

Park Hills Homeowner Association Board Minutes March 17, 2009

Attendance: Mike Behbehani, Tad Carmody, Sandi Cloppert, Garrett Levy, Wally Howard

The Meeting Was Called to Order

- Heard a request for an exception to the Design Guide on fencing by new homeowners in the neighborhood (Welcome), The family would like to secure the yard as they have 2 dogs and a large water feature in the backyard. They have proposed a split rail fence. Aesthetics are important to the family. They feel a split rail fence would compliment the design of their home and landscaping, as well as achieve their safety and privacy goals.

Approved Minutes from the February Meeting

Treasurers Report:

- The Board has applied for an extension of the Association's tax return. The extension was necessary to allow time to select a new accountant.
- A Bank Reconciliation has been performed on the Association account through February 13th.
- One homeowner has not paid 2008 dues and is selling their home. Schedule to Close on March 20, 2009. The Board is considering placing a lien on the home prior to closing to ensure that the outstanding dues are recognized beyond the transfer of ownership. In an attempt to avoid the need to place a lien on the property Tad will reach out to buyer and the real estate agents involved in the transaction to seek payment of the dues prior to closing or assurance that the dues will be paid out of escrow at closing.
- Treasurers Report Accepted

Grounds Report:

- Proposal to replace the pear tree at the entrance with a new tree. Mike will consult his advisers on the type of tree. Mike has reviewed the contract for grounds maintenance and determined that the contract extends through the end of the calendar year.
- Grounds report Accepted

Miscellaneous Issues:

- Satellite Dishes - In response to a home owner complaint the board will send out a letter to a home owner with a conspicuous satellite dish and cabling. The letter will request that the home

owner seek to make the location of the dish and the associated cabling less conspicuous. Note the Design Guide states that dish antennas must be mounted "inconspicuously".

- Requirement for an annual audit - "Audit," versus a "Review," versus a "Compilation" - The bi-laws of the PHHOA stipulate that an annual audit of the financials must be performed. Audit has both a technical and generic meaning. Historically this annual requirement has been met by performing what our legacy CPA firm has called a Review. A "Review" which is less extensive than an "Audit" as it does not require the CPA firm to perform expensive transaction testing (i.e. payment verifications with vendors etc). The Board received very few responses to our requests for bids to perform a "Review". The responses we did receive were expensive. Most small CPA firms are no longer insured to perform "Reviews" as the standard for Reviews requires the CPA firm to issue an opinion on the management practices of the Board. A "Compilation" is less extensive than a "Review" in that it does not require the CPA firm to issue an opinion. A Compilation is technically what has been performed annually.

The Board has researched this matter to determine that most HOA's perform only a "Compilation" and in fact this is what most small CPA firms offer as a service. Some states (i.e. Florida) have laws that do not require HOAs to perform more than a Compilation unless the HOA has a running cash balance of more than \$100,000.

The Board has decided to seek an accountant to perform a Compilation for the 2008 fiscal year. The Board believes this is adequate to address the low risk inherent in the records of the PHHAB and consistent with the practice that has been in place historically. The Board will seek a vote to change the verbiage in the bi-laws to specifically require a compilation this fiscal year.

Tad Carmody, Secretary

Meeting Adjourned