

**PRESERVE AT ROCK CREEK COMMUNITY ASSOCIATION, INC.**  
**ANNUAL MEETING**  
**Monday, June 12, 2017**  
**MINUTES**

The meeting was called to order by Kristine Bissell, President of the Board of Directors, at 7:20 p.m. Kathy Simonovich and Jennifer Green from the community's management company, SFMC, were present.

Homeowner Michael Rathnam objected to having the meeting chaired by the President of the Board of Directors. Kathy Simonovich explained this is the proper way to conduct the meeting and his objection would be noted in the minutes.

Kristine introduced the other Board members present, John Scheck, Vice-President, and Howard Roth, Treasurer.

Kathy Simonovich noted that quorum was achieved with 102 homeowners present in person or by proxy. Proof of Notice of Meeting was confirmed by a motion from the floor with multiple seconds and affirmed by voice vote with no dissent.

The minutes of the 2016 Annual Meeting were approved with modifications and are attached.

Inspectors of Election were selected from the members present.

It was explained that despite statements regarding staggered terms for the Board members elected at the 2016 Annual Meeting, there had been no election to authorize staggered terms as required in the By-Laws. Following discussions with legal council the Board determined that the elected Board members all have three-year terms.

However, one Board member had resigned and while it is the responsibility of the Board of Directors to appoint a replacement, since an election was expected at this meeting, the Board would appoint whoever wins the election.

Three candidates ran for the position; Tom McDowell, Francisco Mendoza, and Nobel Joseph. Francisco Mendoza received the most votes and was appointed to the Board of Directors by a resolution offered by John Scheck, seconded by Howard Roth and approved unanimously.

While the votes were being collected and counted old and new business were conducted.

A number of community reminders were presented:

- **Parking:** When parking on the street please be careful not to park on the grass and try not to park opposite of anyone's driveway. Doing so makes it very difficult for people to back out of their driveways and increases the risk of an accidental bump.

- Lawn Care: Please be aware that you are responsible for the grass around your property all the way to the street. This means you need to water and mow the grass between the sidewalks and street in addition to the grass between your house and the sidewalks.
- Street Trees: Please water the street trees in front of your property. The trees are county property but homeowners are responsible for their watering.
- Fireworks: All private fireworks are illegal in Montgomery County. Shooting them off risks citation or arrest and also disturbs your neighbors and pets. Please do not set off any fireworks in the community.
- Exterior Modifications: Please remember that all exterior modifications require approval from the Covenant Committee prior to starting any work. The Architectural Guidelines and Application are available on the community web site at [PreserveRockCreek.org](http://PreserveRockCreek.org) and click on Documents.
- Email Consent: If you have not already given permission for us to delivery HOA documents to you via email, please do so. This will save the HOA (you) the cost of printing and mailing. Please visit the HOA web site at [PreserveRockCreek.org](http://PreserveRockCreek.org) and click on Documents.

The Capital Improvements Committee report was presented:

- We have a surplus in our Reserve account, about \$145,000 versus a theoretically ideal balance of about \$70,000.
- It was suggested to use some of the surplus for a capital improvement project.
- We put together a committee to identify some potential improvements and then created a community survey to see if there was support for any of the ideas.
- The survey options were:
  - A. Brighter streetlights
  - B. Illuminate entrance monuments
  - C. Shade structure in playground
  - D. Trail benches
  - E. Re-plant traffic circles
  - F. Do not spend anything at this time
  - G. Other – which included:
    - Basketball Court
    - Build a fence along Muncaster Mill and Bowie Mill
    - Curbs throughout the community
    - Reduce or offset HOA fees
    - Shade structures at all play areas
    - Swimming Pool
    - Swing sets in the play areas
    - Tennis court
    - Trees along the trail

- There were a total of 50 responses to the survey. Of those, 4 addresses had 2 responses and 5 other responses did not provide complete addresses.
- Do Not Spend Anything at This Time edged out Shade Structure in the Playground, 4.68 to 4.64 points with Illuminate Entrance Monuments third at 4.49.
- Based on the closeness of the results and the ongoing uncertainty regarding expenses due to the community's newness, it was decided to defer a decision to next year when the committee will create a new survey and those results will be reviewed at the next annual meeting.

The Treasurer's report was presented:

- For the month of May our revenues were slightly below forecast, about \$140, as 2 homes remain to be closed. We had projected that all homes would be closed by now but that may not happen for quite a while due to the historic home site.
- For the year, revenues are about \$900 below forecast for the same reason.
- Expenses for May were about \$1,300 below budget despite some above plan expenses.
- Legal fees are running higher than planned because we had to clean up some documentation and we are still incurring fees for other one-time issues. However, the legal fees are offset a bit by a \$600 bad debt recovery that was obtained.
- Our Montgomery County CCOC fees are over budget because the County raised the CCOC fee from \$3 to \$5 per unit.
- Stanley Martin failed to register or pay the CCOC fees when they ran the HOA and we incurred a back payment of about \$1,100 to correct that. Stanley Martin said that was an HOA fee and the current homeowners should be responsible for it. However, as a goodwill gesture, Stanley Martin is sending us a check for \$1,100 to cover the cost.
- For the month of May, we have a surplus of about \$1,200 and for the year the surplus is about \$500.
- We have had no maintenance expense so far this year and that has contributed to our surplus situation.

A motion was made from the floor to appoint a By-Laws Committee consisting of up to seven Members to review the existing By-Laws and make recommendations for modifications and/or amendments to be voted on by the owners at a special meeting. A legal review would be conducted after the changes were voted on. The motion was seconded and voted upon and did not pass.

A second motion was made from the floor that the new By-Laws Committee would be formed of up to seven people to review the By-Laws. The committee would present any changes to the community at a meeting in 90 days. The committee would then confer with a lawyer before asking for a community vote. The second meeting, where a vote would be held, would be held 90 days after the first meeting for a vote on any proposed changes by the community. This motion was seconded and voted upon and was passed.

A motion was made from the floor to adjourn the meeting. The motion was seconded and a voice vote affirmed adjourning the meeting at 9:18 p.m.

DRAFT

**PRESERVE AT ROCK CREEK COMMUNITY ASSOCIATION, INC.**  
**ANNUAL MEETING**  
**Thursday, April 13, 2016**  
**MINUTES**

The meeting was called to order by Kathy Simonovich of SFMC, Inc. at 7:32 p.m. Stanley Martin Homes was represented by Carly Schrader.

It was noted that quorum was achieved with 81 lots present in person or by proxy. Proof of Notice of Meeting was confirmed by the membership.

Management reviewed the purpose the meeting is to transition the community to owner control, select the number of directors, elect directors of the Board and solicit volunteers to serve on committees. Also, to update the membership on the status of contracts and financial condition of the HOA.

- Greenskeeper Landscaping and Lawn Management, Inc. continued to perform landscape services. The Developer is still maintaining Phase 2.
- Mohn/Allen was selected to perform the audit and tax returns through 2016.
- Rees Broome, PC is representing the Association on any legal matters.
- SFMC, Inc. provides management services to the community.
- Allied Waste/Republic Services provides trash removal 2 days per week.
- Audited financial statements are available to the membership upon request to management.
- As of May 31, 2015, the Association has \$129,000 in investments allocated to reserves. There were no homeowner receivables.

Carly Schrader answered questions regarding the development of the community. Below is a list of comments and concerns brought forth by the membership:

- Bond release work is underway in Phase 1, but will not be complete until October or November.
- The storm water management ponds are currently being restored to county mandated operations.
- The asphalt roads will be final topped once all repairs have been completed and this is anticipated to take place in October for Phase 1
- The main tot lot on in Phase 1B is scheduled to be completed by the end of the summer.
- The hiker/biker trails materials were revised due to the Parks and Planning not wanting to maintain the more expensive material originally proposed. Trail will be completed in October.
- Street lights are leaning and need repaired. Street lights are bond items.

- Any complaints regarding the common area conditions should be reported to Management (i.e. uneven sidewalks, light poles leaning, etc.).
- Drainage issues inside (mulch) and outside (grass)
- Dead street trees will be replaced in the fall with one year warranty.
- Speeding is a concern of the homeowners which can be addressed with the County, once the owner Board takes over.
- Grass was killed by construction workers along Washington Gas Easement.

Kathy Simonovich explained to the community they were provided with two ballots. The first of those ballots was to select the number of Board members. Members had the option to select any odd number between 3 and 9. 55 lots of the 81 represented selected a five-member Board.

Ten candidates ran for the Board. The following members were selected to serve by the membership and it was stated that the elected individuals would serve the indicated terms:

Kristine Bissell	2 year term
Jeff Chen	3 year term
Elizabeth Corrente	1 year term
Howard Roth	3 year term
John Scheck	2 year term

However there was no election by the Members authorizing staggered terms as required in the By-Laws so the terms to which they were elected are each 3 years.

There being no further business, the meeting adjourned at 8:45 p.m.