

# THREE FOUNTAINS CORPORATION

## Board of Managers Meeting

January 24, 2017

President: Jeff Rickard  
Treasurer: Kathy Mehlmann  
Member at Large: Cassandra Rocha

Vice President: Barbara Florey  
Secretary: Barbara Griswold

### MINUTES

Call to order / Establish Quorum - 6PM - Barbara Florey was not present

#### A. Homeowners Forum

1. A thank you was made to the crew for their efforts in finding a lost cat.
2. 3326 asked to replace a light bulb that is out
3. Dorothy Musil thanked the crew for efficient snow removal by the crew.
4. Deb Norris and Jill Wisehart volunteered to be on the social committee and asked Barbara Griswold as Secretary of the Board to be their sponsor.

#### B. Approval of the Minutes

1. Board of Managers Meeting December 20, 2016 - approved
2. Executive Board Meeting - January 5, 2017 - approved
3. Email vote by the Board - January 5, 2017 - approved

#### C. Updates and Reports

1. Treasurers report
  1. The financial minutes for December 20, 2016 were approved.
  2. All budget variances are at or near budget on a year to date basis with the following exceptions:
    1. 1.500300 building exteriors (6,680) - brick wall removed and replaced with a stucco wall between 6983 and 6985
    2. 1.700125 turf management favorable variance 5,968
    3. 1.800300 water and sewer unfavorable variance (13,931) - due to correcting meter usage by Denver Water
    4. 1.800500 storm drains favorable variance 12,197 - vendor changed billing to a semi-annual process, the General and Administrative expense account has an overall unfavorable variable of (16,841)
    5. Overall Special Projects expense account has a favorable variance 22,601
    6. on a year to date basis the Operating Account has a favorable budget variance of 20,714 and the General Reserve Account has a favorable variance of 11,721
  3. The aging report shows 6 accounts over 30 days and 3 accounts are in collection. All other accounts are current.
  4. The financial reports are unaudited and are based on December 2016.
  5. LCM has a new electronic check platform. Vendors can receive ACH, credit card payments, or physical checks.
  6. American Family issued a refund in the amount of \$2,028.20.

2. Property Manager

1. get bather load for pools which requires measuring pools - low priority
2. paint no diving signs around both pools with symbols - touch up in one pool still needed
3. label piping in pool mechanical area - low priority
4. 6901-A - check dip in floor - homeowner needs to call for appointment
5. 3354 - replace garage side door - need to get door
6. 3399 - tune up roof shingles - need hip and ridge shingles
7. 7035 - replace frozen sill cock - low priority due to the time of the year
8. 6989 - requested an architectural change to exterior by placing a wooden privacy screen on property and building a 4 ft. X 8 ft. planter box that will be within 5 ft. of the foundation - the Board vetoed the request

3. Landscape Committee

Barbara Florey and Jeff Rickard met with Designs by Sundown to review their bid for turf management. Since their bid came in higher than other vendors, they were asked to reevaluate. They will submit a new bid next week.

4. Directory Committee

The new directories have been sent to the printers and are expected back in approximately 2 weeks. 225 were ordered so that all homeowners get one and there are extras for the Welcoming Committee. An email will be sent out to homeowners to notify them of the time available to pick up a copy. Many thanks to Marjie Clark, Dorothy Musil, Barbara Griswold and Chris Fox for their time to complete this project.

D. Unfinished Business

1. Terminex feels that we are under equipped for our rat problem. They would like to increase our bait stations by adding 20 new boxes. We are paying \$68 per month now. Adding the new boxes and initial charges would increase the charge by \$100 per month. The increase of \$1200 can be taken from the Emergency Fund. There is a tremendous rat problem for the restaurants on Hampden and for the Morningside community where they are throwing bait directly on the ground. Homeowners were warned not to walk their dogs over there.
2. Receivership of 3285 - The Board and the Finance Committee met with Ryan Gulick who has been appointed as the Receiver for the property in an executive session before this meeting. He updated us on what has happened since the property has gone into receivership. Three Fountains has paid \$17,000 to dry out and remove damaged walls and floors from the flooding and \$17,000 for asbestos removal. Ryan has been in touch with the daughter of the deceased owner and she has cleared out the property she wants. Agents from HUD, through NOVAD servicing have been at the property to inspect it. Both Ryan and these agents have access to the lock box. As of January 10, 2017 the customer contact at NOVAD conveyed that they would be initiating a foreclosure on the property as soon as possible. The Receiver will continue monitor the property. A formal report is due in order to update the Court on the status of the Receivership estate and seek approval for actions taken to date. A periodic court report will be prepared and filed with the Court no less than every 6 months. The Receiver is in receipt of the invoices for water restoration and asbestos removal. Communications are occurring with Plaintiff's counsel and most likely a receivership certificate will be issued against the property that constitutes a priority

lien and superior to the first deed of trust per the Court Order. All fees and costs incurred by the Receiver will be invoiced directly to Three Fountains and secured with a lien against the property if approved by the HOA. Jill Wisheart knows a possible investor if HUD does not foreclose on the property.

3. Insurance change - The Board approved an insurance change for Three Fountains property from American Family to Farmers Insurance. The reasons are:
  1. American Family Agent states that they will be adding blanket coverage after the wood roofs are replaced and Farmers already includes blanket coverage.
  2. American Family agents states that AF is using the right amount of coverage to qualify for replacement cost coverage but Farmers has true no limit guaranteed replacement cost coverage. It is a big difference.
  3. Farmers has true guaranteed replacement cost coverage on all roofs including the wood roofs.
  4. Farmers will shop for better coverage and premiums with many insurance carries each year and will recommend change whenever it better serves Three Fountains.
  5. The current American Family policy is non-compliant with Three Fountains by-laws. The by-laws require full replacement value coverage without deduction for depreciation.

#### E. New Business

1. An initial discussion of reviewing and better defining the Board and Staff job descriptions - Barbara Florey wanted to better define the job of Vice President and Member at Large. Barbara Griswold stated that she felt that the Board should be careful of too much definition since homeowners run for the Board and not a specific position. It might limit the number of people who would run for the Board in the future. She feels that each individual Board should evaluate the strengths and weaknesses of its members to fill job requirements.
2. There was a discussion of classes for Board members. Jeff will look into this.

Submitted by Barbara Griswold, Secretary

Meeting adjourned @ 6:50PM

Next Regular Board Meeting February 28, 2017 @ 6PM

**THREE FOUNTAINS CORPORATION**

**Board of Managers Meeting –February 28, 2017**  
**Treasurer’s Report as of January 31, 2017**

**STATUS OF FUNDS:**

Cash in Bank, Operating Fund	\$ 124,547
Cash in Bank, General Reserve Fund	\$ 82,202
Investments, Capital Improvement Fund	<u>\$ 885,097</u>
Total Cash	\$ 1,141,846

**ACCOUNTS RECIEVABLE:**

Assessments Receivables	\$ 55,945
Large increase due to property in receivership	

**INCOME:**

Assessments	\$ 84,692
Late Charges / Interest	\$ 535

**MAJOR VARIANCES (MTD) FOR CURRENT MONTH REPORT:**

“All budget variances are at or near budget.”

**AGING REPORT:**

2 Accounts over 30 Days, 1 account is over 60 days, 3 Accounts are in collection.  
All other accounts are current.

Prepared by: Kathy Mehlmann  
Treasurer February 22, 2017

References: Unaudited Balance Sheet, Income Statement, Budget Comparison and  
Accounts Receivable Aging Reports  
Financial Statements on file with Property Manager