

THREE FOUNTAINS CORPORATION

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

Vice President: Barbara Florey
Secretary: Barbara Griswold

MINUTES October 24, 2017 @ 6PM

CALL TO ORDER / ESTABLISH QUORUM - 6PM

A. Homeowners Forum

1. Jeff Rickard told those homeowner's present that Mimi Karsh, Chair of the Finance Committee, and Irene Carlow a member resigned from the committee. They stated that they did not feel that the budget was sustainable in the future and therefore they could not support it. Jeff agreed that in the future dues might have to be increased or costs would have to be cut. Once the roofs are done, it is the hope, that costs would decline and Three Fountains could rebuild their reserves.

2. Barbara Florey wanted to remind committee members that they are representing the Committee. Once the committee has decided on a course of action and has voted, then the presentation to the Board should be presented as unanimous. Committee reports should represent the committee not personal views.

3. Kathy Mehlmann told of the Board's decision to allow all members of the Board to voice their opinions and to disagree, loudly if necessary, on all considerations before the Board but once a decision is made, the Board would stand united.

4. Jeff asked the Finance Committee to meet and pick a new Chairman.

5. Jeff discussed the Budget for 2018. He stated that the Budget has 69 lines of expenses. Four of those lines have increased the Budget by \$37,000 in 2017. Three Fountains insurance has increased approximately \$11,000. The final cost will be known in December or January of 2018. Keesen, the turf management company, increased \$9,000 due to a 12 month plan for maintenance. Three Fountains had an 8 month plan previously. Tree pruning increased to \$10,000 and the Budget for 2018 will be \$20,000. Pest control for the trees increased to \$7,000 and will increase to \$12,000 in 2018.

The Board approved the Budget for 2018 unanimously.

B. Approval of Minutes

1. Board of Manages Meeting - September 26, 2017 - approved
2. Executive Board Meeting - September 26, 2017 - approved
3. Board of Managers and Finance Committee Meeting - October 16, 2017 - approved

C. Updates and Reports

1. Property Manager

1. 30 day work order - 7027 - garage light - done
6987 - Patching holes and filling cracks in entryway
concrete
3288 - weather strip on crawl space cover - 1/2 done
2. action items from 8-22-2017
3294 & 3296 - replace steps - poured October 24, 2017

3230 - a third bid was received for repair to the water damage to the unit.
The homeowner will use Jim Black Construction which is a company that Three Fountains has used on other projects.

3. Barbara Florey gave Chris a business card from a chimney sweep that she used that she felt did an excellent job. The vendor said that he would discount work for Three Fountains if enough homeowners used his services. This is for wood burning fireplaces. Chris has the business card in the maintenance office.
4. building 42 - The roofing has not begun due the snow storm and high winds. It is scheduled for November 13, 2017.
5. back flow preventers - The electrical on Lane 5 is complete. A building permit and plumbing will begin this week with marking and start November 1, 2017 to install. Parts will be in next week.
6. 3384 & 3386 - concrete - poured by a contractor October 24, 2017
7. Chris has received a new proposal from Affordable Tree Service for Three Fountains trees. They will catalog all of the trees including spread sheets. They will measure the diameter of each tree at chest height and record it. Affordable Tree Service feels that a Locust tree on Girard Street SW of Lane 10 is dying and a liability. 35% of the tree hangs over a unit. The Board voted unanimously to remove the tree at an approximate cost of \$2100. The Board also voted unanimously to approve \$2400 to catalogue the bad trees on the property. Both costs are coming out of the tree pruning budget of \$10,000.
8. When Three Fountains signed the contract with Comcast, it was agreed that Comcast could hold an event in the clubhouse. It is to be NO SALES. It is scheduled for December 6, 2017 with pizza. Residents will be able to ask questions regarding bills, remote control use and issues, etc. A flier will be placed in residents doors. The Board voted to approve this function via email.
9. Atlas Concrete bid on beveling the interior sidewalks that are a trip hazard and liability for \$13,680. There are 209 trip hazards present.
10. 3334 - estate sale - Board voted via email to approve.
11. Architectural requests:
 - 6985 - replace front door and paint door - approved by Chris
 - 3394 - replace front door and replace windows - approved by Chris

2. Treasurer - Unaudited Balance Sheet, Income statement, Budget Comparison and Accounts Receivable Aging Reports

STATUS OF FUNDS:

Cash in Bank, Operating Fund	\$ 291,824
Cash in Bank, General Reserve Fund	\$ 42,274
Investments, Capital Improvement Fund	\$ 932,410
Total Cash	\$1,159,694

ACCOUNTS RECEIVABLE:

Assessments Receivables	\$ 5,538
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INCOME:

Assessments	\$ 84,692
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Late Charges / Interest \$ 67

MAJOR VARIANCES (YTD) FOR CURRENT MONTH REPORT:

Only new account variances were discussed.

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

- 1.700125 - Turf Management - Actual \$25,559 - Budget \$35,775, favorable variance of \$10,216 due to timing of monthly allocations
- 1.700500 - Tree Pruning - Actual \$0 - Budget \$10,000 - favorable variance \$10,000 - vendor lost license and trees will not be pruned this year.
- 1.700800 - Weed and Pest Control - Actual \$10,587 - Budget \$5,000, unfavorable variance (\$5,587) due to increased spraying in Keesen contract.
- 1.720200 - Asphalt - Actual \$11,0558 - Budget \$18,100, favorable variance \$7,042 due to limited work by vendor this year.
- 1.800300 - Water and Sewer - Actual \$62,104 - Budget \$57,690, unfavorable variance (\$4,414).
- 1.900700 - Insurance - Actual \$68,476 - Budget \$63,000, unfavorable variance (\$5,476) due to change in carrier
- Total Salaries - Actual \$192,089 - Budget \$201,805, favorable variance \$9,716
- Operating Account overall favorable variance \$84,751, primarily due to receipt of Comcast Money and smart management of the operating funds.

AGING REPORT:

1 account is over 60 days, 1 account is on a payment plan and is current and 1 account is in collections. All other accounts are current.

The Treasurer's report was approved.

3. Landscape Committee - "In keeping with the upcoming season, the Landscape Committee is currently dormant. We concluded our 2017 activities with the winterizing of Oneida lane entrance beds as per Keesen's recommendations. We are disappointed that the Board chose to cut by 50% the funding for the Landscape Committee project budget for 2018. While this reduction will retard our progress next year and further delay the completion of the Board approved plans, we will do the best we can with this limited amount." Submitted by Katy Conroy, Chair of the Landscape Committee

D. Unfinished Business

1. Parking - Jeff discussed the ongoing parking situation. He explained that the Parking Committee defined the word temporary and guest parking but when the plan to bring in a third party parking regulatory company, Kim, Three Fountains attorney said that an outside company does not have the authority to levy fines pursuant to the law and Three Fountains Enforcement Policy. Three Fountains can monitor for parking violations, issue violation notices and call for towing when appropriate. Kim also said that a notice must be sent to owners to give them a deadline within which to request a hearing before a fine can be assessed. Barbara Florey said that a few Hearings have been done in the past. Jeff asked for approval for a \$75 fine to be included in the bylaws by Three Fountains attorney as the second warning before towing. If Parking Authority, the outside source, is hired they would monitor the parking and report to Chris. The signage in the lane entrances would be changed by Parking Authority to state that they are providing this service. When the rules are changed, a notice will be sent to all residences stating that the first warning is free, the second warning is \$75 and the third is

towing. The Board approved a motion by Barbara Florey to have she and several Board members draft this notice.

2. Comcast Money - The money received from Comcast for access to Three Fountains property is \$37,100. Kathy Mehlmann requested that the Board approve the "wish" list which includes dirt spots for \$4,000, exercise equipment and a maintenance contract for \$10,000, additional tree maintenance for \$4,100, vents for end unit roofs which was approved and spent for \$3,000, a broken tool for \$400, and engineering report for the HVAC for the maintenance building for \$1,500 and tools for \$400. This totals \$25,400. The Board denied upgrading the bathrooms of the clubhouse for \$2000. The Board unanimously approved this request. Barbara Florey asked that when the exercise equipment is purchased it be size appropriate and also able to function in a larger space if the ground level of the clubhouse is redesigned in the future. The Board is looking at a treadmill and elliptical machine and a maintenance contract. The sidewalk beveling by Atlas Concrete could come out of this money. Kathy will be updating the spreadsheet on Friday and will send it to the Board, the Finance Committee and Chris.

3. Discussion of Reserve Loan Funds for roofs in 2018 - B&M Roofing bid on 6 buildings, 32 units, for 2018 at a cost of \$330,584.85. Three Fountains will have a shortfall of \$119,117.85. Kathy Mehlmann requested that the Board approve doing these 6 buildings in 2018 and either liquidate investments or use the \$400,000 line of credit or a combination of the two. The Board voted unanimously to approve roofing 6 buildings in 2018 and to decide next year how the funds will be applied. B&M Roofing is using the same price line as previously quoted to Three Fountains.

The Board voted via email on October 2, 2017 to approve asking a condo approval expert at what level it is safe to reduce Three Fountains reserves to do more roofs and still be able to get condo approvals. This was a free service due to Jeff's relationship through work with this person. Jeff was told that our reserves could be reduced to \$300,000. No one on the Board is comfortable depleting Three Fountains reserves to that level.

4. Board approval for Atlas Concrete for beveling interior sidewalks - The Board voted unanimously to approve this service for \$13,680.

E. New Business - UMB Bank gave Three Fountains the same terms for a \$400,000 line of credit that Three Fountains had in the past. Jeff Rickard, President and Barbara Griswold, Secretary signed it. Jeff said that Three Fountains will probably use some of the loan in 2018 for roofs.

Submitted by Barbara Griswold, Secretary

Meeting adjourned at 7:12PM

Next Monthly Board of Managers Meeting is November 28, 2017 @ 6PM

