

NEWINGTON COMMUNITY ASSOCIATION
BOARD OF DIRECTORS' MEETING – September 21, 2011
Minutes of the Meeting – NCA Pool House Meeting Room

At 7:05 pm President Sarah Jernigan called the meeting to order. Other board members present were Vice President Kirk Brustman, Treasurer Louise Whitt, Secretary Mike Smith and Director John Stiteler.

A resident saw the signs and stopped in to discuss his property. He had received a letter regarding the handrail and patio on his property and received a denial on an Exterior Project Request. President Jernigan stated this meeting did not include a community forum time since it was planned to discuss the budget but would have the file pulled and discussed at the next meeting.

GENERAL BUSINESS -- New

2012 Draft Budget – The Board reviewed each section of the budget. Overall the budget showed an increase of 3.6%, the maximum allowed by CPI-U as of August 31st. The CM recommended the Board look at the YTD% of actual to 2011 budget to see how NCA has spent their budget lines so far this year. Ideally, the % of each line should be 66.7%. The Board's goal should be to create a zero balanced operating budget to avoid profitability and increased taxes. Discussion points included coverage in the pool lines for winterization and additional money in the general repairs line. There was extensive conversation on the 115% increase in the snow removal line and the CM's request for more money in the mailbox landing line. A small amount is needed in the bank services line and it was suggested that the CM payroll line and Assistant CM payroll line could be reduced to put money into the mailbox landing line. There was discussion on the income taxes line and Treasurer Whitt wanted to review the past NCA income taxes to decide if the line needed to be changed. President Jernigan discussed setting a cap of 3.6% when the Board reviews the final changes to the budget at the October meeting since this is what will be presented to the community in the November newsletter. Only if the CPI-U goes down would the Board revise the expected 2012 assessment.

\$100,000 reserve investment – The Board reviewed the interest rates provided. Treasurer Whitt made a motion to invest \$100,000 in VCB's 1 year, no penalty 1% CD. Secretary Smith seconded the motion. Vote 5 yes. The CM recommended moving \$50,000 from one bank's .8% money market to another banks 1.19% savings. No motion was made.

Question to Board on review of collection attorney bills – President Jernigan stated that it was brought to her attention that there needs to be a review of the attorney's status report to the attorney's invoices. She provided the Board with total fees paid to this year's attorney and last year's attorney (\$24K/\$19K) and total collected by each (\$10K/\$7K). The question to the board is do we want to review legal activity and a detailed review of legal bills. If so, how do we proceed. President Jernigan stated her concerns with going after an attorney that we have only had for six months. Treasurer Whitt stated her concerns and Secretary Smith offered to help with the review. The Board felt that a review could be done but before proceeding to the next step, there should be another discussion with the Board. Due to confidentiality issues, the CM will prepare a package for their review without names and addresses. Their goal is to present their findings at the November meeting.

The Board adjourned at 9:30 pm.