

# MARYLAND MUTUAL NUMBER TEN, INC. BOARD OF DIRECTORS REGULAR MEETING

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Thursday, January 28, 2021 – 9:30 am

A regular meeting of the Board of Directors of Maryland Mutual Number Ten, Inc. was held via Zoom Conference on Thursday, January 28, 2021 at 9:30am.

Resolutions: #21-01- #21-03

Members Present: Peggy Salazar, President; Leroy Salazar, Vice President; Susan Ascencio, Treasurer; Dotty VanScoyoc, Director; Cathy Kyle, Director; Christine Petersen, Director, Paul Eisenhaur, Secretary.

Management: Kenia Ibanez, Mutual Assistant  
Crystal Castillo, Assistant General Manager

Visitors: Bob Namovicz and Bob Morrisson.

1. **Call to Order**- Ms. Salazar called the meeting to order at 9:30 am
2. **General Manager** – Crystal Castillo presented the January General Manager’s report.
3. **Approval of Agenda**- The agenda was approved as presented.
4. **Approval of Minutes** – The Minutes of December 17, 2020 were approved as presented.
5. **President Comments**- Ms. Salazar’s report included: (1) She reported that we have a new renter that was affected by the fire for 6 months, with a possible extension. She will move in on February 1, 2020. (2) Ms. Salazar received a complaint on a renter that was not following the rules about having multiple ornaments in the flower beds - she recently added 12 golden statues. Ms. Salazar sent a letter to the owner Ms. Burgess telling her that the renter needed to remove the statues as per the Mutual 10 Rules. The board agreed, and the renter did comply. (3) Annual Meeting will be held on Tuesday April 20, 2021 at 12:30 pm. with four people up for re-election: Ms. Salazar, Ms. Christine Petersen, Mr. Paul Eisenhaur and Ms. Dottie VanScoyoc.
6. **Treasurer’s Report**- Ms. Ascencio’s report included: (1) She reported the year-end income of \$1,280,000 and expenses of \$1,232,000 which gave an excess of \$46,000. The variance from budget is \$71,000 and the reserve balance as of 12/31/2020 is a total \$810,000. (2) There are 3 CD’s up in February. The last three left with an interest rate of 2.5% - everything else in the .8% range. We will not get the interest to support income as before, but still in good shape for 2020/2021.
  - A. **Invoices**: After discussion, upon motion duly made and seconded, the Board agreed:  
  
To approve payment of **\$234.17 to PPD Invoice #185947** for work on wall faucet and gate valve at 3402 Hallaton Ct. (Peters).

To approve payment of **\$378.06 to PPD Invoice #186206** to patch hole in the ceiling at 3303 Densmore Ct. (Namovicz).

To approve payment of **\$2,300 to USI Insurance Service LLC Invoice #3542620** to retroactively pay for Travelers Casualty and Surety Co. of America Policy No. 105494817.

To approve payment of **\$575.00 to McFall and Berry Invoice #IN208580** for tree maintenance at 3300 Densmore Ct.

To approve payment of **\$225.00 to J and M Construction Solutions LLC Invoice #1918** for repairs and re-covered front porch post at 14517 Elmham Ct (Shafer).

To approve payment of **\$100.00 to J and M Construction Solutions LLC Invoice #1906** for gutter cleaning at 14706-08 Bigby Ct. (Boesch- Bartlett).

To approve payment of **\$2,435.00 to R.V. Carey's Plumbing and Heating, Inc Invoice #SD10147** for plumbing work at 14609 Deerhurst Terrace (Boyer).

**RESOLUTION #21-01, 1/28/2021**

7. **Correspondence** –

A. ABM (Tom and Marcia Smith at 14625 Deerhurst Terrace) –

The Board discussed the ABM received from Tom and Marcia Smith who would like to update all the bathrooms and the work is being done by the Willson Group (private contractor that resides in Leisure World). After discussion, upon motion duly made and seconded, the Board agreed:

To approve the ABM for Tom and Marcia Smith at 14625 Deerhurst Terrace.

**RESOLUTION #21-02, 1/28/2021**

8. **Reports - The Board of Directors:**

A. Ms. Petersen – She reported that McFall and Berry did a quick clean up.

B. Mr. Salazar – A list of homes of roofs that will be replaced this year was sent out and 6 will be done this year. He is not sure the exact cost of the sheathing (plywood on the roof) until they get started but last year the sheathing was \$6.00 apiece. Ms. Salazar reported that there was a 10% increase on materials.

C. Ms. Kyle – No report.

D. Ms. VanScoyoc - No report

E. Mr. Eisenhaur – He reported that he added a blue background template to the external website.

9. **Unfinished Business:** None.

10. **New Business:**

Roof Replacement for 2021 – After discussion, upon motion duly made and seconded, the Board agreed:

To approve the following Roof Replacement with J and M Construction:

**3 Bedroom Cabots – “Large A-line roofs”**

Unit 172...14500/02 Kelmscot	\$12,600
Unit 173...14506/08 Kelmscot Dr.	\$12,600
Unit 178...14512/14 Elmhan Ct.	\$12,600
Unit 202...3307/09 Densmore Ct.	\$12,600
Unit 207...14612/14 Deerhurst Terr.	\$12,600
Unit 219...14712/14 Lindsey Ln.	\$12,600

***Total cost for roof replacement ..... \$75,600***

**\*Please note: Total cost does not include any rotted sheathing which needs replacing – discovered once the old roof is removed.**

**RESOLUTION #21-03, 1/28/2021**

- A. Five Year Reserve Plan – Ms. Ascencio provided the mutual board with a detailed Reserve Projection Plan based on the Mutual’s 2011 external Reserve Study. This is a ‘roadmap’ to address major repair/replacements in the mutual. The Projection Plan broke out future and past expenses into sections: roof replacement scheduling cost, reserve projection plan for 2013-2026, reserve expenditures from 2011 reserve study, and Mutual 10 supplementary information for future major repairs and replacements 2010.
- B. Sales Fee Increase from 2-3% - Ms. Salazar reported that before it was about half and half about increasing and not increasing the resale transfer fee. After receiving the strategic plan, the majority of homeowners responding did feel like an increase was warranted. If the increase would not be voted on, it could increase homeowners’ HOA fees between \$290.00-\$299.00 to meet the amount that should be in the resales fund.
  - Mr. Eisenhaur gave an overview of the soon-to-be-voted-on-by-each-mutual-board’s effort by the LW board to raise the resales fee from 2%-3%. Specifically explained what the Resales Fund is, and the reason for an increase. The George Mason Strategic Plan group found that there exists a significantly low annual contribution to the LW Replacement Reserve (approximately \$415,000 – should be \$800,000 to 1 million). Typically, the money for the contribution comes from resident condo fees. In an effort to avoid having to raise condo fees, allowing the reserve to be funded by

the Resales Fee when a sales transaction occurs, would address both the funding shortfall and control condo fee increases. In the past few years, to avoid raising condo fees when possible, required replacement of facilities has been deferred to the future. The result is lower quality facilities, increasing maintenance costs, and a more expensive eventual replacement. Deferring replacement cannot continue, according to the Strategic Plan document. Back-and-forth discussion continued and each of the board members and 2 visitors voiced their opinion. Board members also shared statements they were given by Mutual 10 homeowners. Discussion will continue in future board meetings until the LW BOD requires a vote from our M10 board members.

11. **Open Forum-**

- Mr. Namovicz asked if he could prepare a one-page summary of his position to be published in tidings as Paul Eisenhower's was. The board respected his opinion but explained that Paul Eisenhower was the chair of The Leisure World Board at the time and it was not his opinion but what the LWCC Board had discussed.

12. **Next Meeting-** Thursday, February 25, 2021 at 9:30AM.

13. **Adjournment-** There being no additional business, the meeting was adjourned at 11:11 a.m.

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Paul Eisenhour, Secretary

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Peggy Salazar, President