

**NEW MARK COMMONS HOMES ASSOCIATION
BOARD OF DIRECTORS MEETING
THURSDAY, DECEMBER 5, 2013**

ATTENDEES: Margaret Chao, John Hansman, John Brown, Magnus Turesson, Dunja Baker, Rocio Snowdy from the City of Rockville and Jim Denny.

Board members absent: Jeff Miller and Ellen Stein

Community Forum: Rocio had several items to discuss with the Board. On December 9th the Mayor & Council will be briefed on the Dubal 2 project. The City will be reinstating their "Where we Live" program and are encouraging all neighborhoods to participate in the program

Officer and Committee Reports: There were not any reports presented.

Upon a motion by John Brown and seconded by Magnus Turesson, the minutes of the November 2013 board meeting were unanimously approved.

Administrators Report

Dues: Jim informed the Board seven residents have not paid the second installment of the 2013 home owners' association dues. Follow up letters were sent to all residents with an outstanding balance with an offer to work out a payment plan.

Date for the NMC annual meeting: After discussion, March 12th was selected as the date for the annual meeting.

Board member terms: Jim told the Board the three year term for John Brown, John Hansman and Margaret Chao expire in March 2014. Margaret mentioned she will not be seeking re-election.

2014 proposed budget: Jim gave the Board the proposed budget for 2014. He also included income and expenditures as of 11/30/2013 versus the 2013 budget. The Association's governing documents set forth the maximum amount the dues can be raised. In recent years, the dues increases have been held within or under the annual Consumer Price Increase (CPI). Our Covenants state the increases in dues have to be within the annual increase in the CPI on a cumulative basis since January 1, 1968. The percentage of increase in the Consumer Price Increase (CPI) for the Washington and Baltimore metropolitan area for the period of September 2012 to September 2013 was one point two percent (1.2%). Jim presented a proposed budget for 2014 that reflected a 1.2% increase.

The one point two percent (1.2%) dues increase is equal to \$11 to \$12 increase per household for the year.

Jim is projecting we will be under budget this year. Projected income is \$352,805 which is \$621 more than expected. Projected expenses are \$325,155 which is \$27,079 under budget. The total projected under budget will be \$27,650

Long Fence proposal: Jim gave the Board a proposal from Long Fence to modify several sections of fencing around the NMC swimming pool and clubhouse. The proposal includes replacing several 8' high sections of fence with 12' high sections and adding several sections of 8' high fence around the deck on the east side of the clubhouse. After discussion, John Brown made a motion that we accept the proposal from Long Fence for \$6,800. Magnus seconded the motion which unanimously approved.

New Business

DeLeon & Stang engagement letter: Jim gave the Board a copy of the engagement letter from our auditors, DeLeon and Stang. The letter outlined the roles and responsibilities of the auditor and the client. The engagement letter was for three years starting with the audit for calendar year 2013 to 2015. The 2013 fee for the audit and tax return preparation is \$6,015 which is a three percent (3%) increase over 2012 and a three percent increase for 2014 and 2015. After discussion, the board decided we should ask for a year to year agreement instead of a multi-year engagement.

Furnace and Hot water heater replacement: Jim gave the Board two proposals for the replacement of the clubhouse furnace and hot water heater. The two quotes were for \$15,960 and \$12,165. A third quote had not been received in time for the Board meeting. Jim will have additional quotes at the next Board meeting.