

SIGNAL HILL HOMES ASSOCIATION

DRAFT - 2016 Annual Meeting of Members (minutes remain DRAFT until approved at 2017 annual meeting)

Braddock District Meeting Hall
December 8th, 2016
7:30 pm

Homeowners in attendance:

Austin, Carpenter, Rizkalla, Antosh, Rahme, White, Smith, Karr, Masterman, Morra, Brid, Naidamast, Newmark, Seigman, Martin, Kriz, Torres, Mermagen, Sarmiento, Sofinowski, Ford, VanNuys, Javaid, Barker, Mountjoy, Lombardi, Jarett, Crittenden, Fleming, Pedersen, Johnson, Sebastianelli, Wirth,

I. **Call to Order** Kevin called the meeting to order at 7:32

A. **Welcome** – Kevin welcomed all the homeowners and asked the Board members to introduce themselves

Kevin also stated that “In the interest of time, and to ensure that all agenda topics are covered, during Sections I through VI, the Board will entertain brief questions / discussions, but we ask that lengthy discussions or questions be tabled until Section VII – Open Forum for Homeowners. Items that are specific to an individual homeowner / unit will be tabled until after other homeowners’ complete discussions of community wide matters.”

B. **Board of Directors Intro** - Each of the Board members introduced themselves and stated their position and service history with the SHHA Board of Directors:

Ed Rahme	-	At-Large
David Masterman	-	Treasurer
Kevin Martin	-	President
Linda Wirth	-	Secretary
Pete Seigman	-	VP

Ed Rahme indicated that while he is up for re-election, and willing to serve, he would prefer if homeowners voted for another candidate - as personal matters have left him without adequate time to perform the Board functions.

C. **Committee Chairs Intro** – Kevin introduced Committee Chairs:

Ray Antosh	-	Braddock District Representative
Ashley Brid	-	Welcoming
Kevin Martin (himself)	-	Webmaster
Pete Seigman	-	Yahoo Group

The Grounds, ACC, and Neighborhood Watch Committees are vacant.

- Two homeowners indicated that they would like to support the Architectural Committee
- Kevin asked them to stay after the meeting adjourned so that he could get their contact information, and discuss how they might best assist.

Frank Kyle (owner, The Outdoor Man) was not present. SHHA contracts with his company for all grounds work and maintenance.

D. **Metropolis Representative** - Ben Colbert, Metropolis representative, also introduced himself.

- E. Disclosure of Proxies – As the proxy count was not completed at this point in the meeting, the Approval of the 2016 Meeting Minutes and the 2017 Budget were tabled. After the budget discussion, the proxy count was established. The total count, including members present and proxies, was 152. Since 125 is the required number for a quorum the minutes, the budget, and new Board members could be voted on.

Kevin Martin	<u>47</u>
Linda Wirth	<u>25</u>
Ed Rahme	<u>19</u>
Pete Seigman	<u>10</u>
David Masterman	<u>6</u>
Ray Antosh	<u>4</u>
Alec Barker	<u>3</u>
Ashley Brid	<u>2</u>
Walter Knowles	<u>1</u>
Richard Ford	<u>1</u>
Total:	118 Proxies

II. Approval of 2015 Annual Meeting Minutes

- A. After a quorum was established the 2015 annual meeting minutes were voted on and approved with 151 “yea” votes, and one abstention.

III. Treasurer’s Report, Budget Review, and Approval – David Masterman gave his report.

- A. At present SHHA funds are in good shape so there is no need to raise the 2017 dues. There is approximately \$35,000.00 in the operating account and SHHA has 4 laddered CDs, 3 have a little more than \$12,000.00 and the 4th has \$8,800.00. In answer to a question David said the CDs are SHHA’s contingency fund.
- B. SHHA also has about \$1001.00 in liquid funds.
- C. In answer to another question David explained why the budget figures for 2015 & 2016 handout were not exact – they are an estimate of unknown future expenses based on historical expenditures. Whatever is not spent each year remains in operating accounts, or is moved to contingency accounts.
- D. In answer to a question about reimbursement for legal fees, David explained that these are fees accrued by homeowners against whom SHHA has won a judgement or pursued debt collection. SHHA pays the legal fees upfront but is reimbursed when the lawyers collect the judgement or debt monies.
- E. Another question was what the management company does for what SHHA pays them. Ben answered that Metropolis writes all memos, does the books, processes checks, answers phones, and handles correspondence and postage. This led to a complaint by Mrs. Fleming that responses to her phone calls were grossly inadequate. Ben wrote down her name and will consider this issue.
- F. Ray Antosh handed in an email to be added to the minutes It is printed below.

- G. Another homeowner questioned the \$20,000 budgeted for tree removal. David explained that the money expended in this category varies greatly from year to year so it is better to overestimate than to be short. Any money in any budget category that is not spent in the calendar remains in operating accounts, or is moved to contingency accounts.
- H. Another homeowner asked what contingency funds are used for. Kevin gave an example of an unexpected but necessary expense that could not be foreseen. This summer Verizon replaced a box by SHHA's entrance sign at Lake Braddock and Rolling Road. They left the old box there, halfway tipped over. Also, there was a large pine tree dangerously leaning over the sign and the plantings needed replacing. After action from homeowners and SHHA got Verizon to remove the old box, the tree was cut down and new plantings were added. This sign and the other two ones at SHHA entrances were power washed, which really enhanced their appearance. A major landscape design project was also implemented at that entrance to revive the plantings. Ed gave an example from previous years when \$10,000.00 was needed to rip-rock the stream bed in the Commons.
- I. In answer to another question Kevin explained that SHHA's largest expenses are for mowing and for tree removal.
- J. After the proxy count showed a quorum was reached the budget was voted on. Kevin motioned that the 2017 Budget be approved as submitted. Alex Smith seconded the motion. It passed with 148 "yea" votes, two "nay" votes and two abstentions.

IV. Election of Directors

- A. After a quorum was established Kevin explained the 2017 election process. Board Members' terms do not run concurrently. This year Linda Wirth and Ed Rahme are up for re-election.
- B. Ray Antosh brought up the question of location of the homes of Board members. Kevin read out the section of the Articles requiring the Board to have a member from each community area. Currently 4 of the 5 Board Members are from the Oaks. This is because no one from the other communities have volunteered to serve of the Board.
- C. **Call for other nominations / candidates:** As no one volunteered to be on the Nominating Committee a community-wide announcement asking for candidates was publicized two additional candidates were identified:

On-Line Submissions: Kent Ford of 9122 Lake Braddock Dr.

From the floor: Don Pedersen of 9113 Parliament. Dr.

Each candidate gave a brief bio from the floor and then voting was done by secret ballot. While the ballots were being gathered and counted, the meeting continued.

- D. After counting the voting results were:

Linda Wirth	99
Richard Ford	97
Ed Rahme	50
Don Pedersen	45

Therefore, Linda Wirth and Richard Ford will be Board Members for 3 year terms, beginning with January 2017.

David personally thanked Ed for all his years of work and efforts for SHHA. He has been a great asset for SHHA.

V. **Recap of 2016** - A review significant actions / accomplishments of the Board for 2016:

Received and addressed over 950 e-mails regarding homeowner / community matters

Reviewed 63 homeowner applications for architectural changes

- Average adjudication time of 17 days

Extremely successful in collecting dues. Of 493 homeowners:

- 6 homeowners owe 2016 dues (\$140)
- 2 homeowners owe partial 2016 dues
- 10 other homeowners owe multiple years of dues, or other assessments, and are with collections
 - o Collection costs / attorney fees are added to the accounts

Continued to perform pre-sale inspections and create / provide resale documents

- Thorough resale inspections, documenting all existing Covenant violations are a VA legal requirement
- 16 Packets resulted in ~\$4500 of additional 2016 revenue for SHHA
- This revenue stream helps delay or prevent dues increases

Located responsible entity for an abandoned and blighted property

- Working with responsible entity to restore the home

Worked with homeowners to resolve 195 (was 171) Restrictive Covenant violations in 2015

78	in 60 days or less
54	in 61 – 120 days
22	in 121 – 180 days
33	in 181 – 365 days
8	>365 days

- Board of Directors performs all inspections
- Currently 42 (was 49) open violations identified / working to resolve
- Long term violations are turned over to legal counsel for review and additional enforcement actions
 - o Last resort; only after 3 notices of violation and a personal hearing opportunity with the Board
 - o Virginia Law prohibits fines / assessments, so legal counsel is the only recourse for non-responsive or un-cooperative homeowners.
 - o Attorney Demand Letter Has been successful in gaining compliance in most cases
 - o In all other cases, Fairfax County has granted injunctions for homeowner or SHHA to “self-correct”

Enacted Policy Resolution Number 5 – Continuity of Policy and Interpretation

- To ensure that rules and policies of the Association and the interpretation, implementation, and enforcement of said rules and policies remains stable and consistent over time and across instances of the Board of Directors

Worked with the management company to secure an auditor for backlog of annual audits

- Auditor is making observable progress, and working with management company and the Board to acquire all needed documents to complete audits

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

- Project is approved, but not fully funded by Fairfax County
- Will restore aesthetics, and reduce erosion

Maintained all entrance signs and landscaping

- Tree trimming / removal of dangerous, large leaning trees
- Seasonal plantings and landscaping
- Lighting maintenance

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

Kevin's recap included mentioning the thoroughness and importance of the home inspection before issuing a resale document. Any violation not noted during this inspection may be grandfathered and not subject to further violation actions.

Kevin also gave an overview of the regular inspection process and the correspondence involved. During and after the recap there were discussions on various points raised by the homeowners.

One homeowner asked if there was a cost analysis done for sending violation notices and suggested the Board member just knock on the door of the house and talk to the homeowner. The board responded that this is not practical from a time perspective, and some homeowners would not welcome their presence. Another homeowner pointed out that the Board Members were volunteers and already spending a lot of their free time on SHHA matters and asking them to spend more was not right.

In response to another question Kevin said that any repair expenditure costing over \$500 are reviewed by more than one Board Member before a citation is issued.

Kevin also restated the CCR rules for architectural changes.

Another homeowner said that 5 people should not be able to decide what colors a house should be painted. She asked for a show of hands of homeowners that agreed with her. No one raised a hand.

Ed Naidamast gave an extremely cogent and logical defense of the CCRs and the need for a Board to enforce them. He thanked the Board for their service in an often-thankless role.

VI. Looking ahead – 2017 Commitments

The community is privileged to have dedicated and active BOD members. Kevin personally thanked the other Board members for all their work.

The Board is committed to:

Work with homeowners to review and approve Architectural Requests in a timely manner

Work with homeowners to correct identified violations of SHAH Restrictive Covenants

- Single biggest impacts to maintaining property values

Ensure dues collection

- Current procedures are very effective
- Involve legal team on multi-year delinquencies to protect the association's interests

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

- To the greatest extent possible, secure and protect judgements for legal fees incurred

Foster more open / frequent interaction with homeowners

- E-mail, Facebook, NextDoor, Yahoo Group, etc. – One homeowner pointed out that homeowners with Security Clearances cannot be on Facebook.

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

VII. Open Forum for Homeowners

- A. Kevin opened the floor to questions but no one raised any further issues/questions.

VIII. Dates for Upcoming Meetings – Kevin read the dates for the 2017 meetings.

2017 Meeting Dates (proposed)

12	January
09	February
09	March
13	April
11	May
14	June
13	July
10	August
14	September
12	October
09	November
07	December (2017 Annual Meeting of Members)

IX. Adjournment

Kevin thanked everyone for attending, and for their support to the community!

- Homeowner participation and suggestions for improvement are always welcome.

Kevin mad a motion to adjourn. David Masterman seconded.

- The motion carried unanimously at 9:13.

Biography from Kent Ford:

Kent Ford grew up in Colorado, and then got a commission in the Navy after graduating from the Citadel in Charleston, SC. Kent served in submarines, and commanded the USS Springfield.

Kent and his wife Karen have lived at 9122 Lake Braddock Dr. since 1996, except for a short tour in Belgium with the Navy from 2000 to 2002. Their three sons have grown up in the neighborhood, all graduated from Lake Braddock Secondary School. One is now married and living in Burke, the other two are still in college.

Kent says that he believes "It is time for new ideas on the Board of Directors for the Signal Hills Homes Association. The Board of Directors should work with the homeowners in the review of maintenance and improvements to our homes to ensure the overall continued high quality of the neighborhood and value of our homes."



E-mail from Ray Antosh (un-edited), which he requested be included in the minutes:

From: Antosh <xxxxx@xxxxx.net>

12/3/16

To: kevin.martin@shha-burke.org

Some of my concerns are:

1) Every member of the Association is entitled to know how much of their money was spent in 2014 and 2015, not be given budget numbers as was done in the 2017 Proposed Budget you published for the 2016 Annual Meeting of Members Announcement.

2) This is in response to my unanswered e-mail. Every member of the Association is entitled to know how much of their money was spent this year (2016). You give the actuals for 7 months, up to July 31, 2016. As Board of Directors stated in the September minutes to Metropolis "Thank you for the draft budget. We will review it at the meeting". Since it was only a month from July till September, I feel it would not be a problem to have the actual expenditures as of Oct 31, 2016 available for the Members of the Association to look at. 2016 has a projected amount thru the end of the year, leaving the Association with \$24,483 left over. Your figures not mine. Maybe this is inaccurate. Let's find out. Then we can see if the \$30 increase is prudent or not.

3) In David Mastermans Letter SHHA Finances he references "~\$75,000 in contingency funds". In the Proposed Budget for 2017 I find no reference to contingency funds, I find a line item Replacement Reserves is this what he is referring to? and what account is the contingency funds in? How does he arrive at this figure? Could you possibly go over the accounts SHHA has as replacement reserves seems like it should go in the Reserve account.