

Special Board Meeting May 20, 2005

Attending: Brian Neufeld, Julie Mueller, Tim Linehan, Ed Aday, JT Thomas, Mary Burgess

Absent: Bosh Jimoh, David Barnes, Joe Drake

Meeting called to order at 7:00 PM.

Brian welcomed new board members to the meeting.

Action Items:

1) Covenant Review:

Communication committee has proposed a short article to be posted on website for the covenant review committee. The article will request input from the homeowners regarding changes/improvements to the covenants. Two small changes were suggested to the wording of the article.

Motion: Ed Aday made the motion to accept the article with the proposed changes.

Second: Brian Neufeld

Motion passed unanimously

2) Board vacancies:

Motion: Tim Linehan nominated Brian Neufeld for the vacant President position.

Second: JT Thomas

Motion passed unanimously.

Secretary and vice-president positions to be filled at next regular Board meeting when all directors are present.

3) Lien Letters:

Proposed letters for notification of lien action for non-payment of HOA dues were presented by Tim Linehan and Julie Mueller. Suggestions were made to combine the letters. Letters stating that liens will be filed if dues are not received by May 31 are to be sent by registered mail to the 6 homeowners in question.

4) CPA vs. Quick Books evaluation:

Julie talked to Archer Honea, CPA and was given a price of \$150/mth for a monthly financial statement and another \$150 or more for the annual compilation and preparation of the taxes.

Tim talked to a CPA who suggested that the LPHOA does not need an annual audit of the books due to insufficient business transactions. A financial compilation would be acceptable.

Brian talked to Sean Dunahay, CPA and was given a price of \$150/mth for the monthly financial statement plus a minimum of \$650 for the year end compilation and taxes.

Julie talked to Charles Monroe , CPA and was given a cost of \$85/mth for the monthly financial statement and another \$150 for the year end compilation and tax preparation.

Records of the HOA indicated that previous Boards have elected to have a financial compilation rather than an audit. The bylaws state that an audit is to be performed annually. The CPA's all agree that an audit would cost \$2 – 3,000. Tim suggested we investigate the possibility of amending the bylaws to drop the audit requirement.

The Quick Books program can be accessed online for \$20/month. Up to 3 board members and a CPA can have access. The financial compilation and tax preparation would still need to be performed by a CPA at costs noted earlier. Therefore, the cost of the Quick Books option would be at least \$890 per year and the cost of using a CPA would be approx. \$1,170 per year.

Motion: Brian Neufeld made a motion to approve the use of Charles Monroe for the monthly financial statements, the year end compilation and tax preparation. At the end of the accounting year, the BOD will review the benefits of this program.

Second: Tim Linehan

Motion passed unanimously.

Julie to make necessary contacts with Charles Monroe.

Motion: Tim Linehan made a motion to adjourn.

Second: Ed Aday

Motion passed unanimously.

Ed will arrange for next board meeting to be held at Liberty Church on June 13, 2005.