

Copperfield Neighborhood Association Board Monthly Meeting Minutes

Date: Tuesday, February 12, 2019
Location: 1336 Copper Run Blvd., Lexington, KY
Start: 7:00 PM EST
End: 8:40 PM EST

Roll Call:

C.A. Post, President
Josh Greeman, Treasurer
Buddy Whattenbarger, At-Large
Tim Geertz, Facilities
Clifton Daugherty, Secretary
Jeff Luoma, At-Large
Rick Davies, At-Large

Call to Order

C.A Post called the meeting to order at 7:00 p.m. Mr. Post welcomed everyone to the meeting.

1. Announcement

Mr. Post announced his resignation from the board, effective March 12, 2019. (Letter attached)

2. Business:

2.1 Outstanding Lien(s)

Mr. Post presented the potential liens to be filed. Additionally, Mr. Post expressed his desire for the hiring of a Property Management Company. Mr. Post indicated proposals will be presented at the March 2019 Board meeting.

2.2 CNA Audit Results (Results Attached)

Mr. Greeman informed the board the audit of 2017 CNA records has been completed. Mr. Greeman reminded the board that expense transactions above \$7500 in the savings and swim club accounts and above \$1500 in the checking account were reviewed. Mr. Greeman stated the pool accounts did not reconcile. However, this was the result of the CPA firm reviewing only 2017 transactions. Monies from 2016 that carried over into 2017 were not accounted for as the firm did not review. Additionally, it was stated that the CNA does not maintain a ledger for accounting purposes. Mr. Greeman indicated the CNA does maintain a ledger but was not requested from the CPA firm for the completion of the audit.

3. Facilities

3.1 Clubhouse

Mr. Geertz indicated that all can lights have been installed, ceilings painted, and that some additional lights were identified and were replaced. Additionally, Mr. Geertz stated that the two basement bathrooms have been remodeled, the trophy shelves have been completed, the lifeguard room has been painted, and the three (3) trees in front of the CNA clubhouse have been removed. Stump grinding will be completed once the weather improves. Mr. Geertz then presented several items needing approval from the board: Lighting in stairwell and snack shack, installation of cameras on front porch, new carpet for the basement, \$6,000 to complete basement renovations (includes purchasing a couch, tables and chairs, used pool table) were presented and approved unanimously.

3.1 Pool/grounds

Mr. Geertz stated the new pool drains have been completed. The pool deck will require pressure washing at a later time. New gazebo covers will be purchased and straps for pool chairs will be replaced soon. Mr. Geertz stated that a pool pipe near the pump area will need replace or the pool will not be allowed to open. The board voted unanimously to repair the pipe. Mr. Geertz stated the board will need to decide how to handle the 6% sales tax that is now required for pool memberships. Additionally, a future date will be set for pool membership pictures.

Additional items to be completed include: ordering playground mulch, replace cleat on flagpole, explain lifeguard requirements, survey pool members on purchasing speaker/radio systems for pool, bid for tennis court screen replacement, and repair of fence off clubhouse back door.

4. Miscellaneous

The board discussed a potential date for the neighborhood garage sale. Mr. Post stated he will speak with other neighborhoods as the CNA usually hold the garage sale on the same day.

Mr. Post presented a draft letter to be mailed to CNA households that have yet to pay their annual dues. The board voted unanimously to approve. Letter will be sent as soon as possible.

Mr. Post presented a request from a CNA resident to refund fines assessed for failing to adhere to the CNA Deed of Restrictions. The Board voted unanimously to deny such request.

5. Financial

5.1 Current Financials

Updated financials were provided (attached). Mr. Greeman presented the proposed 2019 budget. The Board voted unanimously to approve.

6. Q&A:

No questions were presented.

7. **Adjournment:** There being no further business, the meeting was adjourned.

Resignation of the President, c.a.post, February 12, 2019.

*Lord, make me an instrument of your peace.
Where there is hatred let me sow love;
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light;
And where there is sadness, joy.
O divine Master, grant that I may not so much seek
to be consoled as to console,
to be understood as to understand,
to be loved as to love,
for it is in giving that we receive.
It is in pardoning that we are pardoned.
It is in dying that we are born to eternal life.
Amen*

This was the prayer of the great 12th century saint, Francis of Assisi. It is a model for life toward which I strive.

It has been an honor to serve the Copperfield Neighborhood Association for the last two and half years. However, whenever one has a joyful job with cooperative colleagues, there is always a tendency to “own” the job and resist stepping away. We humans love to be in control. Thus, before I begin to feel that “my way” is the only right way, it is appropriate for me to resign and step aside so that others can serve.

Many of you have expressed generous “Thanx” for what this Board has done for the CNA, in notes, emails and cards, and those expressions have made this job a joy.

To those whom I have offended by my ignorance, incompetence or moments of selfishness . . . and you each know who you are . . . I sincerely apologize for the difficulties with which you have had to deal because of my thoughtlessness.

To those of you who wanted to offend, either because of disagreements or because of the aforementioned injuries, you have my sincere forgiveness from the center of my heart. Jesus warned that unless we forgive others from the heart, our Heavenly Father will not forgive us, and His opinion is what matters most to me.

I most of all wish to commend Tim Geertz, Josh Greeman and Karen Whitmer as those who have served best with me. The others on the Board have done well, also, but these three stand out as exemplary of what Board membership should entail. Tim has served outstandingly through conflicts with members of the CNA, trades organizations and details of Facilities management that would have had most of us running for cover. His grace and professionalism signify a man of integrity, honor and wisdom. Josh has served above and beyond the Treasurer’s role with

leadership and modesty that makes him a role model for how to live in the business world. Karen's willingness to continue serving under duress, and her sympathetic ear and friendship through trying times has singled her out as a dependable friend on whom I could depend for advice even after she left the Board. It has been an honor to be on a servant-leadership team with these as well as the other members of the Board: Allison Haas, Warren Anderson, Jennifer Roe, Jan Carrico, Robin Kelty, and Buddy Whattenbarger.

The recent additions of Clifton Daugherty, Rick Davies, and Jeff Luoma holds promise that the CNA will continue to enjoy grounded and sensible leadership without attempts of Board members to aggrandize themselves at the expense of the Association nor misuse our money. We entrust these leaders to do what is best for the Neighborhood, to use our funds wisely and to promote community through careful consideration, utilizing the model of servant-leadership by which this Board has thus far served. This is exemplified in our core values of **transparency, integrity, humility and cooperation.**

My resignation will be effective with next month's Board meeting on March 12, 2019, though I will continue to be available to assist with any issues for which the new president or other members of the Board may call on me.

BESTEN & DIERUF PLLC
CERTIFIED PUBLIC ACCOUNTANTS

January 24, 2019

To Management and Governance of
Copperfield Neighborhood Association, Inc.
Lexington, Kentucky

We have performed the procedures enumerated below during our consultation for the year ended December 31, 2017, which were agreed to by Copperfield Neighborhood Association, Inc. (the Association). The sufficiency of these procedures is solely the responsibility of the Association. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested, or for any other purpose.

- 1) We selected expense transactions above \$7,500 in the savings and swim club accounts and above \$1,500 in the checking account based on our judgement and agreed those expenses to the corresponding bank statements and invoices.
 - We noted check 2291 to Lex Serv City Services in the amount of \$3,758.49 did not match the invoice amount of \$3,935.49. We noted a separate check was written to cover the difference and the error was caught immediately. Due to the error being caught and remedied in a timely manner we have no further suggestions in regard to these findings.
- 2) We reviewed your monthly bank statements and reconciliations tested any unusual items noted against supporting documentation.
 - We noted that the Association does not prepare monthly bank reconciliations. Furthermore, we noted the Association does not have an accounting system to track the checking and savings accounts. There were reports provided for the swim club account; however, the income and expenditures reported on those reports did not agree to the bank statements for the year ended December 31, 2017. Total income and expenses reported on the financial statements for the swim club account were \$103,911.84 and \$96,163.52, respectively. Total income and expenses reported per the bank statements were \$115,511.84 and \$120,167.12, respectively. Total net income reported on the financial statements was \$7,748.32 as compared to a net loss of \$4,655.28 as reported on the bank statements for the year ended December 31, 2017.

We suggest the Association consider implementing an accounting system to track financial records. QuickBooks is a popular choice among Organizations of similar size. We also suggest that bank statements be reviewed at least quarterly and reconciled monthly. You can prepare bank reconciliations within your accounting system should you choose to get one.

- 3) We performed revenue analytics on dues income and swim club income and compared to expectations.
 - We noted that dues per member were within \$6 of expectations and special assessments per member were within \$15 of expectations.
 - We could not perform a scanning analytic of the general ledger to identify large, significant, and unusual items and make inquiries and perform additional procedures based on those inquiries as we deem necessary based on our professional judgment due to the fact there is not a general ledger. We did, however, perform these procedures on bank statement activity and selected items as noted in #1 above.

- 4) We will perform additional procedures based on the results of the above testing using our professional judgment.
- We did not identify any additional noteworthy items throughout our additional procedures.

During the performance of the procedures listed above, we did not identify items that appeared to be fraudulent. However, if we had performed additional procedures there may have been items identified.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Association and is not intended to be and should not be used by anyone other than those specified parties.

Sincerely,

Boston + Dineen, LLC

Copperfield Neighborhood Association
2019 Budget

	2018 Total Actual	2018 Annual Budget	2019 Annual Budget
INCOME			
CNA 2018 DUES	\$ 109,860	\$ 108,000	\$ 108,000
CLUBHOUSE RENTAL	\$ 13,545	\$ 6,000	\$ 8,000
INTEREST	\$ 173	\$ -	\$ -
Other Income	\$ -	\$ -	\$ -
TOTAL INCOME	\$ 123,578	\$ 114,000	\$ 116,000
Expenses			
MORTGAGE (P&I)	\$ -	\$ -	\$ -
PROPERTY TAXES	\$ 958	\$ 1,000	\$ 1,000
PROPERTY & LIABILITY INSURANCE	\$ 4,739	\$ 5,100	\$ 5,000
UTILITIES	\$ -		
Electricity	\$ 7,786	\$ 10,700	\$ 8,000
Gas	\$ 1,336	\$ 1,100	\$ 1,400
Sewer	\$ 8,193	\$ 10,800	\$ 10,000
Television / Internet / Phone	\$ 2,313	\$ 2,300	\$ 2,300
Water	\$ 6,740	\$ 10,000	\$ 8,000
GENERAL REPAIRS	\$ 60,753	\$ 35,000	\$ 38,000
LANDSCAPING/MOWING	\$ 11,019	\$ 12,000	\$ 12,000
CLUBHOUSE MANAGEMENT	\$ 6,766	\$ 7,000	\$ 7,000
ASSOCIATION MANAGEMENT	\$ 4,618	\$ 12,500	\$ 5,000
Transfer To Savings	\$ 10,000	\$ -	\$ 10,000
SOCIAL EVENTS	\$ 589	\$ 500	\$ 600
TOTAL EXPENSES	\$ 125,810	\$ 108,000	\$ 108,300

Copperfield Neighborhood Association
January-19

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	YTD	Monthly Average	2018 Annual Budget	Remaining Variance
INCOME																
CNA 2018 DUES	\$ 47,259												\$ 47,259	\$3,938.22	\$108,000	\$ (60,741)
CLUBHOUSE RENTAL	\$ 1,350												\$ 1,350	\$ 112.50	\$ 8,000	\$ (6,650)
INTEREST	\$ 14												\$ 14	\$ 1.18	\$ -	\$ -
Other Income	\$ -												\$ -	\$ -	\$ -	\$ -
TOTAL INCOME	\$ 48,623												\$ 48,623	\$ 48,623	\$116,000	\$ (67,377)
Expenses																
MORTGAGE (P&I)	\$ -												\$ -	\$ -	\$ -	\$ -
PROPERTY TAXES	\$ -												\$ -	\$ -	\$ 1,000	\$ (1,000)
PROPERTY & LIABILITY	\$ -												\$ -	\$ -	\$ -	\$ -
INSURANCE	\$ -												\$ -	\$ -	\$ 5,000	\$ (5,000)
UTILITIES																
Electricity	\$ 405												\$ 405	\$ 34	\$ 8,000	\$ (7,595)
Gas	\$ 167												\$ 167	\$ 14	\$ 1,400	\$ (1,233)
Sewer	\$ -												\$ -	\$ -	\$ 10,000	\$ (10,000)
Television / Internet / Phon	\$ -												\$ -	\$ -	\$ 2,300	\$ (2,300)
Water	\$ 465												\$ 465	\$ 39	\$ 8,000	\$ (7,535)
GENERAL REPAIRS	\$ 8,517												\$ 8,517	\$ 710	\$ 38,000	\$ (29,483)
LANDSCAPING/MOWING	\$ 1,720												\$ 1,720	\$ 143	\$ 12,000	\$ (10,280)
CLUBHOUSE MANAGEMENT	\$ 440												\$ 440	\$ 37	\$ 7,000	\$ (6,560)
ASSOCIATION MANAGEMENT	\$ 647												\$ 647	\$ 54	\$ 5,000	\$ (4,353)
Transfer To Savings	\$ -												\$ -	\$ -	\$ 10,000	\$ (10,000)
SOCIAL EVENTS	\$ -												\$ -	\$ -	\$ 600	\$ (600)
TOTAL EXPENSES	\$ 12,360												\$ 12,360	\$ 1,030	\$108,300	\$ (95,940)

Budget Total \$108,300