

**Q4 2009 SMHOA Board Meeting
Thursday December 17, 2009
Miller's residence**

Marguerite called the meeting to order at 6:00 pm. Members of the board present included Marguerite Blackman, Barbara Riehm, and Steve Miller.

Treasurer's Report

Barbara reviewed the income statement. Lot 19 is in foreclosure and there has not been a 2009 dues payment – and we don't expect to be able to collect until the house is sold and goes through escrow. One homeowner continues to not pay in full during the calendar year. This has been on ongoing behavior. Board agreed that the strategy for 2010 is to manage assets to liquidity to prepare for the eventuality of the bridge replacement expense.

ACTION: cash in the CD that comes due in January and transfer to the checking account.

ACTION: board voted unanimously to adopt the proposed 2010 budget.

ACC

There were no ACC requests this quarter. However, lot 2 painted without requesting approval. Lot 26 heavily cleared out the front and side yard vegetation and some trees without requesting approval. The board agreed to not take action since both actions would have most likely been approved by the ACC. Reminder to all homeowners, of the requirement to submit exterior change requests. Please help the ACC and Board govern in a fair manner.

Bridge Committee

ACTION: Steve to assume the Lead role for Dave Fanning who has not had time to devote to this assignment.

Steve presented a thorough examination of the permitting process and costs. He will present a summary status at the 2010 Annual Homeowners meeting. Once bids are obtained, the Board will communicate various funding options. In all likelihood, we will be recommending a Special Assessment for approximately \$20K-\$30K to supplement our cash reserves of \$20K. This is going to be a substantial expenditure for the HOA.

Common Areas

Picnic tables have been put into storage. The irrigation system was shut down for the winter. We received an insurance coverage notice indicating that our common areas were recently appraised. The notice raised some questions as to whether the insurance agency understands the boundaries of our common areas and whether the dwellings (shed & pump house) and content are covered. Some of the equipment in the shed belongs to John Sullivan for his personal jobs he does in Stoney Meadows. We need to fully disclose this and understand the ramifications.

ACTION: Barbara to contact the insurance agent to clarify. If needed, a restatement of our policy will be requested.

Dues Review

Steve presented a case for increasing the HOA dues. His argument is that the current dues rate is only sufficient for covering our normal run rate of expenses and only a very slow reserve increase. Steve believes that the current dues rate is not sufficient to pay for significant infrastructure repairs like a new tennis court, bridge replacement, major irrigation repair or multiple repairs in one year. He believes our infrastructure is aging and the rate of repairs will increase. He proposed a 6% dues increase for 2010. This is the maximum allowed for in our CC&Rs. Barbara was comfortable

with a 2-3% increase. Marguerite did not want any dues increase citing that large expenditures should be handled as capital expenses funded through special assessments. Her thinking is that it doesn't seem right to collect HOA funds from homeowners today for possible expenditures in the future. It's best to operate in the present state. Further, it doesn't seem right to do both – a dues increase and special assessments. The board concluded to not raise HOA dues in 2010.

Next Meeting

ACTION: Marguerite will book Annual Meeting for March 2010.

Meeting adjourned at 7:15PM.

Respectfully submitted,

Marguerite Blackman
On behalf of Barbara Kalasky