

**Fountain Hills Community Association
Board of Directors Meeting
March 19, 2015**

As Approved at the April 2, 2015 Board of Directors Meeting

Board Members Present: Thomas Walker, President
Harry Matchett, Treasurer
Frank Walsh, Secretary
Lena Burleson, Member at Large
Katharine Stout, Member at Large

Board Members Absent: Christopher Allo, Vice President
Hari Donthi, Member at Large

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

Homeowners Present: Sherry Lee
Robert Love

Call to Order

The meeting was called to order at 7:31 pm by Board President Tom Walker.

Meeting Minutes

The Board discussed the minutes of the February 5, 2015 Board of Directors meeting and the changes submitted by Harry Matchett and Frank Walsh.

MOTION: (Tom Walker, Lena Burleson) Approve the minutes of the February 5, 2015 Board of Directors meeting incorporating the changes submitted by Harry Matchett and Frank Walsh.

Frank Walsh questioned Harry Matchett's deletion regarding mention of a Treasurer's Report summary being attached to the meeting minutes. Mr. Walsh asked that this be included. Mr. Matchett advised that he did not have this in writing, but would provide it by the next meeting.

MOTION: (Tom Walker, Lena Burleson) Amend motion to table approval of the February 5, 2015 Board of Directors meeting minutes until the April meeting when the Treasurer's Report can be included.

Vote: Approved 4-0-1 (Frank Walsh abstained)

Homeowner Forum

Robert Love reported that he had inspected the pool facility twice recently and feels that it is the community's best asset and a more comprehensive approach should be taken relative to its upkeep. He also said that the possibility of renting the pool might be considered. Much of the community's grounds need attention with branches down, bare spots, etc. He is concerned with collection of delinquent accounts and requested an update on collection efforts and court cases.

Budget Discussion

Tom Walker opened a discussion on the 2016 budget. He referred to the Board's recent work session, held on February 26, 2015 at 7:30 pm, where they established three versions of a draft budget—austere, middle ground and all in.

MOTION: (Tom Walker, Katharine Stout) Remove from consideration the All In draft version of the budget as an infeasible option.

Vote: Approved 5-0-0

The remaining two options were discussed. Katharine Stout asked for TMGA's recommendation. Ruchita Patel suggested the middle ground option, which increases assessments by a still reasonable level of 10% and provides funds for much needed site improvements. The increase may also allow the Association to keep the assessment level steady for a few years once enough funds are accumulated for needed repairs. Ms. Patel advised the Board that once decided upon, the draft budget is required to be sent to the community for homeowner feedback.

Frank Walsh questioned the water quality protection charges and why they were only shown on the general budget and not the supplementals. Ruchita Patel said that was how it was always budgeted that way before and questioned legality of charging to TH and SF budgets.

Ms. Patel mentioned that the audit fee line could be reduced by about \$750 as the renewal proposals just received are lower than the budgeted amount for this expense.

MOTION: (Lena Burleson, Katharine Stout) Accept the middle ground draft version of the budget for all three sections of the community.

Vote: Approved 3-2-0 (Harry Matchett, Frank Walsh against)

Further discussion ensued. Ruchita Patel explained her strategy regarding landscaping improvements and that the needed improvements would be spread out over the next few years. Tom Walker advised that he would write an introductory letter to the community to include with the draft budget. Frank Walsh noted that the proposed condominium increase was over 10%. Mr. Walker advised that this would be adjusted.

MOTION: (Tom Walker, Katharine Stout) Adjust the middle ground budget so that the assessment increase for the condominiums does not exceed 10%.

Vote: Approved 3-2-0 (Harry Matchett, Frank Walsh against)

Ruchita Patel advised that she would draft the budget notes for Tom Walker's review. Ms. Patel asked how the budget had been disseminated to the community in previous years. Following discussion, it was agreed that the draft budget for comment as well as the final budget would be sent to homeowners by mail. Details would also be included in the newsletter.

Voting Items

Audit Contract Renewal

MOTION: (Tom Walker, Katharine Stout) Renew the contract with Goldklang Group for audit and tax preparation services provided that TMGA negotiates down the contract to a total cost of \$3,750 for year ending 6/30/15.

Vote: Approved 4-0-1 (Harry Matchett abstained)

Pool Repairs

The Board discussed the County's violation report concerning the pool's perimeter fence. Several approaches to repair were discussed including obtaining an extension of time (variance) from the County to repair the fence. Ruchita Patel suggested that a decision on this item be deferred until the April meeting when more will be known regarding whether the variance will be granted.

MOTION: (Tom Walker, Frank Walsh) Table discussion on pool perimeter fence repairs until the April Board of Directors meeting.

Vote: Approved 5-0-0

Pool Opening Preparation Repairs

MOTION: (Frank Walsh, Tom Walker) Approve the list of pool opening repair work from Community Pool Service consisting of \$4,115 for miscellaneous required repairs and \$3,487.39 for repair and start-up supplies with the funds for the diving board to come from 2015 reserves, and remainder to accrue in 2015.

Vote: Approved 4-1-0 (Harry Matchett against)

Poolhouse Sprinkler System

Archer Crebbs explained the wet sprinkler system in the poolhouse and the need for annual testing of the system, which had not been done in previous years.

MOTION: (Tom Walker, Katharine Stout) Award a contract to Castle Sprinkler to perform the recommended annual test of the poolhouse sprinkler system for a cost of \$760.

Vote: Approved 3-1-1 (Harry Matchett against, Frank Walsh abstained)

Repair of Rising Sun Lane/Village Fountain Drive Sign

MOTION: (Tom Walker, Lena Burleson) Table discussion on this sign repair until the April meeting.

Vote: Approved 5-0-0

Tot Lot Ground Cover Replacement

Ruchita Patel discussed the guidelines for ground cover in tot lots and noted that most of the tot lots in the community are down to bare dirt. Typically 7-11" of matting is recommended for safety reasons. The Board discussed the need for this matting as well as the proposals submitted.

MOTION: (Lena Burleson, Katharine Stout) Accept the proposal from TMGM for a cost of \$8,132 for a 5" depth of engineered wood fiber ground cover for the 5 tot lots in the community. An additional 2" would be added in 2016. This is contingent on the quote of \$8,132 being for engineered wood fiber ground cover and not wood chips.

Discussion ensued regarding funding for this work as well as the necessity at this time. Ruchita Patel advised that this is not a law, but a liability issue does exist. Harry Matchett mentioned that the Harmony Woods Lane tot lot was not included in the bids. Ms. Patel suggested that consideration of this work be deferred until the April meeting when additional bids could be obtained to include the Harmony Woods Lane tot lot as well as the option for wood chips versus engineered wood fiber.

MOTION: (Lena Burleson, Tom Walker) Lena Burleson rescinded her motion and moved to defer discussion of tot lot ground cover proposals to the April meeting.

Vote: Approved 4-1-0 (Harry Matchett opposed)

Collections Policy

Ruchita Patel explained that the community's current collections policy is not compliant with Maryland Law or the Attorney's General's definition of a late fee. The Association's attorney was therefore asked to review and amend the policy to comply. Additionally, Ms. Patel suggested that the community raise the late fee on assessments from \$5 to \$15. The late fee also includes a \$5 administrative fee. Ms. Patel further advised that the Board was required to send the proposed draft revised policy to the community for comment.

MOTION: (Tom Walker, Katharine Stout) Approve sending the revised draft collection policy as prepared by the Association's attorney to the community for feedback.

Harry Matchett questioned the revision of the policy at this time considering the number of delinquent accounts. Tom Walker felt that the policies should be updated periodically and revised as necessary.

Vote: Approved 3-2-0 (Harry Matchett, Frank Walsh against)

Committee Reports

ARC – Robert Love noted that there had been a modest influx of applications and they have all been approved.

Pool – Ruchita Patel asked the Board for approval of the pool pass application so that it could be included in the upcoming newsletter. She advised that photos of residents are no longer required and that a new application is not necessary if homeowners have passes from last year, unless they are tenants or want to change their membership. The pool rules and amendment of the pool operating hours was discussed.

MOTION: (Frank Walsh, Harry Matchett) Table a discussion of the pool rules and operating hours until the April meeting.

Following discussion, Frank Walsh rescinded his motion.

MOTION: (Tom Walker, Katharine Stout) Approve the basic outline of the pool pass application to be included the upcoming newsletter as prepared by TMGA, but defer a discussion of the pool rules and operating hours until the April meeting.

Vote: Approved 4-1-0 (Frank Walsh against)

Adjournment

MOTION: (Tom Walker, Katharine Stout) Adjourn the Board of Directors meeting at 9:39 pm.
Vote: Approved unanimously.

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