



A Newsletter dedicated to educating and informing the Spring Lake Neighborhood

The Spring Lake Connection

January 2018

FROM THE EDITOR

This is a special edition of the newsletter entirely dedicated to Homeowners' Association Annual Meeting coming up in March. It may seem a bit premature to be bringing up this subject, but the Board of Directors is already preparing and there are some things that they would like for all members to know and understand going into the meeting. So please take the time to read this newsletter in full and let us know if you have any questions.

JANUARY MEETING WILL BE HELD AT THE AMERITECH OFFICE

Monthly meetings are normally held at the clubhouse on the third Wednesday of each month. This month's meeting, though, which is scheduled for January 16th, will be held in the conference room at the Ameritech office, which is located at 24701 US Hwy 19 here in Clearwater. This address is actually on Ameritech Way, which runs along side Ferman Mazda on the east side of Hwy 19 just north of Sunset Point Road. The easiest way to get there is to take Sunset Point to Hwy 19, then turn north. Stay on the service road until you reach Ameritech Way. The Ameritech office is on the right near the end of this side street.

The meeting is being held at this alternate location because the board will be finalizing the proposed budget for the coming year and this facility is more appropriately outfitted for this activity with an overhead big screen monitor. This meeting is an excellent opportunity for anyone interested in learning more about the budget process to satisfy their curiosity. As always, all members are invited and welcome to attend.

All homeowners will get a copy of the proposed budget prior to the Annual Meeting in an information packet sent out near the middle of February.

The February board meeting will be held at the clubhouse on February 20th. This will be a normal monthly meeting. Then the Annual Meeting will be held on March 20th. All board meetings start at 7:00 PM.

BE ON THE LOOKOUT FOR YOUR NOTICE OF ANNUAL MEETING.

As previously mentioned, all homeowners will be mailed an information packet about a month prior to the annual meeting. It will contain a number of documents; and although there are instructions included, all of these formal documents can seem a little daunting. Hence the reason for this newsletter.

One packet will be sent out per home to the mailing address on record with the Association. If your mailing address needs to be updated, January would be a good time to do so. Contact Ameritech to correct your mailing address.

A SUMMARY OF THE BUDGET AND BUDGETING PROCESS

The Board of Directors has a responsibility and is, in fact, required by law to handle the Association's finances responsibly. The Bylaws of the Association prohibit the Board from deficit spending and the Board cannot borrow money on behalf of the Association without a vote of the membership. So, the budget is an important tool to help the Board effectively execute its financial responsibilities.

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The budget consists of two parts: General Operating Expenses and Reserves for Deferred Maintenance. Operating Expenses are ongoing regular expenses such as pool and grounds maintenance. Reserves for Deferred Maintenance is money set aside for large expense items that are not regularly recurring such as resurfacing the streets. General Operating Expenses are about 92% of the budget with the remaining 8% going to Reserves. For the fiscal year ending March 2019, the monthly budget for General Operating Expenses is \$14,146/month with \$4,965 of that amount being the monthly payment for the 5-year loan taken out 2 ½ years ago for the seawall and fencing. \$1,244/month is currently being set aside for Reserves, making the total current budget for the Association \$15,390/month.

Each year prior to the Annual Meeting, the Board works out a proposed budget for the upcoming fiscal year. A copy of the proposed budget is sent out to all homeowners prior to the annual meeting, and homeowners may give input and feedback prior to the budget being finalized at the Annual Meeting. Once the budget is finalized, this amount divided by our 171 lots gives the monthly amount that is assessed to homeowners for the next year.

ANNUAL MEETING ATTENDANCE AND PROXIES

The Association's Bylaws require that one third (1/3) of homeowners be represented in order for an Annual Meeting to be held. Since there are 171 lots in the subdivision, this means that 57 homeowners must be represented in order for the Annual Meeting to take place. All homeowners are encouraged to attend as it is each homeowner's right to participate in the important parts of the association's decision-making process.

Homeowners may attend in person or they may have someone represent them. To make it convenient and easy for members to assign representation, the information packet that you receive prior to the meeting will contain a Proxy.

A proxy is a legal document that allows the homeowner to let someone else represent them at the Annual Meeting if they cannot or do not want to attend in person. A homeowner can assign virtually anyone the right to represent them at the Annual Meeting by filling out the proxy with the representative's name and giving it to the representative to bring to the meeting with them. If you will not be attending and don't have a friend or neighbor that you would like to represent you, you can send your proxy in to Ameritech with the line where the representative's name goes left blank and one of the officers of the Association will represent you.

Getting enough home-owners represented so that the Annual Meeting can be held is almost always a problem for the Board of Directors. Since only about 20 homeowners usually attend the Annual Meeting, the Board generally needs to have about 40 members represented by proxy in order for the Annual Meeting to be held. Sometimes homeowners are reluctant to fill out proxies simply because they are unfamiliar with it and how it works and are afraid of making a mistake with this legal document. There is really no reason to be afraid, though. Rest assured that Florida law very strictly controls the use of proxies.

Proxies are only valid for ninety (90) days and can only be used for the meeting for which they are intended. Also, a proxy can be revoked at any time by the person who executed it. *So, if you are not sure that you will be attending the Annual Meeting in person, it would be a great help if you would fill out and send in your proxy in accordance with the instructions contained in the information packet so that this important meeting can be held and the Association's annual business can be transacted.* If you later see that you can attend the meeting, you simply revoke your proxy and represent yourself in person.

WHAT HAPPENS AT THE ANNUAL MEETING?

The Annual Meeting is actually three meetings which are held back-to-back. First is the Budget Meeting. At

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this meeting, the proposed budget is presented to the members present and time is allowed for comments and other discussion. The Board of Directors can take comments under advisement and make modifications to the originally proposed budget. The budget is then voted on and adopted by the Board of Directors. At this point, the Budget Meeting is adjourned.

between now and March. We will be happy to answer your questions.

The Annual Meeting is then called to order. The purpose of this meeting is the election of Board Members. The Association has seven board members who serve staggered 3-year terms. Each year two or three board members are elected. This year it will be two.

Anyone who is a homeowner can run to be a board member. The only requirement beyond home ownership and being current with Association dues is that Board Members, once elected, must attend a half-day class within a few months on how to be a board member.

Any homeowner can be nominated by any other homeowner for office. Homeowners can also nominate themselves. Once nominations have been made, an election is held where the membership elects the new board members to fill the vacant board positions. Once the election results have been finalized, the Annual Meeting is adjourned.

Immediately after the Annual Meeting, a third meeting is held. This meeting is the Organizational meeting where the board chooses who is President, Vice President, Secretary and Treasurer. At this meeting, any regular business on the agenda can be done, but the first and main business that is transacted is the election of officers. These are not decided by the general membership but are worked out amongst the board members themselves.

CONCLUSION

I hope that you found this newsletter informative. If you have any questions relating to the annual meeting, contact Greg Anderson with Ameritech or attend one of the regular monthly board meetings

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