

Carefree Club Board Meeting Minutes
June 12, 2017

Call to Order

Pass Attendance

Present: Erich Bauer, Dan Black, Jess Carrasquillo, Sandra Carrasquillo, Bev Huldeen, Naomi Lantrip, Patrick McMahon, Ellen Morrow, Linda Stemnock, Steve Stemnock, Josh Wisby, Steve Wisdom

Absent: Chris Cummins, Jamie Hawkins, Jenaca Tilson

Guests: 4

Review, Correct and Acceptance of May, 2017 Minutes

- Under the Activities Report, Bev wanted to recognize the Wisdoms for donating candy and helping with the Easter egg hunt
- As of the May, 2017 meeting and thereafter, the minutes should indicate each board members' name and how they voted on every vote (yes, no or abstain), unless the vote was unanimous.
- Motion to approve as corrected, seconded and passed unanimously

Secretary's Report

- 532 Members of Carefree Club, 1 new member lot, 2 requests for paperwork to join
- 41 members still outstanding with respect to dues. 5 are habitual (1 in foreclosure; 1 appears to be headed to tax sale; 1 just listed "for sale by owner," 2 non-responsive). New letter ready to go out to the 41 late members reminding them of dues and that liens will be forthcoming at end of July if not paid
- List of email addresses are updated as they come in

Treasurer's Report

- Treasurer job description provided by Naomi for the operations manual
- 2016 Audit completed. All board members were provided a hard copy. Final fee for audit was \$2,950. Auditor provided a letter to the board of directors with the following unqualified opinion: "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Carefree Club, Inc. as of December 31, 2016, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America."
- Auditor identified some deficiencies regarding our internal control and provided a few things to consider as we moved forward. As a first step, Naomi suggests the finance committee meet to discuss these minor issues in an effort to tighten up our internal control.
- Some suggestions by auditor were given regarding segregation of duties: 1) Chris Cummins will handle journal entries of all the transactions on the laptop. 2) Naomi will then generate reports based on those entries. Naomi will continue to go to post office, handle deposits and pay the bills. 3) The president shall keep custody of the blank checks, authorize any checks that are physically written and review the bank reconciliations. 4) The entire board shall authorize payments over a certain predetermined amount and review the cash receipts/disbursements.

- \$45,683.08 was transferred to the reserve account per board approval at the January, 2017 meeting. Also there were 2 capital expenditures in 2016 (\$11,840 Baby Pool Tile/Paint, \$3,997.40 Pool Pump) that Naomi is going to transfer back into the operating account
- Sam's Club membership renewed (Steve W., Linda and Steve S. are on account). There is also a Sam's Club company card that can only be used with a company check
- Per Naomi's request the May, 2017 financial reports are presented as draft only and will be revised and corrected. Approval of the May treasurer's report will take place at the July meeting

Committee Reports

Pool

- Pool up and running, first few weeks already had 4 days of 200+ swimmers.
- Water samples turned in and all passed
- This year using a payroll service for lifeguards, pool staff, swim team and swim lesson staff. 3 bids were obtained, one extremely expensive other 2 similar. AccuPay was chosen since Jess and Sandra had used them and gotten good results. First payroll was submitted with thanks to Naomi and Chris for assisting with bid review, form completion and submission etc. Payroll fee is taken out of the pool budget
- Thanks to Jess for spraying weeds and grass around the perimeter. He also added an extra bar at bottom of fence between the pool and basketball court for added security to keep people from pulling it up

Grounds

- May 23 Indy SealCoat completed sealing and painting of parking lot
- Prepaid for the year to Kapp's Lawn and they applied 2nd treatment
- Jess hired a helper to assist with projects on the grounds
- 15 flower pots were painted and will be scattered around the property
- A lock was placed on an unsecured electrical box on the property

Activities

- Ice cream social was a success and it was a nice, warm day with cold pool water
- Patriotic bike parade Saturday July 1, 10AM. A flyer will be made and posted on website and at the facility. Kids in different age groups will decorate their bikes for a few prizes and ride around a secured area
- Carefree Annual 4th of July Cookout, Tuesday July 4, ~~Noon~~noon. Free to members and their guests

Web

- Pool automatic notices seem to be working well and can be adjusted in case of a special event that may alter the pool times (inclement weather, swim meets, etc)

Clubhouse

- Good month for rentals, income was \$1,364
- Grills rent for \$25 and lot of people renting them
- Expenses \$184.58 for cell minutes, bathroom supplies and solar flood lights for illumination of entrance sign

- There will be a bill forthcoming due to a mix up with scheduling the clubhouse on June 3 and 4 for 2 renters who thought they had the same date. Agreement was made for Club to refund one renter's fee and give them a free rental on another day along with paying for the re-mailing of their invitations

Swim Team

- Nice sunny start to the season with packed pool for practice and swim lessons in the mornings
- Three home swim meets this season (June 13, 29 and July 11). Pool will close at 4 PM on these days
- Approximately 140 swimmers on swim team this year

Old Business

Carefree South sign (Jess): Jess sent out a flyer to members of Carefree South about a meeting to discuss the sign. He, Naomi and Chris met with a group of about 15 members on June 6 who gave ideas and suggestions and there was a positive response about proceeding with the sign. Currently there is \$4,879 in the lights and signs fund but a portion needs to be held out for ongoing light bills. There was discussion as to the cost of the sign and figures ranged from \$6000-10,000, including landscaping. A question was asked about legalities of the sign and Jess stated that the county has to approve the sign and location, etc. The sign company will not install without county approval. Also there was a question about liability and it was stated that if someone left the road and ran into it, the fault would be on them. Provided they had insurance, the insurance company would typically pay. There is a donor willing to contribute funds toward the sign, if needed. More info about cost, location etc. will be shared at July meeting as discussions and research is still going on.

Pool Committee Members (Josh): Three names were added to the committee: Kellie Werner, Sandi Parker, and Chris Cummins. Vote to accept the three individuals to the committee passed unanimously.

Committees (Ellen): Projects which require spending larger amounts of money call for the committee to discuss, research and obtain 3 quotes. They would then give their recommendation to the board of directors for final approval. Linda stated that the pool committee members are only interested in the social aspects of the pool and aren't interested in being involved in discussions or bids concerning pool maintenance and similar spending. She said that it's her intention to ask a couple other people when it comes to spending for maintenance and pool issues.

Naomi stated that the auditor suggested that if companies or individuals hired to do work at our facility are a Carefree resident or related to a board member, then it should be disclosed so that everything is above board.

Treasurer's Bond/Blanket Bond (Jess): Under our current insurance policy we have theft coverage of \$25,000. Since our yearly budget has risen to around \$165,000, we are looking at raising the limits of our theft coverage. Coverage increase to \$100,000 (premium \$277/year), \$150,000 (\$307/year) are options that we are considering. More research is needed to make sure we are prudent in protecting our funds from theft, while providing a suitable bond for the treasurer since the Carefree Club By-laws state that the treasurer shall be bonded. It may be the case that we can fulfill the bond requirement and raise our theft coverage limits with one act.

Jess explained some of the pitfalls and inconveniences with dealing with an insurance agency on the north side of Indy. In an effort to reduce time and travel, it was suggested that we make the move to

a local agency on the south side. Our policy and coverage remains the same since we are not changing insurance companies. Vote to move our insurance to a local south side agency within the same company, passed unanimously.

New Business

End of summer neighborhood meeting (Josh)

- Josh would like to have a neighborhood meeting (1 or 2 days) in September or October to update the membership on the current state of the club and some ideas for the future. It will give the members a chance to ask questions and give any input they have. This is not intended to be a meeting where we look at financial reports or go into the numbers, but a communication tool to provide an overview of things concerning the club. A discussion about each area, with slides or photos if appropriate, can be developed with volunteers participating in the presentation. It also provides an opportunity to reach out to those who may consider joining Carefree, being a board member or to those who may have an interest in getting involved. Vote to get started on putting this together and working on the presentation for the end of summer meeting, passed unanimously.

Questions/Comments from the membership

- One member would like to encourage the board to support Erich to do electronic messaging to Carefree residents. Access to email addresses will greatly improve discussions with residents by relaying certain topics, plans, upcoming meetings etc. and receiving valuable feedback. This may eliminate some of the discussion on neighborhood social websites and allow communication only with our own members. In addition, it may identify members with certain skill sets who can put those skills to use to benefit the club.
- Comment to consider setting up alerts where predetermined board members will be notified when certain transactions are initiated or completed to provide financial safeguards. Also certain authorized individuals can log in regularly to assess account information. This may also alter or reduce the need for a treasurer's bond.
- Another member inquired as to whether the late fee associated with the dues, and the forfeiture of the 24 guest passes was permitted in the by-laws? It was explained that guest passes are not referenced in the by-laws, but were included as an incentive if the dues were paid in full by May 1. The board has the right to assess a reasonable late fee. Essentially, the dues letter stated that if a member pays their dues on time, they will receive their applicable pool pass(es) and 24 free guest passes. If dues are received late and a \$25.00 late fee is paid (\$295 + \$25 = \$320) then the member should receive his regular pool passes but forfeit the guest passes. Members always have the option of purchasing any quantity of guest passes at \$2/each. What actually happened was that if a member was late but paid their annual dues plus the \$25 late fee, they received their normal pool passes and 24 guest passes.

A motion to adjourn was made, seconded and passed unanimously.

Next Meeting July 10, 2017

Submitted by Dan Black