

President's Report
Springs Board of Directors Meeting
June 20, 2017

Over the past couple of months a number of issues related to how we manage our finances have come to the surface, in part because of the attempted embezzlement of a large sum of money from one of the other HOAs in Green Valley.

Goldschmidt/Shupe Financial Seminar

On May 18th I attended a seminar here in Green Valley presented by our HOA attorneys, Goldschmidt Shupe. The training session was put together in response to the above referenced attempted embezzlement. About 100 individuals, almost all of them representing HOAs here in Green Valley, were present. The session was very helpful, providing a list of financial "best practices" that HOAs should follow. I found that for the most part the Springs HOA is in very good shape, following most of the recommended protocols.

One practice that we are not currently following, however, and that Carolyn Goldschmidt believes is critical, is ensuring that Board members view actual bank statements on a periodic basis. Only by seeing the actual bank statements can the board know with certainty what their financial situation is. Roger Olson and I have had a couple of conversations about this and he has been very helpful in presenting possible options. This matter will be one of our items of new business in today's agenda.

Non-Profit Learning Foundation

Along these same lines, Roger has been in conversation Robert Phillips from the Non-Profit Learning Foundation about providing our board with additional training around fiduciary matters. Robert estimates that we would need to make a contribution of \$700 to \$1,000 to the Foundation to cover the costs of the training. He suggests that we might also want to partner with another HOA or two, sharing the training and the costs. If we decide to proceed with this training, I think we should have a very clear idea of what we want to get out of it, so that it can be tailored to our needs.

Board Authorization of Expenditures over \$500

At our last board meeting, Michael Ford indicated that he was ready to award the contract for the repair and painting of the entrance to Woodward Construction. I indicated that, since the monies were already allocated in our 2017 budget, there was no need for a board vote on awarding the contract. After the meeting, Jeannie pointed out to me that in February 2007 the board passed the following motion: "*Expenditures over \$500, even though they are in the budget, must be approved by the HOA Board. This does not include utilities, contracts already approved, and office manager expenses.*"

Given that motion, we need to either follow that practice or rescind the motion of February 8, 2007.

Adopt-a-Highway

Over the past month I've been in conversation with Gene Van Dyken from Green Valley Litter Patrol; with Deby Cox, who previously was involved in the Springs Adopt-a-Highway effort, and with representatives from ADOT. A couple of years ago the Springs gave up the section of highway that we were keeping clean (MM36 to MM37) at the request of the Green Valley Hospital, who said they would like a more visible presence in the community. However, the hospital never implemented a program and the section has been largely unattended for the past couple of years. With the board's approval, Deby and I would like to re-establish The Springs HOA sponsorship of that section of roadway.

David Dethmers
HOA President