum. The general consensus was that in alignment with the vote taken on HOA management options, Option 2 made the most sense. The Board will hereafter rely on the legal expertise of its attorney to assist with enforcement of the Silverwood Parking Rules in those situations where compliance cannot be achieved through routine efforts.

Social Updates

There was no discussion on this topic since the meeting ran long.

Election of New Board Members

The following residents were elected to the 2011 Board to fill the six (6) general board member positions which are expiring. They will serve a 2-year term.

Mark Adamson

Daryl Cutler

Mike Carlsen

Pat Dunn

Melody Coplin

Vernon Johnson

The following board members will serve the remainder of their terms during 2011. Reelection was not necessary.

Les Carter (2010 Vice President)

Pat Coletti (2010 President)

Ann Sherman (General Board Member & Social Committee Chairman)

Thank you to all board members for your time and dedication to Silverwood!

The meeting was adjourned at 9:05PM.



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	2011 Budget	% of Rev	2010 Actual @	Amt Diff ++	2010 Budget
Revenue					
Carry Over from Prior Year	\$ 0	0.0%	\$ 449	\$ -	449.00
Homeowners Dues	\$ 50,600	99.4%	46,200	-	\$ 46,200
Interest Income	\$ 300	0.6%	306	6	300
Transfer Fees	-		500	500	-
Miscellaneous Income	-		-	-	-
Total Revenue + Carry Over	\$ 50,900	100.0%	\$ 47,455	\$ 506	\$ 46,949
Expenses					
Lawn Service Maintenance Contract	\$ 16,800	33.0%	\$ 16,800	\$ -	16,800
Irrigation System Repairs & Maintenance	\$ 300	0.6%	300	-	300
Gate Maintenance	\$ 2,400	4.7%	2,072	328	2,400
Telephone (Gate)	\$ 730	1.4%	714	(54)	660
Electric	\$ 3,650	7.2%	3,385	265	3,650
Liability Insurance	\$ 3,700	7.3%	3,582	118	3,700
Pond Maintenance	\$ 3,500	6.9%	3,438	(188)	3,250
Miscellaneous Maintenance	\$ 5,500	10.8%	3,815	(315)	3,500
Newsletter/Block Captain	\$ 75	0.1%	35	40	75
Legal Fees/Office Expense	\$ 3,300	6.5%	179	151	330
Meeting Place Rental	\$ 240	0.5%	240	-	240
Social Committee	\$ 500	1.0%	151	349	500
Accounting & Bookkeeping	\$ 100	0.2%	50	50	100
Sales Tax	\$ 1,600	3.1%	1,544	(44)	1,500
Board Approved Emergency Fund	\$ 4,000	7.9%	8,000	(3,000)	5,000
Total Expenses	\$ 46,395	91.1%	\$ 44,305	\$ (2,300)	\$ 42,005
Budgeted Surplus for Future Replacement	\$ 4,505	8.9%	\$ 3,573	\$ (1,115)	\$ 4,688
Total Annual Dues Per Lot	\$ 575		\$ 525		\$ 525
One Time Revenue Events in 2010					
Transfer Fees (Used to offset additional Gate Maintenance & other expenses)					\$ 500.00
Total					\$ 500.00

++-Difference Compared to Actual

@ - Includes Nov and Dec Estimated Values



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Accounts	Balances
Checking	\$ 22,424.35
Money Market	37,426.05
CD - exp 2/24/2011	5,720.68
Accounts Receivable	(75.00)
Undeposited Funds/Cash	-
Total	<u>\$ 65,496.08</u>

Allotted for Future Replacement	Current		Projected
2003-2006	\$ 33,224.85	2003-2006	\$ 33,224.85
2008	\$ 8,354.00	2008	\$ 8,354.00
2009	\$ 11,879.00	2009	\$ 11,879.00
2009	\$ (1,000.00)	2009	\$ (1,000.00)
2010	\$ 4,688.00	2010	\$ 4,688.00
2010	\$ (1,115.00)	2010	\$ (1,115.00)
Total Replacement Balance	<u>56,030.85</u>	2011	<u>\$ 4,505</u>
			<u>60,536.29</u>
Available Funds for This Year	\$ 9,465.23		
Left to Pay This Year	<u>9,464.79</u>		
Difference	\$ 0.44		
Est. to Add to Future Replacement	0.44		