

WPOA Handbook

March 2009

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I. Purpose:

To define procedures and practices covering the general duties, responsibilities and functions of the Waterford Property Owners Association (WPOA), an association incorporated in September 2008 under the laws of the State of Florida.

II. Background:

Incorporated as an HOA in 1984, the WPOA has operated almost continuously since that time and governs sixty-two (62) home sites and approximately thirty (30) acres of common property. The primary responsibility of the WPOA is the enforcement of the Waterford Covenants as defined in the “Declaration of Covenants Restrictions and Assessments” document registered with the State in September 2008. In 2001, the WPOA board / property members ceded maintenance of the common property governed by the WPOA to the Waterford Special Dependant Taxing District (WSDTD).

All officers of the WPOA and WSDTD boards must be Waterford Property Owners and are elected for a specific period depending on the board in question. As elected officers change over time there is a danger that a certain continuity of process could be lost, hence to mitigate this concern the following guidelines and procedures have been developed as an aid to assist new officers in the WPOA. The WSDTD rules and guidelines are addressed in a separate document.

III. Election Process:

The WPOA directors are elected from the membership during the annual meeting in May and will serve a term of office of one (1) year, which begins on October 1st of the current year and ends on September 30th of the following year. Any resident wishing to serve as a director on the WPOA board can place their name on the Election Ballot Form appearing in Section X and submit the form to the current WPOA board President at least one (1) month prior to the annual meeting.

The President of the WPOA will collect the ballot forms and depending on the number of residents seeking the positions will:

- **More than five (5):** If more than five (5) residents are seeking a directorate position, the president will list all the candidate names on the election Run Off Form noted in Section X and distribute a copy of this form to each property owner at the annual meeting.

The president of the WPOA will then ask if any of the candidates would like to make a statement to the members present at the annual meeting before making a call for an election. The amount of time each candidate can speak to the community is up to the discretion of the WPOA president, but the candidates must be allowed at least three (3) minutes.

After any statements by the candidates, the president will distribute the “Run Off” election forms to the property owners and ask that they place an “X” next to the five (5) candidates they support for office. When completed the property owners are to place their “Run Off” Ballot into the Election Box provided.

After completion of the election, the WPOA President and WPOA Secretary will open the Election Box and count the Ballots. The five candidates having the highest vote counts will become the elected directors of the WPOA. Ties will be resolved through the flip of a coin unless objected to by one of the candidates in question, in which case another vote on just those candidates will be taken by the membership at the meeting.

- **Greater than two (2) but less than or equal to five (5):** All candidates automatically elected.
- **Less than three (3):** At least three (3) candidates must be elected. If three (3) candidates cannot be found the WPOA will be in violation of the By-Laws and in danger of dissolution. If the WPOA President cannot find residents willing to become officers they should notify the community that the corporation will be administratively dissolved by the state and that all By-Laws and Covenants will be suspended until the corporation is reinstated and the Covenant re-vitalized (See Florida Statutes Section xxxx)

IV. Officers:

The directors elected at the annual meeting are responsible for appointing / electing a President and Secretary for the corporation. The formal duties and responsibilities for these positions are spelled out in the community By-Laws, however there are a number of other practical responsibilities noted below:

President:

Duties:

1. Prepare an agenda for and preside over all monthly and the annual Board meetings.
 - Monthly:
 - Call the meetings to order.
 - Review the minutes of the prior meeting.
 - a. Call for approval or revision of the minutes.
 - Ask the Secretary for the financial report.
 - a. Call for approval or revision of the financial report.
 - Discuss any unresolved business.
 - Open the discussion for new business items
 - a. Develop action plans as appropriate for any new business items.
 - Set time and place of next meeting.
 - Call for meeting adjournment.
 - Annual:
 - Call the meetings to order.
 - Provide a summary of the past year for the community.
 - a. Review projects/events, priorities, finances and status of the current fiscal year.
 - b. Open the floor to discussion of new project and priorities.
 - Ask the WPOA Secretary and the TD Financial Officer for a financial report / forecast covering the next fiscal year budget. Discussions should include:
 - a. Funded but unfinished projects.
 - b. New projects for the next fiscal year.
 - Open the discussion for project budgets and develop action plans as appropriate for any new items.
 - c. Maintenance needs for the next fiscal year.
 - d. Projected assessments for the next fiscal year.
 - Call for the election of new officers.
 - a. Explain election process.
 - b. Distribute candidate lists as noted in Section III.

- c. Provide an Ballot Box for the collection of ballots
 - d. Conduct the election.
 - e. Certify the winners as noted in Section III.
 - f. Privately offer congratulation or condolences to the winners based on your experience.
 - After completion of the election, the new president together with the current president will randomly select three (3) property owners to serve with the new board on the Architectural and Grievance committees.
 - Call for meeting adjournment.
 - Assure the minutes of the annual meeting are properly documented and contain the names of the new officers.
 - Sign and provide a copy of the annual minutes identifying the new President and Treasurer to the bank holding the WPOA funds. (Required if / when these officers change and new Bank signature cards (for check writing) are necessary.)
2. On or about April 1st solicit nominations for Officers for the next fiscal year.
 3. On or about January 15th work with the incoming President to prepare and file the HOA Registration Document required by the State of Florida.
 4. On or about January 30th review, approve, sign and file the 1120-H Federal Tax form prepared by the WPOA Secretary.

Secretary:

Duties:

1. Send out a notice to the community indicating the time, location and agenda items of all Board meetings at least 48 hours in advance of the meeting. Post a meeting notice on the community bulletin board and web site.
2. Compile and distribute the minutes of all Board meetings.
3. Present a financial report at all monthly Board meetings on the Status of the WPOA finances. The form for this report is described in Section X.

4. Prior to the Annual meeting in May, meet with the TD financial Officer and prepare a combined review of the community financial status. Detail a budget view of existing projects and projects proposed for the next fiscal year. The form of this review is described in Section X.
5. Work with the incoming WPOA Secretary to prepare the 1120-H Federal Tax form for the current fiscal year. See prior year examples in Section X.

V. Standing Committees:

ARCHITECTURAL:

This committee is responsible for making "Architectural" recommendations to WPOA Board in regard to whether or not changes that a property owner wishes to make to their property (exterior to the inside of their home) is in keeping with community standards. The committee is composed of at least three (3) property owners selected at random by the WPOA Board and will serve a term of office concurrent with the board selecting them. The members of this board cannot be sitting members of the WPOA / TD board or members of their families.

Specific guidelines outside those specified in the Covenants will be developed by the WPOA board or the standing committee and published in the "Architectural Handbook" along with all waivers granted to existing property owners. While a standing committee, this group would only meet when requested by the board to provide a recommendation on a significant architectural issue or to document or upgrade the "Architectural Handbook". Minor architectural issues will be handled directly by the WPOA board (Architectural Handbook to be posted on Web site).

GRIEVANCE:

This committee is responsible for attempting to resolve interpretive differences between property owners and the WPOA Board in regard to covenant violations. The committee is composed of at least three (3) property owners selected at random by the WPOA Board and will serve a term of office concurrent with the board selecting them. The members of this board cannot be sitting members of the WPOA / TD board or members of their families.

While a standing committee, this group would only meet when requested by the board to provide a review of a covenant violation that is being contested by a property owner. Within five (5) days of the receipt of a request from the WPOA Board, the WPOA Grievance Committee will formally respond to both the WPOA Board and Property / Parcel Owner with a written opinion / ruling on the validity of the issue. Any issue that cannot be resolved in this manner will follow the "Pre suit mediation" process outlined in Section II 6 of the Waterford Covenants.

VI. Budget Preparation:

The WPOA Secretary should contact the Waterford Special Dependant Taxing District (TD) Financial board member in the beginning of March and arrange a meeting to discuss any newly proposed or on-going TD projects, together with common area maintenance needs. The WPOA Secretary and TD Financial Director should then prepare budgets for the community's review at the annual meeting in May. These budgets should include:

- Project priorities and projected completion dates (or date ranges)
- Reserves and expected maintenance levels

VII. Fines:

Fines for the violation of covenants have been classified by level of severity and are documented below. The fines will start on the tenth (14) day after the property owner's receipt of notification from the WPOA board of a violation and continue until the situation is corrected or the maximum level of the fine is reached. Property owners may contest the violation by appealing to the Grievance committee as stipulated in Section II 6 of the Community Covenants.

All fines for violations will run concurrent with the dispute resolution process until the condition has corrected and approved or is waived by the WPOA Board. Payment of any fines associated with violations under dispute must be settled within 30 days after the dispute is resolved.

Waterford Covenant's Section V: "Restrictions Upon Individual Use For the Common Good". The "class" of fines for the violation of covenant restrictions noted in the aforementioned Waterford Covenant section is noted in the following chart. The "Violation Classes" are defined below the chart.

Covenant Restriction	Violation Class
1->3, 6,7,10,13,16,18-19,22,26-27,33,35,40	A
8,14,17,30-31	B
39	C
4,11	D
5,9,12,15,20-21,23-25,28-29,32,34,36-38	E

Violation Classes:

- Class A. Fines of \$5.00 dollars a day will be levied against the property owner up to a maximum of \$100 dollars in any fiscal year.
- Class B. Fines of \$5.00 dollars a day will be levied against the property owner up to a maximum of \$200 dollars in any fiscal year.

- Class C. Fines of \$10.00 dollars a day will be levied against the property owner up to a maximum of \$3,000 dollars in any fiscal year.
- Class D. Fines of \$10.00 dollars a day will be levied against the property owner up to a maximum of \$3,650 dollars in any fiscal year.
- Class E. Either not applicable or requiring other legal action by the WPOA Board

Note: Once a fine for a particular violation has been levied and resolved, any subsequent violation(s) of the same restriction will result in new fines incurring immediately upon receipt of notification from the WPOA board and will run until the violation is again corrected or the maximum fine level is attained.

VIII. Annual Meeting:

The annual meeting of the Waterford Property Owners Association (WPOA) shall be the second Monday in May. Written notice of the time, place and agenda shall be given to each member by personal delivery, US mail or email at least fourteen (14) days before the meeting. Contained in this notice should be "pro forma" budgets for the WPOA & TD current fiscal year and a copy of their "pro forma" budgets for the next fiscal year. These budgets should detail all major projects with annotations as to expected completion dates and priorities. See Section X for samples

IX. Time Line of Events:

The time line herein is intended to depict only those significant events outside the normal monthly meetings. These events are:

- Jan 31st: Complete and file Federal Tax Forms
- Mar 15th: Meet with TD to prepare Pro Forma Budgets for next fiscal yr.
- Apr 1st: Solicit community for the nomination of Officers for the next fiscal yr.
- Apr 15th: Prepare and distribute notice of annual community meeting.
- May (2nd Mon): Hold annual meeting to approve budget and elect officers for the next fiscal year.
- Oct 15th: Complete Annual Registration of Corporation with State.

X. Forms:

ANNUAL REGISTRATION WITH STATE

As a corporation, the WPOA is required to register with the state on an annual basis. This registration essentially updates the corporate officers and lets the state know the corporation is still a viable entity. Failure to file this registration will result in administrative dissolution of the corporation, in which case the community would have to file for reinstatement.

The registration process can be completed on line at the following URL.
<https://efile.sunbiz.org/ubr001.html> When getting to this page, enter N03902 as your document number. Then complete and submit the form.

ELECTION BALLOT

As per the instructions in Section III, if there are more than five (5) candidates for office, the President will post the names of all candidates to the following form (Run Off) and distribute them to the electorate prior to the ballot process. Blank forms should be brought to the meeting in case of ties and the need for additional votes.

Election Ballot Form: (this will be a link on Web site – see attached document)

Run Off Ballot Form: (this will be a link on Web site – see attached document)

FEDERAL TAX FORMS

As an HOA corporation, the WPOA is required to file an 1120-H Federal Tax form each year. This form can be downloaded from the www.irs.gov site. For illustrative purposes, a link to the 2007 Form and instruction set has been provided.

MONTHLY BUDGET REPORT

(See Attached Sample Reports from MS Money)

PRO FORMA BUDGET SAMPLES

**WPOA Pro Forma Budget
Fiscal Year 2009**

Income:	Subcategory:	
360.20	Fines	\$0.00
361.00	Interest	\$308.75
363.00	Special Assessments:	\$0.00
389.90	Beginning Yr Balance:	\$12,350.00
	Total Income:	\$12,658.75
Expenses:		
31.00	Legal Opinions	\$1,250.00
32.00	Accounting and Auditing	\$60.00
41.00	Advertising	\$120.00
45.00	D & O Insurance	\$800.00
47.00	Administration	
47.10	Printing / Copying	\$100.00
47.15	Mailings:	\$15.00
49.00	Other charges and Obligations	
49.10	Party Supplies	

49.15	Halloween	\$200.00
49.20	Thanksgiving	\$200.00
49.25	Christmas	\$300.00
	Total Expenses:	\$2,545.00
Reserve:		
389.95	Reserve	\$10,113.75