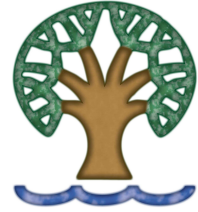


Statement from the GM

TRANSPARENCY THROUGH EDUCATION: “LPOA Guide to Financial Accessibility”



Presented by the Lakewood Property Owner's Association
General Manager Mark Reid
Created: April 5, 2017

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INTRODUCTION:

Some residents have recently expressed an increased interest in reviewing LPOA financial statements. The association is happy to accommodate by offering increased education on the process of accessing our financial documents.

It is likely that residents are simply not aware of the processes required to achieve access to certain documents, since we have not published instructions in this great detail before.

Therefore, residents may have interpreted their lack of access to being “denied” access. This is notably different than what resident’s experiences would be if they simply had guidance in knowing which procedures to follow to officially request access.

In our renewed commitment to increasing Transparency Through Education, we want to assist you in understanding how to request access, and to which types of documents you may have access.

The association will continue to share documents in a way that aligns with MO Statutes of Privacy, and is on par with other associations.

Please find below, our ongoing policies regarding release of Books and Records:

SCOPE OF OPEN BOOKS THAT EXIST:

Scope of open accounting documents includes:

- The Lakewood Property Owners Association, Inc. monthly financial statements
 - Including:
 1. Balance Sheet
 2. Capital Improvements Schedule
 3. Net Income Statement
 4. Consolidated Statement of Income and Expense
 5. Statement of Income and Expense for Eleven (11) LPOA Staff Departments.

- The Annual LPOA Audited Financial Statements
 - Additional Financial Documents include;
 1. Annual Operating Budget
 2. Lakewood Improvements Program Budget
 3. Inventory

- The Lakewood Holding Company, Inc. (LHC) monthly financial statements.
 - Including:
 1. Balance Sheet
 2. Consolidated Statement of Income and Expense
 3. Statement of Income and Expense for Seven (7) LHC Staff Departments.
 4. Statement of Cash Flow

- The Annual LHC Audited Financial Statements
 - Additional Financial Documents Include;
 1. Annual Operating Budget
 2. Inventory

If you are compelled to request written permission to view documents, please be specific in your direction and intent. Copies are run by staff, and we appreciate all resident's efforts to be frugal with time and funds spent by staff towards this end.

TIMELINE OF POLICIES ON BOOKS AND RECORDS:

1973-2015 - Use of MO Statutes as Policy Default

[Missouri Revised Statutes: Section 610.021.1](#)

(Source: Google: the Section No. 610.021.1; Chapter 610 - Governmental Bodies and Records)

The LPOA successfully referred solely to these statutes as a general guide for procedures until 2015. Residents' interest in financial documents was insignificant enough, to that point, that the MO Statutes were sufficiently adequate as a basis for standard operating procedures. On the rare occasion that residents' would request info, they would come in to the office to view something specific, and run photocopies of chapters they were interested in.

2015 - Creation of LPOA ByLaw on Books and Records

[LPOA By-Laws \(Article XII: Books and Records\)](#) [Printable Version.](#)

(Source: publicly available on LPOA.net, under Documents/ByLaws)

2015 - As the amount of resident interest in financial documents increased, the time and resource management of staff came into view, and the goal of the association is to implement best practices for common administrative needs.

The association sought legal counsel, in addition to intense research of standard operating procedures of HOA's locally and nationally. Evidence showed that it was time to implement a ByLaw and subsequent policy that would better inform staff and residents of the appropriate nature of the internal flow of documents. Ultimately these updates have provided guidance, time management and better organization of time towards the logistics of printing copies.

The LPOA Board updated their Bylaws to identify general guidelines for accessibility of Books and Records. This was in accordance with, and essentially highlighting, the standards of the MO Statutes.

2015 - Creation of Policy No. 24, Under LPOA ByLaws

[LPOA Policy No. 24: Closed Records Policy](#)

(Source: publicly available on LPOA.net, under Documents/Policies)

11-12-2015 - After the ByLaws (above) were created, Policy No. 24 was then developed to help define specific accessibility of our individual records, still in accordance with MO Statutes.

2017 - Financial Audits Made Available Online

Publication of Financial Audits 2011-2015

(Source: publicly available on LPOA.net, posted on Home Page)

These have always been available for viewing through the office in hard copy format, but they have recently been added online for your modern convenience and increased accessibility.

For Those Seeking More than Audits

Seeking Additional financial records:

LPOA Policy No. 24: Closed Records Policy

(Source: summary of excerpts from Policy No. 24, above)

Financial Statements, Including Budget/Actual, are available at the LPOA Main office, in hard copy format, after staff time/effort has been allocated to assist the resident request.

Policy No. 24:

"... Financial records requests will be submitted in writing with purpose and intent of usage, binding with affidavit, on a case by case basis, to be reviewed and determined by the Board of Directors.

Fees for Preparation and Copying Services:

- Minimum staff fee is \$25.00, plus \$38.00 for each hour spent preparing the documents.
- Copying fee is \$0.20 per page.
- Cost estimate will be provided to the requesting member prior to submitting authorization request to the Board of Directors.
- Final cost will be billed to members' LPOA account.

EXCEPTIONS TO VIEWER ACCESSIBILITY:

Who has full access to ALL closed LPOA Financial documents in their entirety?

(including payroll, closed legal documents, etc. as listed in Policy 24)

- LPOA/LHC Board of Directors
- LPOA Finance Committee
- LPOA Facilities Development Committee
- Staff Management

ABOUT LAKEWOOD HOLDING COMPANY (LHC)

Access to LHC Finances:

- Financial Summaries for the LHC are included within the [LPOA Financial Audits](#)

- Additional financial details are completely proprietary and will not be released, due to the status of the LHC as a privately operated and competitive Golf Course.

- Note: The consequences of making LHC finances public (i.e., accessible to other Golf Courses) would create a direct liability to the success of our course, and is not a responsible, required, expected, reasonable, or widely practiced course of action in any private competitive industry.

- To accommodate resident's requests for more information, the LPOA will be working toward submitting a statement under separate cover that helps to better explain the interdependent and significant relationship of LPOA to LHC. We are in the process of creating a detailed and well defined 'Operating Agreement' that will clearly explain the roles of each corporation and the interdependence to each other. We will share this information with all once the agreement has achieved approval of the Board of Directors and becomes a formal corporate document.

EXCEPTIONS TO VIEWER ACCESSIBILITY:

Who has full access to LHC Finances in their entirety?

- LPOA/LHC Board of Directors
- LPOA Finance Committee
- LPOA Facility Development Committee
- Staff Management

Thank you for your time and attention to learning about LPOA policies on Books and Records.

Respectfully,

Mark Reid, General Manager LPOA