

## APPROVED

### Fountain Hills Community Association Board of Directors Meeting December 4, 2014

**Board Members Present:** Thomas Walker, President  
Christopher Allo, Vice President  
Harry Matchett, Treasurer  
Frank Walsh, Secretary  
Lena Burleson, Member at Large  
Hari Donthi, Member at Large  
Katharine Stout, Member at Large

**Others Present:** Ruchita Patel, Management Agent  
Archer Crebbs, Management Agent  
Marylou Bono, Recording Secretary

**Homeowners Present:** Barbara Peressini                      Sherry Lee  
JoAnn Windsor    Nic Mahabir  
Marco Mazzarino    Robert Love

#### Call to Order

The meeting was called to order at 7:32 pm by Board President Tom Walker.

#### Introduction

Tom Walker gave a presentation summarizing the meeting agenda as well as goals for the new Board and the community. He stressed that the Board's priorities will be customer service, communication, participation, managing the budget and improving the look of the community.

#### Meeting Minutes

**MOTION:** (Chris Allo, Lena Burleson) Approve the minutes of the November 6, 2014 preliminary and regular Board meetings as written.

**Vote:** Approved 6-1-0 (Frank Walsh opposed).

#### Voting Items

##### Stormwater Management Pond Transfers

**MOTION:** (Tom Walker, Katharine Stout) Approve MainScapes' proposal for repairs to the two additional stormwater facilities to bring them into County compliance for a cost of \$1,550 with the funds coming from the reserve account.

Harry Matchett initiated discussion concerning the funding for the repairs. He felt that since the item was not mentioned in the reserve study, the funding should come from the operating account. Ruchita Patel explained that the reserve study is an approximation of expenditures for the repair or replacement of capital assets. Mr. Matchett feels this item is maintenance and suggested that the motion be amended to allow the funds to be taken from the operating account.

**MOTION:** (Tom Walker, Katharine Stout) Amend the motion to note that the funding for the stormwater management pond repairs will come from the operating account rather than the reserve account.

**Vote:** Approved unanimously.

Audit – Harry Matchett advised that he would be abstaining from this vote due to the terms of his employment contract. He summarized the audit and noted the report indicates the audit was completed in accordance with professional auditing standards.

**MOTION:** (Hari Donthi, Chris Allo) Accept the audit as presented from Goldklang Group.

**Vote:** Approved 6-0-1 (Harry Matchett abstaining).

Harry Matchett brought to the Board's attention a letter on page 45 of the management report from the auditors concerning deficiencies in internal controls. In his experience, this is not usually included in audits. Based on communications with TMGA, the items identified in the letter were related to the transition in management companies. Ruchita Patel explained that there were some invoices that were paid after the June 30, 2014 for services provided prior to the transition. Harry Matchett suggested that a letter be sent to the auditors addressing the concerns raised in their letter.

Transfer of Reserve Funds – Ruchita Patel advised that two reserve fund money market accounts contain funds in excess of the amount insured by the FDIC. She proposed a laddering investment schedule so that these funds could be invested in certificates of deposit that would come due periodically ensuring that the Board has funds available every quarter for the next 5 years.

There was discussion of rates, the length of the laddering schedule and the upcoming reserve expenditures. Ruchita Patel advised that the longer the additional funds are left uninsured, the Board is at risk of not fulfilling their fiduciary responsibility.

**MOTION:** (Hari Donthi, Harry Matchett) Invest any cash above the insured amount from the reserve money market accounts into one-year CDs.

Discussion ensued and the motion was withdrawn.

**MOTION:** (Harry Matchett, Lena Burleson) Invest \$150,000 from the reserve money market accounts in a one-year CD so that each account's balance is below the \$250,000 FDIC insurance limit.

**Vote:** Approved unanimously.

**MOTION:** (Tom Walker, Lena Burleson) Asked Harry Matchett to propose a laddering plan within 120 days for the Board's review.

**Vote:** Approved unanimously.

#### Towing Authority

**MOTION:** (Tom Walker, Lena Burleson) Authorize the Enforcement Committee, and those on a list provided by TMGA, to authorize towing in the community for infractions, but not from the parking lots around the pool.

Discussion ensued as to the number of individuals on the towing authority list and that, with the number of laws that need to be followed to authorize a tow, the list should be condensed to include only Tom Walker, Harry Matchett and Sherry Lee. Frank Walsh asked exactly what the process is as no “towing policy” exists. Tom Walker withdrew his former motion.

**MOTION:** (Tom Walker, Lena Burlison) Authorize himself and Harry Matchett and Sherry Lee of the Enforcement Committee to tow from the community until a formal policy is adopted.

**Vote:** Approved 6-1-0 (Frank Walsh opposed).

Pet Station Maintenance Contract - Ruchita Patel advised that the current contract expires at the end of the year and recommended renewing with DC Metro Pets.

**MOTION:** (Tom Walker, Lena Burlison) Renew the pet station maintenance contract with DC Metro Pets for one year.

Discussion ensued regarding the cost of supplies, who actually owns the stations and the budgeted amount for this maintenance.

**Vote:** Approved 4-3-0 (Frank Walsh, Hari Donthi, Harry Matchett opposed).

### **Committee Reports**

ARC – Chair Marco Mazzarino advised that there was no report. He will step down as Chair and Robert Love will assume the role. He asked that a call for volunteers be added to the next newsletter.

Landscaping – Chair Manjit Kaur was not present. Ruchita Patel advised that the minutes of the last committee meeting were in the management report and that the committee would not be meeting in December.

Social – Chair Siu Poon was not present. Ruchita Patel advised that she had no report and that the committee would not be meeting in December.

Pool – Not active and no current members.

Newsletter – Not active and no current members.

The Board agreed that efforts to solicit members for the various committees should continue and Lena Burlison advised that she would concentrate on this effort. It was discussed if the pool and social committees could be combined.

Enforcement – Chair Harry Matchett reported that the committee would meet Wednesday evening (December 10, 2014) at 7 PM at the Starbucks located in the Kingsview shopping center. He also mentioned the meeting information was posted on the community website.

Frank Walsh inquired regarding the reaffirmation of committees and their members. Ruchita Patel advised that there is no legal requirement that this be done annually.

**MOTION:** (Tom Walker, Hari Donthi) Reaffirm that all committees and committee members remain as was at the close of the November 2014 Board of Directors meeting.

**Vote:** Approved unanimously.

### **Homeowner Forum**

Marco Mazzarino wanted to refute the statements made by Mr. Muse as noted in the October Board of Directors meeting minutes. He acknowledged assisting with the distribution of an informative flier to community members.

JoAnn Windsor advised that she had written and distributed an informative flier to community members. It was not with the approval of the Board or the management company, but was done by her as a community resident. She did not represent herself as a Board member. She requested that information concerning this be deleted from the October meeting minutes. Tom Walker advised that the Board would review the minutes.

Robert Love thanked the new Board and those residents who have participated in Board meetings. He explained that financial issues have made him become more involved in the community. He asked for a monthly accounting as to how the community's money is spent. He highly recommends the laddered investment strategy discussed at tonight's meeting. He does not think that asphalt sealing should be done every year. He feels the pool is the community's biggest asset and that some creativity should be used to generate revenue from it. He suggested keeping an eye on overgrown trees and feels that some significant pruning costs are imminent. He was also concerned with the cost of seeding to cover bare spots and felt that mulch should be used. Towing should be a carefully reviewed process for reasons of safety. He feels that fire lane violations are overdone and that towing does not foster community spirit.

Marco Mazzarino reiterated his opposition to Steven Muse's comments in the October meeting minutes. He asked that allegations by Mr. Muse be removed from the minutes and that a statement be issued confirming their removal. Tom Walker advised that the Board would review the statements made.

Sherry Lee reported that a light was out on Champions Way. Ruchita Patel advised that the light had been reported and repaired by MLS, so it must be a more involved issue. She will send them out again to make repairs.

Coretta Jefferson of 13403 Rising Sun Lane reported that one handicap parking spot in front of her home had been painted over during the last paving in the community and that the paint is now peeling, showing that the handicap logo was formerly there. In addition, the sign was missing from the handicap space. Ruchita Patel advised that she would inspect the area and have the handicap space repainted.

Harry Matchett asked about the possibility of having a button on the website marked "maintenance requests" so that these could be forwarded directly to TMGA. Tom Walker advised that website notices, the Board email and various procedures would be discussed in the coming months.

JoAnn Windsor expressed her opinion, and that of Barbara Peressini, regarding TMGA. She complimented TMGA on a job well done and noted that she could see differences in the community already. She also complimented the new Board.

Frank Walsh inquired regarding the work being done by WSSC and the trees that are being removed. Ruchita Patel advised that she met with WSSC prior to the November Board meeting. The trees being removed are all located in the utility right-of-way and will be restored as easements dictate, with work being overseen by the Maryland Department of Natural Resources.

**Executive Session**

In accordance with Section 11B-111 of the Maryland Homeowners Association Act, the Board of Directors voted unanimously to go into Executive Session at 10:00 pm for the purpose of discussing delinquent accounts and potential litigation.

**Adjournment**

**MOTION:** (Tom Walker, Lena Burleson) Adjourn the Board of Directors meeting at 10:55 pm.  
**Vote:** Approved unanimously.

Submitted by: Marylou Bono, The Management Group Associates, Inc.

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