

MINUTES OF MEETING
EASTGATE HOMES CORPORATION

September 9, 2010

A regular meeting of the Eastgate Homes Corporation Board of Directors was held at 7:30 p.m. on Thursday, September 9, 2010, at the Lake Marion Community Center, Montgomery Village, Maryland.

Directors Present

Mary Helen Amery, President
Jeffrey Amtmann, Vice President
Carl Paperiello, Treasurer
Tina Dasler
John Hildreth

Directors Absent

Mike Amery
Caleb Grabowski
Marla Wolff

Others Present

Aimee Winegar, Community Manager
Jennifer Thornett, Recording Secretary

Residents' Time

There were no residents present.

Call to Order

Ms. Amery, President, presided. She opened the meeting at 7:35 p.m. with a quorum present.

Approve Minutes

Mr. Paperiello moved to approve the minutes of the regular meeting held July 13, 2010 as amended. The motion was seconded and passed unanimously.

Review Financial Matters

a. Review Financial Statements

The Board reviewed the June and July 2010 financial statements. The Treasurer reported that current year total assets are approximately \$50,000 less than the prior year. He noted that

maintenance expenditures are almost \$40,000 over budget, mainly due to snow removal and storm damage costs. Mr. Paperiello added that delinquencies total over \$20,000.

Ms. Dasler moved to accept the Eastgate Homes Corporation financial statements for June and July 2010 as presented. The motion was seconded and passed unanimously.

b. Review Delinquency Report

The Board reviewed the Delinquency Report.

Committee Reports

a. Audit/Reserves/Budget

No report.

b. Communications

Ms. Amery asked the Board to send her information to include in the *Village News*.

c. Maintenance

It was noted that there are maintenance items to consider under Unfinished Business.

d. MAC Report

No report.

e. Election

No report.

f. Nominating

No report.

g. MVF Representative

Mr. Hildreth reported that the MVF scheduled a meeting for September 20 to discuss the proposed 2011 MVF budget. He added that there is a meeting on October 13 to vote on the MVF assessment ceiling increase. It was the sense of the Board that an assessment ceiling increase is necessary.

Management Report

a. Note Covenant Report

The Board noted the Covenant Report.

Ms. Winegar presented the Management Report and highlighted the following items:

- 1.a. There was discussion regarding the FEMA/MEMA reimbursement request. Ms. Winegar reported that an appeal was submitted regarding FEMA's determination that Eastgate is ineligible to receive federal disaster assistance. She noted that Eastgate provides quasi-governmental services through the Montgomery County Roadway Reimbursement Program. Ms. Winegar added that the issue is that Eastgate cannot be double funded.
- 2.a. The Board reviewed the Private Property Maintenance (PPM) statistics.

The Board considered a request for write-off; the memorandum is attached for the record.

Ms. Dasler moved to write off the uncollectible balance for 7832 Heritage Farm Drive, Account No. EG93031, in the amount of \$430.56. The motion was seconded and passed unanimously.

Unfinished Business

A. Consider maintenance items

CPIR – 7838 Heritage Farm Drive

The Board considered the Community Property Improvement Request (CPIR) from the homeowner of 7838 Heritage Farm Drive. It was noted that homeowner would like to remove and replace two pine trees. It was added that the trees become community property.

Ms. Dasler moved to delegate the decision regarding the Community Property Improvement Request from the homeowner of 7838 Heritage Farm Drive to the Maintenance Committee. The motion was seconded and passed unanimously.

Tree planting at Otter Cove Court

The Board discussed planting trees at the sidewalk on Otter Cove Court to prohibit vehicles from driving on the greenspace. It was noted that it would cost \$1,500 to install five or six trees in the area. The Board directed the community manager to install boulders that are available from another community.

Entryway flowers

The Board reviewed the proposal for entryway flowers. Ms. Amery suggested reducing the amount of plantings. She added that flowers can be planted at major intersections like East

Village Avenue and Cinnabar Road. Ms. Winegar agreed to follow-up with the landscape contractor to discuss changes to the proposal.

Vegetative barrier proposal

Ms. Amery proposed that the Board delay the installation of a vegetative barrier because illicit activity has decreased. She added that activity at the basketball court has improved. Ms. Amery noted that the Board can revisit the concern next summer if necessary.

Tree Replacement

It was the sense of the Board to allow the Maintenance Committee to monitor the trees in decline rather than replace them at this time due to budget constraints. Ms. Winegar noted that if it is a mild winter, the Maintenance Committee can evaluate evergreens at that point.

New Business

A. Approve 2011 Corporate Calendar and 2011 Election Calendar

Mr. Paperiello moved to approve the 2011 Corporate Calendar and 2011 Election Calendar as presented. The motion was seconded and passed unanimously.

There was discussion regarding the quorum for the election. Ms. Winegar noted that homeowners in arrears cannot vote in the election; however, the quorum is only reduced by the number of units with a lien on the property.

B. Appoint Nominating and Election Committees

Mr. Paperiello moved to appoint all Board members not presently running for the Board to the Nominating and Election Committees. The motion was seconded and passed unanimously.

C. Approve draft 2011 budget for publication

The Board reviewed the draft 2011 budget. The community manager recommended that the assessment be increased to the ceiling. She added that it is an increase of 1.56% or \$2.24 per unit.

Mr. Paperiello noted that the County does not plan to issue Roadway Reimbursement in 2011. He suggested that the roads be turned over to the County for maintenance. Mr. Paperiello

noted that there are not enough funds in the reserve account to replace the streets. Ms. Winegar noted that the Board will need to consider raising the assessment ceiling next year.

Mr. Paperiello moved to publish the draft 2011 budget as presented. The motion was seconded and passed unanimously.

D. Consider security issues

The Board considered the proposal from East Village to cooperatively hire off-duty police officers to patrol East Village and Eastgate. Mr. Paperiello noted that the Board would first need to approach homeowners for a referendum to cover the cost to hire either off-duty police officers or private security. There was discussion regarding the upcoming Neighborhood Watch training. It was noted that the police department will provide five Neighborhood Watch signs for the community to display once the training is completed. Ms. Winegar added that the community can purchase additional signs as necessary.

It was the sense of the Board to focus on the Neighborhood Watch program as incidents appear to have declined. Ms. Dasler suggested that the next Eastgate article for the *Village News* inform residents that a special assessment would be needed to cover the cost of additional patrols and to explain the referendum process. The Board directed the community manager to inform the East Village Board of Directors that Eastgate is not currently interested in pursuing the proposal.

It was noted that the Neighborhood Watch meetings are scheduled for September 27, October 4 and October 18.

Adjournment

Mr. Paperiello moved to adjourn the meeting at 8:26 p.m. The motion was seconded and passed unanimously.

There being no further business, the meeting was adjourned at 8:26 p.m. The reports, authorizations, and other documents presented at the meeting have been initialed for identification and attached hereto or filed in the offices of the Montgomery Village Foundation.

Jennifer Thornett
Recording Secretary

Approved: _____