

**SIGNAL HILL HOMES ASSOCIATION  
2015 ANNUAL MEETING OF MEMBERS - CONTINUANCE**

Braddock District Meeting Hall  
January 7, 2016  
7:30 pm

Kevin Martin	-	President	Pete Seigman	-	VP
Linda Wirth		Secretary	Ed Rahme	-	At-Large
David Masterman		Treasurer	Ray Antosh	-	BDR
Ben Colbert	-	Metropolis CMI Representative			

**I. CALL TO ORDER**

- A. Welcome – Kevin Martin called the meeting to order at 7:32
- B. Introduction of Board of Directors -Each Board member introduced themselves.
- C. Disclosure of proxies – 162 proxies allowed:

Kevin Martin	68
Linda Wirth	40
Ed Rahme	32
Pete Seigman	12
David Masterman	8
Ray Antosh	2

2 proxies were incorrectly filled out (they checked more than one person – They were not counted.

Ray Antosh questioned the validity of some of the proxies, because of the incorrect date (from 2014) in the initial mailing. Kevin stated that he had spoken to SHHA's lawyers and, after reviewing the proxies, they advised that the proxies were valid as long as they were signed and dated by the homeowners. Subsequent distributions of the proxies were corrected; homeowners were notified via e-mail and web site posting of the error, and that signed and dated proxies containing the date error would be used unless revoked in writing.

**II. APPROVAL OF MINUTES (from 2014 Annual Meeting)**

- a. The Minutes of the 2014 Annual Meeting were unanimously approved.

**III. ELECTIONS**

BOD Status:

Kevin's term expires this year. Kevin has expressed interest in re-election

David's term expires this year. David has expressed interest in re-election

Pete, Linda, and Ed do not have terms expiring this year

Call for other nominations / candidates

Nomination Committee Chair (Ray Antosh) – No other candidates were nominated.  
From the floor – No candidates were nominated.

Vote (secret ballot) – Ray passed out the ballots, and the homeowners present voted via secret ballot.

Results from the voting 174 for Kevin and 175 for David and 1 for Pete.

***Kevin and David were re-elected to the Board for new three year terms.***

#### IV. REVIEW BUDGET FORECAST FOR 2016 – TREASURER, David Masterman

##### *Treasurer's Report*

David explained the reasons for asking for a \$30 annual dues increase that works out to an extra \$2.5 a month per home. This will preclude the necessity of dipping into the funds in SHHA's bank accounts or cashing in a CD in case of a disaster. Also, two budget categories increased in the proposed 2016 budget, legal fees and grounds (which includes tree removal). In 2015 legal fees were \$12,844.00 and Grounds was \$37,544.00. The proposed amount in the Grounds category was increased by \$20,000.00 for 2016.

David further explained that while currently the Board Members perform many duties that would normally be handled by a full service Management contract – a significant cost savings. However, if it became necessary to hire a management company for all the work now done by the Board Members, the Management fees would likely double. When the Board searched for a management company several years ago the proposed quotes were \$20,000+ a year. So this is another reason to build up SHHA's finances. Kevin explained that our limited contract with Metropolis is only \$8,200.00 a year. Either side could terminate this contract with proper notice.

Ray Antosh questioned the \$9,800.00 line item spent for self-correction. Kevin explained that this money was paid to bring into compliance two properties where the homeowners refused to do the work themselves. The Fairfax County Courts ruled in SHHA's favor in both cases and the monies will be recorded as liens against the properties. These must be shown in the 2015 actuals as an expense. Ray asked for the addresses of the properties. Kevin told Ray that SHHA's lawyers advised that individual homeowners were not entitled to the information he requested concerning delinquent homeowners' accounts.

A homeowner questioned the necessity and efficiency of going to court to obtain compliance. Kevin explained that because of VA law, SHHA can't levy fines. Court injunction is the only legal avenue to gain compliance if homeowners are non-responsive or non-cooperative. Both Linda and Kevin explained that this approach had been extremely successful

David answered a question about liens. Outstanding liens don't show up in the budget but are entered on the balance sheet.

Ray question the rise in insurance costs as it was more than was paid in 2015 for added insurance. David answered that the cost in the budget was a projected cost as SHHA did not have the figure for the 2016 cost of the added insurance when the budget was drawn up.

Another homeowner requested that the meeting continue with the agenda, and return to the budget later or off-line with specific homeowners if needed. It was agreed to do so.

David made a motion to approve a \$30 dues increase. Kevin seconded the motion.

Vote was: 174 votes for the increase, 11 against.

***2016 SHHA Annual dues will be \$140 per home.***

David made a motion to approve the 2016 proposed budget. Kevin seconded the motion.

***Vote unanimously approved the 2016 budget.***

## V. RECAP OF 2014

Kevin summarized significant activities and accomplishments of the Board for 2015:

Continued to use attorneys vs. fines (as mandated by VA Law) for Covenant enforcement

- Has been successful in gaining compliance in most cases
- In other cases, has granted injunctions for SHHA to "self-correct" This issue had already been discussed

SHHA Board of Directors continues to perform pre-sale inspections and create / provide resale documents

- Resulted ~\$5500 in additional 2015 revenue. A total of 18 packet were prepared.

Worked with homeowners to resolve 171 Restrictive Covenant violations in 2015

- Board of Directors performs all inspections
- Currently 49 violations identified / working to resolve
- Long term violations turned over to legal counsel for review and additional enforcement actions
  - o Very successful; all court cases resulted in award of legal fees and injunctive letter

Reviewed 48 homeowner applications for architectural changes

Currently 39 homeowners owe for 1 or more years' dues

- All have been sent to attorney for collections
- Collection costs / attorney fees will be added to the accounts

Completed cleaning, repainting, replanting of all entrance signs.

Completed work on SHHA Rolling Road / Lake Braddock Entrance

- Verizon removed / repaired abandoned equipment
- Tree trimming / removal of dangerous, large leaning tree
- Plantings and landscaping (cost was about \$5,000.00)
- Replacement lights

Continued to work with Fairfax County on restoration of stream beds running through SHHA Common Areas

- Project is approved, but not fully funded by Fairfax County
- Will restore aesthetics, and reduce erosion
- Ed reported that SHHA's project is the top priority in the Braddock District. Funds for the study are approved; waiting for approval for the work which is projected to cost over 2 million dollars.

Addressed numerous downed trees in the Common Areas and onto owner lots

A homeowner asked for explanation of the resale packets and associated inspection. Kevin explained that per VA law, potential buyers of properties in an HOA must be provided with resale documents for review and approval. The documents are mandated to contain several pieces of information, including Restrictive Covenants, Budgets, etc. They also contain a report of any outstanding Restrictive Covenant violations that must be resolved prior to closing, or accepted for resolution within 30 days of closing by the new owners. On VA, potential buyers may cancel purchase contracts if they disagree with the resale packet or anything contained therein.

## VI. Looking ahead:

Kevin stated that the community is privileged to have dedicated and active BOD members, and that each of them is a pleasure to work with and devotes a significant amount of time and effort to their positions. He reminded everyone that the Board positions are volunteers.

The SHHA board will:

Work with homeowners and legal team to resolve existing / long standing violations

Continue to emphasize resolution of ARC violations and approval of homeowner improvements

- Single biggest impact to maintaining property values

Follow collections procedures used in 2014 and 2015

- Very effective
- Involve legal team on multi-year delinquencies to protect the association's interests

Continue to look for ways to improve communications and response time with homeowners

Foster more open / frequent interaction with homeowners

- E-mail, Facebook, NextDoor, etc.

## VII. Other

- A. Ed Rahme addressed the meeting, stating that he wanted to publicly disclose an issue that he is involved in with another homeowner:

Another homeowner had written him an eleven-page letter unjustly accusing him of multiple wrongs which were totally without validity. He gave an example that the report accused him of violating Fair Housing Law. Since Ed neither sells nor rents housing this accusation is totally groundless. Ed asked the homeowners to feel free to approach him directly if they hear any rumors about this matter.

Kevin added that the Board's was aware of the matter and asked that the following commentary be recorded in the minutes, on behalf of the BOD:

"Mr. Rahme has made us aware of an on-going dispute between he and a neighbor. At this time there are several allegations - which Mr. Rahme disputes - and regarding which the Board is not in a position to assess legal ramifications. To the Board's knowledge, there has been no legal action nor conviction of any wrong-doing on Mr. Rahme's part. Mr. Rahme has been an outstanding servant to the community through the Board of Directors. At this time, there is not sufficient evidence or reason for the Board to involve itself in this matter."

### B. Bonus for The Outdoor Man

Linda made a motion to award a \$200.00 bonus to The Outdoor Man for 2015. She gave several examples of his exemplary service. Ray Antosh then proposed making the bonus \$300.00. Linda withdrew her motion and re-motoned for a \$300.00 bonus as Ray suggested. David seconded this motion.

**Vote unanimously approved \$300 bonus.**

**VIII. COMMITTEE CHAIRS AND OPENINGS**

ACC	Jack Hanley
Welcoming	Ashley Brid
Grounds	<i>vacant</i>
Webmaster	Kevin Martin
Yahoo Group	Pete Seigman
Neighborhood Watch	<i>vacant</i>
Braddock District Rep.	Ray Antosh

**IX. OPEN FORUM FOR HOMEOWNERS**

- A. A homeowner asked for background information about Policy Resolution # 4. Kevin gave the history and the reasoning behind it. This led to a discussion between the Board and a few of the homeowners on this topic. The Board's interpretation of whether or wire or mesh is forbidden by the Restrictive Covenants was questioned. One homeowner asked why the lawyers' advice on this issue was not sought. Kevin replied that the Board has been consistently following their interpretation for some time and had followed it for many instances of homeowner requests, violations, and resale reports. It would not be fair to now change an interpretation that had been established and used in many instances. Furthermore, for the record, the Board stands by the interpretation that wire fencing violated the Restrictive Covenant stating that fences shall be made of wood.

Since the meeting became focused on the dialogue on this issue between the Board and a few homeowners it was decided to adjourn the meeting and continue the individual discussions afterwards as required. Kevin expressed his willingness to stay and answer questions / address concerns of the homeowners outside the context of the Annual Meeting. The homeowners agreed that this was acceptable.

**X. DATES FOR UPCOMING MEETINGS:**

2016 Meeting Dates

7	January
11	February
17	March
14	April
12	May
16	June
14	July
18	August
8	September
13	October
10	November
8	December (Annual meeting of Members)

**XI. ADJOURNMENT** – The Annual Meeting of Members was adjourned at 9:05.