



December 7, 2011

**Re: Recent Communications Concerning the Board and the Men's Club**

Dear Legacy Park Community Association Member:

Several of you may have recently seen posts to an unofficial Facebook page created for Legacy Park and concerning the Legacy Park Men's Club. The posting presents inaccurate information about a current issue involving the Men's Club, and the Board wants to update the community about these issues so the community is not confused or misled about this situation. In an effort to correct misinformation, the Board is writing the community to try to address questions and concerns about this situation.

The Facebook page in question is not an official Legacy Park Facebook page. It was not created by the Association, nor is it affiliated or endorsed by the Board of Directors or the Association. A few owners have used this Facebook page as a forum to express concerns over alleged financial discrepancies involving the Men's Club and the perceived lack of action on the part of the Association in dealing with this issue. The Board of Directors is disappointed in the nature and extent of the discussions on the Facebook page, not only because of the misinformation it contains, but also because of the fact that it appears that some of the information are details which have, to date, only been available to, and discussed by the Board. The disclosure of such details without Board authorization not only constitutes a breach of fiduciary duty on the part of any director or agent releasing such information, but also impedes the ability of the Board to make effective decisions in this matter.

As many of you may know, the Men's Club was an authorized committee of the Legacy Park Community Association. In 2008, the Board of Directors delegated the responsibility of managing the community center and clubhouse to the Men's Club. In exchange, the Men's Club received a fee of \$200 plus 75% of the monthly fee income from those activities. Early this year, the Board became aware of discrepancies in the accounting records for the Men's Club. Specifically, it was brought to the Board of Directors' attention that there were several checks written on behalf of the Men's Club made payable to cash, as well as several payments out of the Men's Club fund made directly to a credit card or credit cards which are not Association credit cards. The Association has not, despite numerous requests to the former Men's Club members, received any corresponding receipts showing whether or not these funds were for legitimate Men's Club expenses.

A criminal investigation into this issue has been opened, a decision which was discussed and ratified by the Board of Directors. The Board of Directors and the legal counsel for the Association have been in contact with and have cooperated with the investigator assigned to the

case. The Board has also sought, and has received advice from legal counsel on the matter and has furthermore taken appropriate actions to exclude all conflicted directors from any discussions or decisions on the matter. At this time, since there is an ongoing criminal investigation, the Board is very limited in the details it can provide or discussions that it can have on this matter until there is a resolution of that claim, which, once obtained, will be shared with the membership. The investigator has indicated that he expects a determination will be made within the next week or so. If the investigator has determined that there is enough evidence to charge a person or persons responsible for a crime, the case will then be turned over to the Cobb County District Attorney's Office to prosecute. This process can take several months to complete. The Board of Directors will continue to evaluate the options as the case develops and if there are any further actions that the Board determines are necessary, the membership will be informed of such and of the outcome.

Needless to say, the Board of Directors as a whole is disappointed in the implications that no actions have been taken in this matter, as it has been actively pursuing this issue and considering all options available. The Board will continue to evaluate appropriate actions as the criminal complaint progresses. The Board of Directors has a duty to make decisions that are in the best interest of the community and it takes this responsibility very seriously. It expects that all members of the community will recognize this and that this issue can be handled in a manner that is respectful and productive.

In the meantime, the Board has also taken actions to safeguard against any such further occurrences. In particular, the Board is beginning the process to conduct an audit of all of the finances for all Legacy Park committees as well as for the Association itself. All committees will be subject to strict standards for review, which includes, but is not limited to, reporting requirements and regular audits. As a matter of record, the Association's financial documents are audited on an annual basis by a CPA and a full report is provided to the Board. The reports indicate that the Association is in good financial standing and the Board will be taking these further steps to ensure that all Legacy Park groups are kept to the same standard of accounting as the HOA.

If you have any questions about this matter, the Board asks that you present your question in writing and address it to the Board in its entirety so that it can be properly addressed. Any such requests can be emailed or sent in writing to the Association's managing agent, Lisa Neff. We appreciate the continued support of the community.

Sincerely,

*Legacy Park Board of Directors*