

**Fountain Hills Community Association
Board of Directors Meeting
May 3, 2018**

The Board of Directors of Fountain Hills Community Association held a Board of Directors Meeting at the Upcounty Regional Services Center on Thursday, May 3, 2018 at 7:30 p.m.

Board Members Present:

Harry Matchett, President
Sherry Lee, Vice President
JoAnn Windsor, Treasurer
Frank Walsh, Secretary (Arr. at 7:42 p.m.)
Nikole Aguilera, Director (Arr. 7:39 p.m.)

Also Present:

Julie Hoffmann, Community Manager
Ruth Ann Allen, Recording Secretary

Board Member Absent:

Chris Summers, Director

Homeowners Present:

Robert Love, 18723 Autumn Mist Drive
Steven Muse, 18804 Porterfield Way
Theodora Godwin, 13305 Rushing Water Way
Bryan Schwan, 13313 Rushing Water Way

A. CALL TO ORDER

The Board of Directors Meeting was called to order by Harry Matchett at 7:39 p.m.

B. HOMEOWNER FORUM

1. Steven Muse thanked Board members for their work on the Board of Directors. Mr. Muse stated that he was glad that the fountain was up and running. Mr. Muse reported that a wooden fence between the alley and Great Seneca Highway has three panels missing. Mr. Muse noted that the landscapers did a good job, noting that they also trimmed both sides of the grass between the curb and the sidewalk and asking if this work was included in the landscaping contract.

Mr. Muse reported that a homeowner had installed a trampoline in their front yard.

2. Robert Love thanked Board Members for their efforts on the Board of Directors.

Mr. Love noted several items that needed attention:

- a. The entrance monuments need to be cleaned and are deteriorating
- b. The tot lot ground cover is holding up well, but some areas need to be raked to even out the wood carpet
- c. The mailboxes look terrible and people keep hanging signs on them which is not allowed by law
- d. The pool fence needs to be tightened up and painted

Mr. Love stated he is still willing to talk with Mr. O'Leary of O'Leary Asphalt to work on a plan for doing repairs of the asphalt and concrete over the next several years.

3. Theodora Godwin stated that no landscaping has been done in her area and the trees need to be trimmed and the walkway near her home has sunk, leading to areas of pooling of water.

Ms. Godwin noted that since the trash corral in that area was demolished and trash now needs to be kept indoors and it becomes smelly. Frank Walsh explained that the trash corral was removed many year ago as part of an agreement with Clopper Hills Condominium because it was always overloaded. However, another trash pickup was added. Ms. Godwin noted that the current trash pickup is neither convenient nor sufficient. It was noted that these units are part of the Clopper Hills Condominium.

4. Bryan Schwan, President of the Clopper Hills Condominium Board of Directors, reported that he has received multiple complaints from residents regarding the landscaping of the Condominium. The Condominium pays into FHCA for the common area maintenance and landscaping and these items are not being attended to. Mr. Schwan will send correspondence with photos regarding these issues to Management and the Association.

C. MINUTES

1. April 5, 2018 Board of Directors Meeting Minutes

MOTION: (Harry Matchett/Sherry Lee) Table the review and approval of the April 5, 2018 Board of Directors Meeting Minutes until the June Board of Directors Meeting.

Vote: Motion Passed – 4 ayes/0 nays/1 abstention (Walsh)

D. OFFICER REPORTS

1. President

Harry Matchett noted that the amount in the account 06070 (Legal General) was \$0.00 in the January Financials but the February financials show there was a balance in January. Management noted that it may be due to a consolidation of accounts and will check on the matter and follow up with the Board.

Mr. Matchett stated that a Revere Money Market DA Reserve account has a balance \$12,067.40 and questioned why these funds were not moved into Morgan Stanley. Management will check on this matter.

Mr. Matchett noted that FHCA has not incurred any general legal costs, but the account shows over \$1,000.00 in legal costs. Management will check on this matter.

2. Vice President

Sherry Lee reported that the fountain by her home is turning on and off at odd times. Management will have RSV Pools check on this matter. It was also noted that the fountains are being filled to the top when they should only be filled halfway, as the ground becomes wet if the fountain overflows.

It was also noted that there is be a broken pipe near the fountain on Fountain Club Drive. Mr. Matchett explained that as a temporary measure a hose could be used to fill the fountain from the pool house and the water line could be shut off to the fountain. Frank Walsh noted that the pipe should be repaired.

Sherry Lee stated that there have been two (2) fires at the Harmony Woods tot lot and that something needs to be done to prevent these fires. The matter has been reported to Police, and they are checking the area. The Board requested that Management contact the County about closing the gate that permits access to the tot lot from Great Seneca Highway.

E. COMMITTEE REPORTS

1. Enforcement Committee

The towing contracts will be discussed under the regular agenda.

F. UNFINISHED BUSINESS

1. 2019 Draft Budget

Management reported that the cover letter for the draft budget was added on the website and on the link for the draft budget. Mr. Walsh requested that Management double check that the cover letter was added.

Mr. Walsh requested that the trash line item be moved from the general budget to the supplemental budgets. Harry Matchett noted that under Article 5 (General Maintenance Assessment) in the covenants that the trash line item is a general budget item even though the Condominium do not pay into the trash portion of the general budget.

MOTION: (Frank Walsh/Sherry Lee) Move the trash line item from the general budget to the supplemental budgets.

Vote: Motion Failed – 1 aye (Walsh)/3 nays/1 abstention (Lee)

Mr. Walsh had several other questions regarding the budget including the increase expenses, but the assessments were not increased. Mr. Matchett stated that as the reserve fund was paid back, the funds were reallocated. Mr. Walsh also stated that he wanted an answer from the auditor, Management, or the CFO regarding the reserve interest statement that was included in the explanation of the draft budget. Mr. Matchett explained that the note had been taken out because it was incorrect. Mr. Walsh noted that the statement was correct.

Mr. Walsh asked Management to verify that the Management fee did not increase for the 2019 budget. Management stated that this was correct.

MOTION: (Harry Matchett/Sherry Lee) Approve the 2019 budgets as they are disseminated to homeowners via the website and postcard.

Vote: Motion Passed – 4 ayes/1 nay (Walsh)/0 abstentions

2. 2017 Audit

Harry Matchett reported that Goldklang Group resubmitted the Audit ending June 30, 2017 that includes the required supplementary information: Schedule of General Income and Expenses, Schedule of Townhome Income and Expenses, and Schedule of Village Homes Income and Expenses. Mr. Matchett noted that the financial statement numbers were not changed.

MOTION: (Harry Matchett/Sherry Lee) Accept and approve the June 30, 2017 and 2016 draft audit from Goldklang Group, which now reflects what the Association has traditionally included: Schedule of General Income and Expenses, Schedule of Townhome Income and Expenses, and Schedule of Village Home Income and Expenses.

Vote: Motion passed – 4 ayes/0 nays/1 abstention (Walsh)

3. Auditor Letter

Mr. Matchett reported that the FHCA reserves have now been fully funded as of the year ended June 30, 2017. As of June 30, 2016, the Association had a deficit of \$109,877.00 in unappropriated members' equity which was taken from the reserve funds. It was suggested by the Auditors that the Association raise assessments to recover the reserve funds, however, FHCA was able to fully fund the reserves without raising assessments. Mr. Matchett commended the Board for its prudent stance on expenditures. He stated it highlight the fact the Board can control expenses and does not have to place an undue burden on the homeowners by raising assessments.

4. Towing Contract

Sherry Lee reported that proposals had been received from Lofton Towing, Custom Towing, and Big Tow. Ms. Lee reported that she had visited the tow lots and offices of all the contractors.

Ms. Lee recommended that FHCA sign the towing contract with Lofton Towing. Ms. Lee noted that the towing signs will be provided at cost (55 signs for \$2,200.00) and installed at no cost. The towing signs will belong to Fountain Hills and can be used for any change in towing company with placement of stickers over the towing company's information.

Management and Harry Matchett both noted concerns of signing another towing contract as there are other lawsuits pending regarding towing.

MOTION: (Sherry Lee/JoAnn Windsor) Accept the Lofton Towing and Recovery Contract for up to fifty-five (55) signs in the amount of \$2,200.00.

Vote: Motion Passed – 3 ayes/0 nays/2 abstentions (Aguilera/Matchett)

5. Pool White Coat

Harry Matchett reported that the Board was recently provided with the 2017 pool inspection reports that stated all three (3) pools must have the white coat replaced in order to open in 2018. Mr. Matchett requested a reassessment, and he met with the Montgomery County Pool Inspector at the pools for reassessment of pool surfaces. The reassessment report from the Inspector states that the pool surfaces for the main pool and beach-entry pool do not require entire resurfacing. There are specific areas noted for repair and patching. The jet pump feature in the main pool is not required to be repaired as it does not affect the recirculation system of the main pool.

It is recommended that the wading pool be re-surfaced. It was noted that pouring chemicals into the wading pool harms the seal coating and the additional of chemical to the wading pool should be monitored.

MOTION: (Harry Matchett/Sherry Lee) Have RSV Pools white coat the baby pool for the price that the Reserve Study reflects for the cost of the white coat of the baby pool.

Frank Walsh suggested doing the white coat on all three pools at the same time

Vote: Motion passed – Unanimous

6. Pool Pressure Test

RSV Pools submitted a proposal for a pool pressure test for a possible leak at the pool. Harry Matchett is not convinced there is a leak in the main pool.

MOTION: (Frank Walsh/Sherry Lee) Approve the RSV Pool proposal of \$4,050.00 to perform the pressure test on the pool

Vote: Motion Failed – 2 ayes (Walsh/Lee) 3 nays/0 abstentions

7. Pool Skimmer Repairs

RSV Pools submitted a proposal for replacement of the six (6) skimmers in the amount of \$8,958.00.

Based on his inspection of the pool, Harry Matchett is not convinced the six (6) skimmers need to be replaced.

MOTION: (Frank Walsh/Sherry Lee) Accept the proposal from RSV Pools to replace six (6) skimmers in the amount of \$8,958.00.

Vote: Motion Failed – 2 ayes (Walsh/Lee)/2 nays (Matchett/Windsor)/1 abstention (Aguilera)

G. ADJOURNMENT

MOTION: (Harry Matchett/Sherry Lee) Adjourn the Board of Directors Meeting at 9:30 p.m.

Vote: Motion passed - Unanimous