

**NEW MARK COMMONS HOMES ASSOCIATION
BOARD OF DIRECTORS MEETING
THURSDAY, FEBRUARY 6, 2014**

ATTENDEES: Margaret Chao, John Hansman, Dunja Baker, Jeff Miller, Ellen Stein, Jim Denny and Mike Schoen representing A to Z Directories.

Absent: John Brown and Magnus Turesson

Community Forum: Mike Schoen, president of A to Z Directories, spoke to the Board about his company. They started by publishing student directories for several Montgomery county schools. The directories contain paid advertising and he has a revenue sharing agreement with the schools. His business model for HOA directories is that he will print the directories for free and his company will retain the advertising revenue. In addition to the paper directory, they have a smart phone application that allows community members to view the directory on line. The HOA has the responsibility to supply the data and A to Z uses their propriety software to create the directory.

Officer and Committee Reports: There were no committee members in attendance.

Upon a motion by John Hansman and seconded by Dunja Baker, the minutes of the January 2014 board meeting were unanimously approved.

Administrators Report

Dues: Jim informed the Board that four residents with overdue accounts have been turned over to our attorney for collection. Seventy three (73) residents have not paid the first instalment of their 2014 home owners' association dues.

Pool update: We notified Continental Pools Inc. that we will not be renewing our contract with them for 2014. Jim told the Board he received positive references for Community Pool Service, Inc. for their pool management and pool repairs and renovation. Last month we approved the construction and repair proposal from Community Pool Service. Jim recommended we approved the pool management contract with Community Pool Service, Inc. After discussion, Ellen made a motion that we accept the proposal from Community Pool Service for management service. Dunja seconded the motion, which passed unanimously.

Jim on vacation: Jim mentioned he will be on vacation from February 17 to February 28th. Margaret offered to monitor the NMC phone while he is away.

Old Business

Annual audit: The association's accountant, DeLeon and Stang will start the annual audit on February 11, 2014.

Snow removal: We have spent \$11,079 year to date on snow removal.

Annual meeting speaker: John Hansman mentioned he has secured guest speakers for our annual meeting. They are Peter Kurtze, administrator, Evaluation & Registration for the Maryland Historical Trust and Mary Lou Shannon, who lives in the other major Bennett community, Carderock Springs. She was active developing the successful application of her community to the historic registers.

New Business

CAI Maryland Legislative Action Committee (MD-LAC): Jim gave the Board a notice from Community Associations Institute (CAI) advising us of proposed legislation that has been introduced in both the Maryland Senate and House of Delegates to limit the fee that a condominium or homeowner association may charge an owner for a resale disclosure certificate.

Both of these bills seek to limit the fee that can be charged for a resale certificate to “the lesser of \$50.00 or the actual cost”. There is a clear misunderstanding on the part of the bill sponsors about the effort that goes in to completing these documents as well as the significant liability exposure relating to the accuracy of the information provided. In addition, the bill now inserts homeowner associations into the disclosure process for which there was previously no legal responsibility. HOA disclosures have been provided as a convenience for a seller. The bills basically take the disclosure language from the Maryland Condominium Act and insert it into the Maryland Homeowner Association Act.

Some of the more significant information that is required includes:

- A statement of all fees payable to the association;
- A statement of any capital expenditures approved by the association that are not reflected in the current budget;
- A statement of any judgments against the association AND any pending suits to which the association is a party;
- A description of any insurance policies;
- A statement as to whether the association has knowledge of any alterations or improvements to the unit/home violates any provision of the declaration, bylaws or regulations (a physical inspection will be required);
- A statement as to whether the association has knowledge of any violations of health or building codes with respect to the unit/home, common elements or any other portion of the association.

CAI is urging its' members to oppose these bills. Jim mentioned he spoke to the Association's attorney about the proposed legislation.

Pool Pass Systems: Jim told the Board that he and Dunja have reviewed two proposed pool pass systems. One system is web based and cost approximately \$100 per month, not including an initial outlay for a laptop PC and card reader. The other system required propriety software and a significant investment, over \$10,000 in hardware and supplies. The more expensive system also required an annual software update. Jim and Dunja will continue to research pool pass systems.

Lake Fountain Repair: Jim gave the Board a proposal from Solitude Lake Management for the repair of the fountain motor. When the fountain was removed last fall and sent for service, metal shavings were found in the lubricating oil. Two options were presented: one for motor repair only with a one year warranty for \$1,990. The other option was to replace the entire power unit for \$2,168 which carried a three year warranty. After discussion, Ellen made a motion that we accept the proposal for \$2,168 to replace the power unit. Jeff seconded the motion which passed unanimously.

Commercial Crime Insurance renewal: Our coverage is scheduled to expire in February. We are trying to change the broker of record on the policy from Russell Insurance to HMS Insurance. Our HMS representative is also trying to obtain quotes from other carriers. The annual premium last year was \$1,417. Jim asked the Board to approve a 'not to exceed' amount of \$1,600 to secure coverage for 2014. If the new premium exceeds the approved amount, Jim will contact the Board for their approval.