

FOUNTAINS AT RAINTREE LAKE HOMEOWNERS' ASSOCIATION
Board Meeting, 7:00 pm, April 16, 2026
Location: Raintree Lake Clubhouse

MINUTES

Attendance:

Board Members: Sharon Neuer, Mike Byrne, Bill Cisewski, Zona Mitchell.
Sandy Turner, Area Real Estate, and 25 members. Absent: David Bundrick

Call to order:

Sharon Neuer determined a quorum and called the meeting to order at 7:00 p.m.

Adoption of Agenda:

A motion was made by Zona and seconded by Bill to accept the agenda for April 16, 2026, and was approved unanimously.

Approval of Minutes: Sandy read the minutes of the January 15, 2026, board meeting. A motion to approve was made by Zona, seconded by Mike, and approved unanimously.

Guest Speaker:

Nathan Cook with IDL, the irrigation contractor for The Fountains, was present to answer owners' questions and explain the process for reporting broken heads/leaks when the system is turned on. All issues should be reported to Area Real Estate. The goal of saving water consumption has been achieved after replacing several large components of the 20-plus-year-old irrigation system over the past four years. Anita Delaney questioned IDL costs for man-hours and repair parts.

President's Report:

1. Toni Travalent and Sharon have been researching the storm drains after discovering a sinkhole caused by the possible failure of a storm drain. The drains are owned and maintained by the City, although the developer and/or the City did not seek easements or rights-of-way when the drains were installed. This oversight by the City could take up to a year to resolve.
2. Sharon reviewed the next project at the pond/spillway, which will address the erosion on the slopes. Ornamental grass and hydroseeding will take place this spring/fall.
3. The new bridge will be stained soon. Stoney Jackson volunteered his time for this project.
4. The next lawn application will happen soon, which will address the presence of dandelions.

Vice President Report:

1. Zona reported that this is National Volunteer Appreciation Month, and many resident volunteers will be recognized at the Spring Potluck on April 18.
2. With elections in July, Zona is asking for volunteers to help with the nominating committee.

Treasurer's Report:

1. Bill Cisewski, in David's absence, gave the treasurer's report and introduced guest speaker, David Mitchell. David and Bob Hoffman audited the books for 2025 and presented a written report stating that all books were in good order.
2. Beginning immediately, the board has put into policy that all property transactions in The Fountains will now be charged a \$500 transfer fee.

COMMITTEE REPORTS:

Grounds Committee:

1. Toni Trivalent, Grounds Committee Chairperson, reported there were no muskrats to trap this year.
2. The fountain at the Estates roundabout is operational but may be turned off on exceptionally windy days to save water.
3. The aerator at the big pond will be placed soon.
4. Cartwright Tree Service ground 20 stumps for \$725.
5. Neighborhood Clean Up Day will be Saturday, April 25.
6. Asked for contributions to purchase more grass carp for the pond.
7. Asking for suggestions to name the pond.

FARB (Fountains Architectural Review Board):

1. Mike Hile, FARB Chairperson, spoke on the importance of turning in an application form to the Fountains before any exterior work begins.
2. Mike is asking for volunteers to serve on the FARB committee.

Social Committee:

1. Sally Hile, Social Chairperson, reminded everyone of social events ongoing and coming up.

Unfinished Business:

1. Sharon spoke on future capital improvements, such as replacing sidewalks and removing the island from the big pond. More research is needed to evaluate the need and expense. The board will prepare a formal report.

Open Forum: No additional comments or questions were received from the community.

The meeting adjourned at 8:45 pm

Respectfully submitted,

Sandy Turner, Acting Secretary

Addenda:

4-16-2026 Financial Report
2025 Audit Report

The Fountains at Raintree Lake Homeowner's Association
Board of Directors Meeting
April 16, 2026

Treasurer's Report

A. 2025 Audit Review

The Board appointed an Audit Committee of qualified Fountains residents who volunteered to review the Association's financial data for fiscal year 2025. The attached *Report of the 2025 Audit Committee* is presented by David Mitchell, a member of that committee. A former Fountains HOA Board President, David also served over 20 years as a Federal Criminal Investigator with the US Department of Labor investigating internal operations of labor unions, primarily involving misappropriation of funds to unlawful activities. The Board has adopted the report's recommendation and thanks the committee members for their diligent work.

B. End of First Quarter Financial Assets for HOA

Truly Available Funds held at Commerce Bank as of March 31, 2026:

Checking:	\$123,563.04*
CD #1228	<u>+ 12,562.23</u>
TOTAL:	\$136,125.27

*Commerce Bank Checking Statement dated March 31, 2026, reports a balance of \$139,293.04; check #6357 for \$15,730 payable to Envision was still outstanding.

C. Income and Expenses

Area Real Estate Services (Sandy Turner) provides the Board with the Commerce Bank statements and financial reports detailing income and expenses each month. Net Income for the 1st Quarter provides a planned cushion for heavy summer mowing and irrigation expenses:

Income:	\$86,639.92
Expenses:	<u>- 56,034.61</u>
	\$30,605.31

D. Income Enhancement via Fee Adjustments

There is need to increase income for The Fountains HOA due to increased, unexpected economic costs such as (a) the 10% fuel surcharge for trash pickup, which is linked to our GFL contract; (b) unpredictable weather conditions that affect water and snow removal costs; and (c) the sinkhole at the east side of the large pond due to collapsing drainpipe. Because it is preferable to avoid special assessments, two means of enhancing HOA revenue without a special assessment at this time are presented here:

1. In keeping with the policy of Raintree Lake HOA as well as the common practice of other HOAs, the Board voted to implement a \$500 Transfer/New Member Fee to be collected by title companies from buyers at closing of The Fountains at Raintree Lake

home sales, to be deposited with Area Real Estate Services for the account of The Fountains HOA. This was effective April 9, 2026, when passed by the Board.

2. Because the \$15 Late Fee on payments of assessments has remained unchanged in 20 years at The Fountains at Raintree Lake, and the amount of this late fee is no longer comparable to other late fees nor is it adequate to deter late payment in some cases, it is recommended that the Board prepare a resolution for amending the CCRs and the Bylaws to make appropriate adjustments to the Late Fee policy, and present that resolution to the next Meeting of Members in July 2026.

Respectfully submitted,

David Bundrick
Treasurer, Board of Directors

Attachment: Report of the 2025 Audit Committee

**The Fountains at Raintree Lake
Homeowners Association**

April 9, 2026

Report on the 2025 Audit Committee

The 2025 audit committee consisted of three residents, Charlie Harrel, Bob Hoffman, and David Mitchell. During the audit review Charlie Harrel withdrew due to scheduling conflicts with his tax preparation business. The audit committee reviewed the financial records for 2025 that were provided by the association's management company, Area Real Estate Services. All financial records are kept on a cash accounting basis meaning that all income is recorded when deposited and expenses are recorded when paid.

Our review consisted of an examination of the financial records with three specific areas of interest. First, a reconciliation of the operating fund bank statements. Second, a review of all expenses reported compared to checks or credit card payments for those expenses. Finally, a review of dues and charges received from homeowners compared to the deposits made into the association's operating fund. Each area of interest is explained below. The two Commerce Bank accounts for Reserves and Savings were not examined because not all the 2025 bank statements were available. When the committee asked the management company for these bank statements, we were told that they were no longer available because the two accounts had been closed and rolled into a certificate of deposit with Commerce Bank. The management company told us that there was no activity in either of these accounts in 2025 other than a small amount of interest income.

1. First, a general review of the operating fund bank statements revealed that each monthly statement for 2025 is reconciled when compared to the income and expenses reported by Area Real Estate Services. To determine the true cash available at both the beginning and end of 2025, bank statements for December 2024 and January 2026 were also reviewed. Because the financial records are kept on a cash basis it is important to remember that some 2024 expenses may have not cleared the bank by January 1, 2025 and the same is true for 2025 expenses that may not have cleared the bank by December 31, 2025 even though those expenses had already been recorded in the financial records for 2024 or 2025. Each of those expenses must be subtracted from the beginning and ending bank balances to determine the true cash available. According to the financial records from Area Real Estate Services the first check issued for 2025

was number 6209 issued on January 1st and the last check issued was number 6334 issued on December 28th. The information was derived from examining the operating fund income and expense register and the operating fund checking account statements from December 2024 through January 2026. No checks prior to number 6209 were found to have cleared the bank after January 1, 2025. Two checks (6333 and 6334, both written in December 2025) totaling **\$35,440.00** had not cleared the bank by December 31, 2025. The charts below show the bank balances and truly available funds on January 1, 2025, and December 31, 2025. The amounts listed for the Reserve and Savings funds are derived from the financial statements in the absence of bank statements.

Bank Balances

2025	Beginning	Ending	Difference
Operating Fund	\$41,112.42	\$127,862.37	\$86,749.95
Reserve Fund	\$7,301.30	\$7,321.46	\$20.16
Savings Fund	\$5,226.34	\$5,240.77	\$14.43
TOTAL	\$53,640.06	\$140,424.60	\$86,784.54

Truly Available Funds

2025	Beginning	Ending	Difference
Operating Fund	\$41,112.42	\$92,422.37	\$51,309.95
Reserve Fund	\$7,301.30	\$7,321.46	\$20.16
Savings Fund	\$5,226.34	\$5,240.77	\$14.43
TOTAL	\$53,640.06	\$104,984.60	51,344.54

- Second, each bill was examined and compared against the operating fund bank statements, the operating fund credit card account (beginning in mid-October 2025), the operating fund general ledger, the operating fund check detail report and the monthly profit and loss report. No discrepancies were found during this review. The chart below shows the budget compared to actual expenses for 2025 and reflects net savings of **\$1,041**.

Budget vs Actual Expenses

2025	Budget	Actual	Difference
Operating Fund	\$363,029.00	\$359,518.71	\$3,510.29
Special Assessment	\$34,496.00	\$36,965.00	\$2,469.00
TOTAL	\$397,525.00	\$396,483.71	\$1,041.29

Overages shown in RED

- Finally, the income from homeowners' dues, special assessments, and charges were reviewed using the operating fund checking account, the operating fund general ledger, the income by customer detail report, the operating fund deposit detail report, and the operating fund deposit summary by name report. The actual

income received in any given year compared to the budget projection is likely never to match up as several factors come into play. First, quarterly payments are due on the first day of each quarter and have a 10-day grace period before any penalties are imposed. Most but not all residents pay their dues before the first day of each quarter. That results in some fourth quarter 2024 dues being received in early 2025 and some first quarter 2026 dues being received in late 2025. Additionally, some residents pay their dues via electronic fund transfer and incur a fifty-cent fee for that transfer. Finally, in a few cases a resident does not pay the dues in a timely manner and incurs a penalty for delinquent payment. The chart below shows the income received from residents from January 1st through December 31st, 2025.

Budget vs Actual Income

2025	Budget	Actual	Difference
Operating Fund	\$364,228.48	\$370,781.48	\$6,553.00
Special Assessment	\$34,496.00	\$34,496.00	0
TOTAL	\$398,724.48	\$405,277.48	\$6,553.00

This concludes our report on the financial state of the association as of December 31, 2025. The committee would like to thank Sandy Turner with Area Real Estate Services and the association's treasurer, David Bundrick, for their support in providing documents and information for this report.

NOTE: The committee strongly recommends that the board of directors change the billing cycle for the newly acquired credit card to close at the end of each month to match the existing operating fund bank account. This will make reconciling expenses each month much less confusing in the future.