

THREE FOUNTAINS CORPORATION

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

Vice President: Barbara Florey
Secretary: Barbara Griswold

MINUTES
February 26, 2019 @ 6PM

CALL TO ORDER / ESTABLISH QUORUM - 6PM - Barbara Griswold was 15 minutes late

- A. Homeowners Forum - none
- B. Approval of Minutes - Board of Managers Meeting for January 22, 2019 - approved
- C. Updates and Reports
 - 1. Treasurer's Report - from the January 31, 2019 Unaudited Financial Statements

STATUS OF FUNDS:

Cash in Bank, Operating Fund	\$ 151,509
Cash in Bank, General Reserve Fund	\$ 97,847
Investments, Capital Improvement Fund	\$ 940,622
Total Cash	\$ 1,189,978

ACCOUNTS RECEIVABLE:

Assessments Receivable	\$ 2,582
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CURRENT MONTH INCOME - Operating Account:

Assessments	\$ 84,692
Other Revenues / Late Charges / Interest	\$ 338

MAJOR VARIANCES YTD ACTUAL TO YTD BUDGET PER THE CURRENT MONTH REPORT: There are no substantial budget variances.

All budget variances are at or near budget with the following exceptions:

AGING REPORT:

3 accounts are at 30 days and 1 account is at 90 days. LCM is working with the account to get payments made. 5 accounts had fees and interest charged in error due to an incorrect date being entered on those accounts and all charges were reversed in February 2019.

Prepared by Kathy Mehlmann, Treasurer - February 19, 2019
Treasurer's report was approved.

Unaudited Balance Sheet, Income Statement, Budget Comparison, and Accounts

Receivable Aging Reports. The Financial Statements are on file in the Property Manager's Office.

2. Property Manager's Report

1. All 3 phases of the work bid by Affordable Tree Service has been completed.

2. 3268 - has requested that their garage floor be repaired or replaced. The floor is crowning in the middle with a 5/8" rise. Toby said that there are 7 - 9 other garage floors that are the same or worse. Lora Witt said that her unit has water leakage as well. It was agreed by the Board for Toby to research this problem and prioritize, based on laser measurements and water leakage, doing the worst floors first. Toby feels that the only solution to this problem is to replace the concrete. This problem is due to the shifting of the bentonite soil Three Fountains buildings are built on. Toby estimates that each new floor will cost \$5,000. The Board agreed to start this process now.

3. Finance Committee - At the last Finance Committee meeting, on January 29, 2019, the discussion was insurance issues and the possible completion of the roof program. The Committee also discussed the possibility of negotiating a loan from UMB and using some of Three Fountains funds in the investment account. On February 4, 2019, Kathy Mehlmann, Liaison to the Board, relayed those recommendations to the Board.

4. Landscape Committee - The Committee met with Designs by Sundown and were disappointed with the recommendations and the cost. The Committee will be meeting with another vendor on Thursday, February 28, 2019. Barbara Florey requested that the Board give a quick response to the Committee's choice when that choice is sent to the Board for approval. This is due to time constraints in hiring a vendor and scheduling work to begin this spring. 2 planters were removed in front of the Clubhouse that were being used as ash trays. They will be replaced by new planters in the future.

5. Pool Committee - 2 Pool covers and 2 filters have been ordered.

D. Unfinished Business

1. Parking - Barbara Florey has rewritten the Parking Rules and Regulations to incorporate the parking lottery and the assigned parking spaces. Kathy Mehlmann and Jeff Rickard recommended that the rate of \$350 per year be pro-rated throughout the year for new residents or extenuating circumstances. She had added commercial vehicles to those vehicles excluded from parking on the grounds but the Board disagreed on this so it was deleted. Cassandra Rocha noticed that there is no mention of owners responsibility to move their vehicles when it snows before the crew starts to plow. Barbara will add this.

2. Roofs - Due to Three Fountains inability to get insurance in 2020 because of having shake shingles, outside of high risk insurance, that would raise our rate from \$116,000 to \$216,000 per year, the Board has approved completing all the roofs in 2019. Three Fountains also submitted, recently, a claim for the water damage to 3230 in the amount of \$50,000 to Farmers Insurance. This could also affect insurance coverage. Three Fountains has hired B&M Roofing again for this process. They will have 2 crews working on the property. One will be for the pitched roofs and the other will be for the mansards. B&M Roofing has kept the cost the same as previous years and is collecting materials needed to complete this process. By using B&M Roofing throughout the property, Three Fountains will have only 1 warranty for all of the roofs. Kathy Mehlmann also wanted to relay from LCM that out of the 75 HOA's that they

manage, Three Fountains is the only one able to make this commitment due to the outstanding management of the finances throughout the years.

3. Loan information from UMB Bank to complete roofs - A loan was applied for from UMB Bank. UMB is requiring that Three Fountains take \$300,000 from the Capital Reserve investment account to be used before the loan is issued. This money and the ability for Three Fountains to draw down money from a line of credit in 2019 will determine the amount of the loan and the interest rate in 2020. In 2019, Three Fountains will be paying interest on the line of credit and payments for the loan will begin in 2020.

E. New Business

Submitted by Barbara Florey, Vice President from Call to Order through Property Manager's Report 2.1.

Submitted by Barbara Griswold, Secretary from 2.1. through adjournment

Next Regular Board of Managers Meeting
March 26, 2019 @ 4PM

Semi-Annual Meeting @ 7PM