

LINDEN RIDGE HOMOWNERS ASSOCIATION

BOARD MEETING 9th JUNE 2008

MINUTES

In attendance:

Dean Webb – President
Peggy O’Leary – Treasurer
Christy Foster – Member At Large
Han Hills – Secretary

Also attending:

Tom Perry
Barbara Sieme

The meeting was convened at 7:11PM.

Copies of Jim Sieme’s letter to the board were passed to all attending as well as Peggy’s specific Treasury response and treasury summary reports: P & L November 2007 – June 2008, Summary of funds 2003 – 2008, Homeowner Dues Report at 06/08/08

Official Check Deposit Policy

There was discussion of the fact that, over the past few years, an undue amount of time had been taken between receipt of dues checks and deposit of same. It was unanimously agreed that all checks received by the Association must be deposited with 14 days of receipt.

Official Invoice Payment Policy

Discussion was made on the fact that recently issues had arisen regarding the late payment of invoices from contractors hired by the association, and the possibilities this raised of potential late payment fees.

It was unanimously agreed that official Association policy was that all bills without exception must be paid before the due date and that, also without exception, all bills must go from the contractor directly to the treasurer for payment.

Official Billing Errors Policy

There was discussion of the fact that in previous periods invoices for dues had incorrectly reflected payments for each household. The Treasurer reported that, along with the Secretary and Wyndi Hills of 104 Hedingham Ct, she had conducted a full raw data audit of all invoices and payments going back to the

inception of the Association. This audit, in conjunction with the appointment of an accountant in July to administer dues invoicing and collection would ensure that, in coming years, invoices would be correct.

Statement of Dues Owing and Official Collection Policy

A full statement of dues paid and outstanding, including write-offs for non-payers who left the community prior to the current improvements in collection enforcement, was presented to all present.

Official Collection Policy was unanimously confirmed as the following:

All those owing \$220 or more (two years) will get a final phone call before Friday 13th June as a last goodwill attempt to collect or arrange for full payment of arrears.

If, on Saturday 14th June, contact has not been possible or satisfactory resolution been reached in each case, the board will immediately begin proceedings to place a lien on the offending properties.

A list of those households with qualifying outstanding balances was compiled upon which to be acted.

Treasury Reports To Be Produced Annually

The treasurer noted that the new accountant, who will be meeting with the board at their next meeting for official approval and instatement, has agreed to produce any reports requested by the board at any time throughout the year.

Although the exact reports to be requested will not be finalized until after the next board meeting it was strongly felt that full statements should be made available at the quarterly meetings of Association Members.

It was noted that we have a fiduciary responsibility to all members to have the highest standards of openness regarding the financial transaction of the Association.

Accounts Auditing and External Accountant Appointment

The Treasurer reported that the original CPA undertaking an audit of the Association finances failed to complete this and has been dismissed without payment. A new accountant has been found and will meet with the board for approval at the next meeting. This individual will ensure that problems with the QuickBooks classification of monies are fully and completely resolved and it was felt that this, in concert with the internal audit undertaken already and the adoption of full regular reporting policies to the members, would negate the need for a full CPA audit.

The accountant has already affirmed that the Association is not liable for tax and is preparing the forms to ensure this is officially recognized by the appropriate bodies.

Income Discrepancy Issues Raised in Jim Sieme's Letter

The letter from Jim Sieme specifically asked about the discrepancies in recent reporting from the treasury and the common sense discrepancies between reported income figures and anticipated income from homeowners based on amount, time and number of lots.

The Treasurer, along with the Secretary, was able to show that, following the extensive internal audit undertaken over the previous three days, the amount invoiced by the association very closely matched the anticipated common sense amount expected, with discrepancies being only where interest had been applied in specific cases in previous years.

The Board was also shown that, allowing for write-offs due to failure of collection in previous years, and dues that remain to be collected, the funds collected by the Association do match the amount expected.

It was noted that currently within Quick Books Reporting there are discrepancies relating to classification that cause reporting from that application to misread the data held and that these are to be corrected by the appointed accountant.

Response To Jim Sieme's Letter

It was agreed, based on the discussion during the meeting that a letter be drafted by the Secretary replying to Jim's recent letter for the board to immediately review and send along with requested and supporting documentation.

Conflict and Communication between Board Members

The Member At Large noted that, going forward, all communication between board members must completely avoid all personal conflict and be addressed by all in a civil and professional manner. It was noted that it was highly unfortunate that recent personal conflicts between the Treasurer and the Vice President had led to the resignation of the latter, but that this has served as a catalyst to clarify a great many of the issues raised and addressed at this meeting.

The meeting was adjourned at 8:14PM.

Minutes prepared by Han Hills, Secretary, Linden Ridge HOA