

**Fountain Hills Community Association
Board of Directors Meeting
September 5, 2019**

The Board of Directors of Fountain Hills Community Association held a Board of Directors Meeting at the Upcounty Regional Services Center on Thursday, September 5, 2019 at 7:30 p.m.

Board Members Present:

Harry Matchett, President
Sherry Lee, Vice President
JoAnn Windsor, Treasurer
Frank Walsh, Secretary
Wenhai Liu, Director
Kevin Miller, Director
Bob Fabiszak, Director

Also Present:

Ralph Caudle, Community Manager

A. CALL TO ORDER

The Board of Directors Meeting was called to order by Harry Matchett at 7:30 p.m.

B. HOMEOWNERS FORUM

1. Frank Walsh inquired about replacement of a tree near the pool that had fallen down during a storm a few years ago.
2. Khadra Michaelson of 19004 Noble Oak Drive suggested the Board review the pool rules for the 2020 pool season.
3. JoAnn Windsor commented her neighbors were happy the trees on the greens were trimmed.
4. Sherry Lee stated she was approached by homeowners at the pool about a pool rule regarding proper attire. A woman at the pool was wearing a thong that was inappropriate for children. Sherry did not see anything in the pool rules addressing this type of issue. It was noted the pool manager has discretion to address this type of issue.

C. MINUTES

August 1, 2019 Board of Directors Meeting Minutes

MOTION: (Harry Matchett/Sherry Lee) Approve the August 1, 2019 Board of Directors meeting minutes as submitted to the Board

VOTE: Motion Passed – 6 ayes/1 abstention (Frank Walsh)

D. OFFICERS REPORTS

President's Report

Harry Matchett inquired as to the status of the financial statement audit for the fiscal year ended June 30, 2018. Management will follow up with the auditors and provide a status update.

Mr. Matchett stated the allocation of landscape charges in the financials is incorrect. The March through July financials allocate 49.4% to the general and 50.6% to the townhome. The appropriate allocation is 60% general and 40% townhome. Management will have the allocation corrected.

Mr. Matchett informed the Board he noticed the pool house drywall is cracked in the cupola area. Management will have S&K Roofing inspect the cupola roof that they replaced earlier this year.

Vice President's Report

Sherry Lee made the following comments to all Board Members regarding the August Board meeting with the exception of Frank Walsh as Frank was unable to attend the August meeting.

- 1) Please know what you are talking about before agreeing with homeowners.
- 2) Do not insist that something gets added to the agenda when you do not know the by-laws or the governing documents of our property.
- 3) Please revisit the CCOC training course that you took before thinking you can just make a motion and change rules that could lead us to a CCOC case.
- 4) Ask if you do not know. Send an email or call our Property Manager. That is what he is there for.
- 5) The last board meeting was ridiculous. Board members leading on homeowners thinking something can be changed that night, when in fact it could not be changed. This is not to mention how bad Board Members made themselves look as well as management. The other Board Members that knew what needed to be done were catching hell from other Board Members that had no clue what needed to be done in order to get the situation taken care of. Homeowners take turns during Homeowner's Forum and have their 3 minutes to speak at the beginning of the meeting to voice their concerns. But when you have a Board Member yelling at other Board Members when the Board is trying to take care of business and to let homeowners talk outside of Homeowner's Forum, is wrong. By involving homeowners, not only did it cause more problems that could have been avoided, it also pushed us back and we were unable to get to the other stuff that we needed to get to such as replacing the diving board at the pool and executive session matters. So again, people that have been going to the pool lose out again with not getting the diving board replaced because of a specific Board Member's inappropriate actions. We said that we would add the pool pass subject to the agenda and put it under new business. It was a cut and dry vote and would have only taken about 5 minutes from start to finish if everyone would have remained calm to let Harry, myself and Ralph explain the process

before things got out of hand. It would have been over with and everyone would have been happy. When I was asked why we did not get to voting on the diving board when I was at the pool the other day, I told the homeowner the truth. Yes, it may have made the Board look bad but it was the truth.

- 6) I have also talked to several of the homeowners that were present at the meeting. Not only did they apologize for how things happened, they understand now how things work and understand why we needed to do what we did. One homeowner said they would have moved out of the community if they were the reason why a CCOC case was put against us because of them coming to the meeting and insisting and demanding we change a policy without taking the proper steps in doing it. I was also told that they were advised by a Board Member to come to the meeting and demand things get done that night, which does not follow the rules we have to follow. Again, they apologized and thanked me for knowing the laws governing HOAs in Maryland. Again, know what you are talking about before involving homeowners.
- 7) Every single Board Member was in favor of reducing the pool pass replacement fee. No one was against it. We all agreed the price needed to change but the way it was done and how Board Member's acted was ridiculous. Retake the CCOC training and ask if you are not sure of the process we have to follow. There are several Board Members that know what can and cannot be done. Ask first, assume second.

Sherry Lee requested reimbursement of \$35.47 for an ink cartridge, tape and other items she purchased on behalf of the Association for tow enforcement including printing and providing the Board with towing proposals.

MOTION: (Harry Matchett/JoAnn Windsor) To reimburse Sherry Lee for the total out of pocket cost of \$35.47 for Association related expenses.

VOTE: Motion Passed – Unanimous

Treasurer's Report

JoAnn Windsor said she would like to add that it is important that we ALL act like adults and be professional in our discussions of various issues during our HOA meetings. That means maintaining self-control and being courteous to others despite having a difference in opinion. To be even more clear, that means no grandstanding, no yelling, and no rude discourteous behavior. As far as she is concerned, anyone who can't be civil has no place here and should be told to leave the Board meeting or maybe they should find something else to do with their time.

Pool Committee

Sherry Lee was present when RSV Pools put the pool furniture away for the season. She inventoried the following pool furniture:

- 98 white lounge chairs
- 50 green lounge chairs

40 table chairs
10 small chairs for the baby pool

Enforcement Committee

Sherry Lee stated all of the tow signs have been changed over to Henry's Towing. The signs were in place the required period of time before any vehicles were towed from the property.

E. UNFINISHED BUSINESS

Review of June 30, 2019 Financials

Harry Matchett covered the balance sheet financials at the August meeting, however, there was not enough time left in the August meeting for him to cover the income statement financials.

Mr. Matchett stated the Board has done well managing the Association's income and expenses during the fiscal year ended June 30, 2019. The fiscal year reflects a surplus. However, there are a few accounts that were over budget which the Board should focus on during the new fiscal year. They are as follows:

Account 6315 Electrical Maintenance was overbudget \$1,591.

Account 6430 Swimming Pool Supplies was overbudget \$3,135.

Account 6435 Swimming Pool Telephone was overbudget \$1,061.

Account 6440 Swimming Pool Water was overbudget \$9,655.

Account 6157 Property Taxes was overbudget \$2,968.

Account 6158 Income Taxes was overbudget \$2,104.

Mr. Matchett stated the Board does not have control over the tax expenses but the Board does have some control over the other expenses.

Mr. Matchett had questions for management regarding two June 2021 cash disbursements. They were for the \$1,500 of pool house electrical box repairs and \$1,340 of pool house drywall repair and painting.

There were two transactions reflected by management in the year ended June 30, 2019 financials that Mr. Matchett was not in agreement with.

1. There is \$7,804.15 of bad debt recorded in account 6021. Mr. Matchett did not agree with the entry for two reasons. First, the actual write off of the receivable was not approved by the Board. Second, the homeowner receivable had been previously fully reserved for and therefore, it is not a current year bad debt.

2. The allocation of landscape expense in the current fiscal year is incorrect. The financials allocate 49.4% of the expense to the general and 50.6% of the expense to the townhome. The appropriate allocation of landscape expense is 60% general and 40% townhome. The budget approved by the Board reflected an expense allocation of 60% general and 40% townhome.

F. NEW BUSINESS

1. RSV Pools Invoice

The Board discussed the recent invoice received from RSV Pools. The Board had numerous questions including why preopening repairs were just recently invoiced, repairs being performed that were not authorized, etc. Management will follow up with RSV Pools on the questionable items identified by the Board.

2. Pothole Repairs

MOTION: (Sherry Lee/Harry Matchett) Table pothole repairs until we complete the asphalt and millwork called for in the reserve study.

VOTE: Motion Passed – 6 ayes/1 abstention (Frank Walsh)

G. ADJOURNMENT OF THE BOARD TO EXECUTIVE SESSION

MOTION: (Harry Matchett/Sherry Lee) Adjourn the Board of Directors Meeting to Executive Session at 9:05 p.m.

VOTE: Motion Passed – 6 ayes/1 abstention (Bob Fabiszak)

H. RESULTS OF THE EXECUTIVE SESSION

The Board discussed matters related to the collection of delinquent accounts.

I. ADJOURNMENT OF EXECUTIVE SESSION

MOTION: (Harry Matchett/Sherry Lee) Adjourn the Executive Session at 9:30 p.m.

VOTE: Motion Passed – Unanimous