

WOODSIDE ASSOCIATION INC.

**2274 Woodside Lane
Sacramento, CA 95825
(916) 922-8469**

DATE: May 10, 2011
TO: All Homeowners
FROM: Woodside Association Board of Directors
RE: 2011 Annual Disclosure Package

In accordance with California State law and the Woodside Association Inc. governing documents, enclosed please find the 2011 Annual Disclosure package that includes:

- Letter from the Treasurer of the Association
- Monthly Assessments by Unit Type
- The 2011-2012 Pro Forma Budget
- Reserve Study Disclosure Summary
- Assessment Collection Policy
- Insurance Disclosure
- Summary of The Internal Dispute Resolution Process set forth in California 1369.510 – 1369.590 concerning alternative dispute resolution
- Notice of Members right to copies of Board Minutes/Annual Report
- Architectural Review Process
- Election Rules

The Association's monthly assessment will change per month according to the attached schedule. Should you have any questions regarding the amount due per your unit, please contact the Woodside office. Assessment Coupon Books will be printed and mailed in June.

If you utilize our Electronic Fund Transfer (EFT) automatic payment program the dues rate changes will be done automatically, although you will receive coupons for your records. If you are using other methods for payment do not forget to notify your payment provider with the change in dues rate.

The Board encourages you, as a member of the Association, to attend its monthly meetings which are currently held on the 4th Tuesday of each month at 7:00 p.m. at the Old Woodside Clubhouse. Minutes of board meetings as well other documents and information are available at the Woodside office and on the association website at www.woodsidehoa.com.

Please review and file these documents with your other important records.
Enclosures

1. Fix individual problems as they are found.
2. Perform a detailed assessment of each building as to all of its components (paint / siding / roof / structural / drainages / utilities) and address all issues at one time.

The first strategy is reactive and easy to do but is very inefficient as less obvious problems in a given building will be allowed to degrade until they become significant.

Woodside has elected to pursue the second strategy. This process is more complex, as an assessment needs to be done for each building. However, this approach is far more effective and efficient in that once a building is selected for maintenance, all of its issues are addressed at one time.

Our maintenance staff has completed an assessment of all of the buildings at Woodside and prioritized them as to need. In the 2011/2012 budget year ten buildings are scheduled for a complete overhaul.

Over the next ten years all of the buildings at Woodside will be included in this program. As we are starting with the buildings in greatest need, it is expected that the cost per building will decrease as we go forward with this program.

Even though we are focusing on this major program, normal maintenance activities will still continue.

This proactive approach to maintaining our buildings should preserve and enhance the value of Woodside.

What is the Reserve Budget carry forward?

All associations must maintain a reserve fund to address the maintenance needs of the property. Woodside is required to have a multi year projection of what funds will be needed for all of the elements that make up Woodside (buildings / roads / utilities / pools / etc.). Woodside uses a thirty year projection to identify funding levels needed in any future budget year. Some years require less funds than others (resurfacing pools is less expensive than replacing a road) as different items have different useful lives.

Each year, unused funds in our Reserve account are carried forward into the next year's budgeting process. Our original projection for the carry forward from the 2011/2012 budget was projected to be \$650,000. In this recommended budget the carry forward will be nearly \$790,000. Based upon our current information, that amount supplemented by our current level of contributions to the Reserve fund will be sufficient to meet our needs in the coming years.

Jon Rice
Treasurer, Woodside Homeowners Association