

## MARYLAND MUTUAL NO. TEN

# The Kelmscot Village Tidings

February 2014

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## Important Phone Numbers

- LW Administration:  
(301) 598-1000
- LW Security:  
(301) 598-1355
- Main Gate:  
(301) 598-1044
- Comcast:  
(301) 920-9951

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FROM THE PRESIDENT  
By: Michael Showalter  
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## President's Message:

**Cold Spell:** January was a cold month but February has been brutal. This is the first hard winter we have had since 2010 when we had record snowfalls. We have had sub-freezing temperatures for about half the month. Hopefully this does not result in pipe breakage and flooding. If this cold spell keeps up we expect a substantial increase in our electricity usage; hopefully subsequent months will balance out this month's power bill.

Unfortunately, after the recent large snowfall we had to complain to the Chair of the Board of Directors, Barbara Cronin, about our displeasure with the performance of the snow removal contractor, McFall & Berry. As a result Ms. Cronin notified Kevin Flannery, our LW General Manager, that our paths and walkways had not been cleared by the Monday after the snowfall. As a result, Kevin Flannery met with the contractor on Tuesday and by that afternoon all walkways and front entranceways were cleared.

**Rules and Regulations Review:** The board has decided to make an in-depth review of its Rules and Regulations. For this purpose a sub-committee has

been formed consisting of Bob Namovicz, Janet Martin, John McMahon and me. One topic that will be reviewed is our pet policy and will involve reviewing the policies of other mutuals to see if any of their rules might be appropriate to our own policy. If a change is made, those residents that already have pets would be "grandfathered" in and therefore would be unaffected by any changes for the life of the pet(s).

Based on a survey by Tim Coursen, our LW Assistant General Manager for Community Management, we have learned that all other mutuals require a registration of pets. Since we have no such requirement we will be reviewing our current pet policy. In addition we will be reviewing all of our rules and regulations. Each of you will have the opportunity to comment on any proposed changes before they are put into effect.

**Annual Meeting:** Our Annual Meeting is scheduled for April 10, 2014 in the Activities Room of Clubhouse II. In order to conduct this meeting we need the votes of at least 51%.





We have two positions that need to be voted on which are currently represented by Janet Martin, our Treasurer, and John McMahon, a Board member. You have two ways of voting. One way is to show up for the meeting and vote in person. The other is to fill out a proxy vote which can be submitted prior to the meeting. Even if you plan to attend the meeting we encourage you to submit your proxy prior to the meeting. This may be given to our Administrative Assistant or any board member. To entice you to attend the meeting we are providing a light lunch.

**Electric Cars:** The Energy Advisory Committee (EAC) is reviewing the policy concerning all electric cars. In the meantime, it is the decision of each mutual as to how such cars will be assessed for their electricity usage. The Department of Energy estimates that for each 15,000 miles per year the electricity costs would be \$50 per month. Because the entire mutual is covering the electricity cost of such cars we are considering what monthly fee would be appropriate for any electric car. It is likely if you have such a car you will be charged \$35-\$50 per month which would be payable to the mutual. In addition, if you have put an outlet onto the front of your garage you have done so without providing an Application for Building Modification which must have been approved by the Physical Properties Division and the M-10 board of directors.



## What to know about reverse mortgage Article!

- ◆ **The Issue:** Can a reverse mortgage payment be garnished to pay a court ordered judgment?

**R**oy B. Ewing, a New Jersey pensioner in his early 80s, drove his car into the wrong lane of traffic and hit Charles Cameron, who was riding a bicycle. Cameron, in his 60s, suffered severe injuries, including brain trauma. He returned to the prep school where he taught, but his injuries forced him to take early retirement. Ewing did not have auto insurance. In 2009, he agreed to a judgment of \$400,000 and said he would make monthly payments to Cameron. Two months before settling the case, Ewing had obtained a

reverse mortgage, Wells Fargo Bank took out a \$360,000 mortgage on his Lambertville, N.J., home and agreed to pay him \$959.01 per month for life. His only other income came from Social Security and a modest public employee pension.

Under the mortgage rules, Ewing agreed to live in the house and maintain it. He did not have to repay the money. The bank could recover its money only by selling the house. He had not yet made any payments to Cameron. Then Cameron and his wife, Christine, discovered Ewing's reverse mortgage and demanded the payments from Wells Fargo or Ewing himself. Both Wells Fargo and Ewing refused to send any money. They argued that the payments under the reverse mortgage were a loan from Wells Fargo-not income-and the Cameron's had no claim to it. The Cameron's sued, arguing that, under New Jersey law, the payments freed up Ewing's home equity and could be garnished. If not for the reverse mortgage, the Cameron's could have taken Ewing's house to satisfy the judgment. The New Jersey Superior Court disagreed, saying that the bank payments were a loan to Ewing. The Cameron's appealed. The Appellate Division of the Superior Court said that, like earned income, "installment obligations" are fair game for debt recovery. The court also noted that the New Jersey Supreme Court had defined debt as money "which one person is bound to pay to another under any form of obligation." The court held that the payments from the bank were debt owed to Ewing. The court also noted that federal law defines a reverse mortgage as "future payments to the homeowner based on accumulated equity." New Jersey state law calls payments under a reverse mortgage "income," and the court recognized that these payments are a way for older people to supplement their income while staying in their homes. Despite Wells Fargo's argument, the court found that a reverse mortgage is "unique" and can be distinguished from a typical loan because Ewing is not liable for repayment. Assuming he does not breach any reverse mortgage provision or move, Ewing's obligation to repay Wells Fargo is satisfied when the bank takes ownership of the house after his death. Finally, the court said that the law favors fiving creditors like the Cameron's assistance enforcing their claims, especially where a debtor has the means to pay but is trying to evade that obligation. For these reasons, the court ruled in favor of the Cameron's receiving all or a portion of the payments. The Cameron's have brought the case back to the trial court, arguing that the reverse mortgage should be invalidated due to fraud. If they succeed, Ewing's house be sold to pay more of his debt.





**Landscape**  
By Dora Pugliese  
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This winter has been very stressful for all the residents of Leisure World. McFall and Berry had a hard time trying to remove the heavy snow. Some of our residents were under the impression that McFall would clean their patio but it is not in their contract.

They will leave a path from the driveway to your gate but not the patio itself. My suggestion is that when you hear about a storm coming in, open your gate and anchor it with a brick or big stone. If you want your patio cleared, we have a list of snow shovelers in the Tidings and I have their names if want to call one of them. If you have a health or fire emergency call 911.

For other urgent reasons call the front gate at 301-598-1044 and they will arrange for a cleaning crew to clear a path for you.

One lady had a concern about what to do if a fire started in the kitchen since her garage was converted into a family room. She felt that she could not go out her patio entrance because of the snow. I suggested that after she calls the main gate to go out the front door in her living room. There is an overhang there and usually you won't have to wait more than 5 minutes before security arrives. Please call only if it is a true emergency, not because you just want your patio shoveled.

The second phase installation of vinyl siding should start by April.

Please remember not to nail anything to the siding. Please be aware that you need an ABM form for any work done on the outside of your house. This includes the fences which are Mutual property. Nothing heavy may be hung on or tied to them. No padlocks may be installed on the latches of the gates because workers have to be able to go into the patio. No modifications may be made without an ABM form which has to be approved by the board before any work can be done. **New Handyman - Bruce**  
(301) 318-6424



**Website**

By Paul Eisenhaur  
301-460-5588  
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**New Robo-Call System Reminders:**

- All robo-calls sent to residents by LW or mutual 10 are for the benefit of those living here; opting out may prevent you from learning of pertinent information and is not wise.
- The robo-call system can take up to six phone #'s for one residence. Phone numbers can be added or changed. To make any change, contact Paul Eisenhaur.







## Treasurer's Report

By Janet Martin

240) 669-8954

Our finances through January, 2014 are as follows:

Income	\$ 75,881
Expenses	\$ 98,293
Deficit	\$ (22,412)
Variance under budget	\$ 6,726
Reserve Balance 1/31/14	\$ 912,945

The cold, cold weather had an impact on our finances in January, as well as our dispositions.

Electricity costs for the month were \$6,709 more than budgeted.

While this puts us in a greater deficit position than we planned, I expect we'll make that up during the year.

Our annual financial audit, done by an independent firm, is underway. The results will be reported to you upon completion.

As always, please feel free to call me at any time if you have a question about our finances.



### Make our Community a Better Place by Participating

Participation is one of the best ways to make a difference. Leisure World of Maryland (LWM) offers many opportunities for participation. Mutual 10 residents can do more, and they can have a positive impact on all of our lives.

Did you know that there are nearly 20 Advisory Committees that can directly influence our lives here? Did you know that Mutual 10 is represented on only 12 of these Committees? Did you know that only nine M-10 residents serve on these 12 LWM Advisory Committees?

Mutual 10 is not currently represented on Audit, Tennis, Health, Insurance, Leisure World News, Energy, or Government Affairs advisory committees. Maybe you should consider joining one of these! Advisory Committees usually meet just once a month. A few form subcommittees that work between meetings, but most don't. These

### Secretary's View

By Bob Namovicz

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committees consider policies and practices here, and make recommendations to the Board of Directors, which can consider and act on the received advice. All meetings are posted in Club House I, and all are listed in Leisure World News. Information about them is available on the LWM website ([www.LWMC.Com](http://www.LWMC.Com)).

If you are interested, send a statement of your interest, along with a brief background statement, to our Board President, Mike Showalter. (See address on front page.)

Closer to home, Mutual 10 is managed (governed) by a seven-member Board of Directors. Members are elected by residents for "staggered" three year terms. Therefore, 2 members are elected each year. We will be electing two Board Members once more at our Annual Meeting on April 10. You can offer to stand for election by submitting a brief statement to our Administrative Assistant, Jessica Bernal, by February 28. Have you considered taking a more active role in the governance and management of our wonderful community? **Think about it!**

## BEWARE THE "GRANDFATHER SCAM!"

By Bob Namovicz, Secretary, Mutual 10



**M**y older brother and I keep in touch regularly by phone, but only occasionally by e-mail; so receiving a lengthy e-mail from him was a surprise. The contents surprised me even more. "Yesterday morning," it began, "I received a phone call from a voice I instantly recognized as [my youngest grandson] saying "'Hi Grampa.'"

This was the start of an unusually lengthy note, relating how my brother became a victim of the "Grandfather Scam." The e-mail related how he became convinced that his beloved grandson, now at a Minnesota college, had become an innocent victim of arrest, and how he needed my brother, his loving "Grampa," to immediately wire \$2,000 in order to have him released from police custody. The grandson assured that he was a victim of circumstances, and that the arresting officer could be called to provide directions on how the money orders could be forwarded to assure the required bond for release.

My brother dutifully called the given number, and obtained the required money orders.

He lovingly and dutifully respected his grandson's request not to call his parents, so as "not to disturb them."

Later, the presumed "arresting officer" called to confirm receipt of the \$2000; and then related that \$5,000 more was required to "pay the fine," which the loving Grampa, my brother, dutifully did.

It was only at this point that the thoughts of being "scammed" began to occur.

At what point would you have begun to have these accurate and troubling thoughts?

It is to help you to form the recognition of being scammed that I write this article.

Don't wait until nearly \$10,000 has left your bank account, never again to be recovered. Stay alert. Resist the impulse to let love rule the day, when YOUR "Grandchild" makes an unreasonable request, "without troubling my parents."

In other words, don't be taken in by the all-too-common Grandfather Scam! It happened to my brother; don't let it happen to you!

