

TERRACE TOWNHOUSES OF BEVERLY HILLS
2023 Annual Meeting Minutes
NOVEMBER 8, 2023

WELCOME AND INTRODUCTIONS

The Annual Meeting of the General Membership of the Terrace Townhomes of Beverly Hills was held on November 8, 2023, virtually via Microsoft Teams.

CALL TO ORDER

Gary Burns called the Annual meeting to order at 7:31pm.

Members of the Board of Directors present: **Gary Burns** (President, 1748 Dogwood), **Sandy Seim** (Vice President, 1742 Dogwood), **Craig Bogle** (Treasurer, 1766 Dogwood), **LaNola Stone** (Secretary, 1651 Kenwood), and **Pam Shover** (Member-at-Large, 1697 Kenwood).

Association Managing Agent: **Ernie Lightfoot** and **Hailey Kinkade** of American Management of Virginia (AMV) were also in attendance.

ROLL CALL

Community members logged on virtually from 6:30 PM to 7:30 PM. AMV verified unit ownership and took attendance. A required quorum of ten was established through the attending five Board members, six additional members of the association who checked the box to “count proxies toward the quorum” on their cast election vote, and the attending members of the association below.

- Dogwood → **Danny & Jenna Cackley**
- 1695 Kenwood → **Pat Heflin**
- 1661 Kenwood → **Adam Tabaka**

APPROVAL OF MINUTES

Attendees were given time to review the 2022 Annual Meeting Minutes, which were posted to the community website before the meeting and displayed in Microsoft Teams at meeting commencement. **Danny Cackley** motioned to approve the minutes as drafted; **LaNola Stone** seconded. The motion was offered for a vote by General Membership and adopted and approved unanimously.

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OFFICER REPORTS

President: Gary Burns

- WELCOME: Three new unit owners of members of the community: 1685 Kenwood, 1615 Kenwood, 1702 Dogwood (purchased in June, July, August of this year).
- STATE OF THE ASSOCIATION: Goal to maintain property value of our investment. Two of the three properties sold this year were sold within a week of their listing. Last year nine properties were sold. 2022 average 30-year home mortgage interest rates were 3.2% in January and rose to 7.1% by October. Currently they are 7.5%. As a result people are staying put and not selling. With the rise in interest rates/ inflation comes increased expenses.
 - Aging Infrastructure: TTBH was established in June 1974.
 - Replacing electrical lines for three units (\$50K): \$7K (“to keep the lights on” 2022) \$42K (finishing the job 2023)
 - Rooftops (\$39K in 2023): \$22K preemptive roof repairs. Then another emergency roof repair following a storm causing a “catastrophic failure” which cost an additional \$17K for a single unit. Note: the cost of replacing a roof went up from \$8K a few years back and is now \$17-18K.
 - Minor woodwork (\$23K): Balcony repairs, ...rotting wood across the community.
 - Sidewalk repairs (postponed due to limited reserve replacement funds): Needs to be fixed due to deterioration and deficiency and to protect the association from liability (any seam popping up over an inch is a potential legal liability).
 - Keeping the Association Funded:
 - Update of Bylaws: Amendment went out for a vote. 45 votes have been cast to ratify the proposed Bylaws amendment. 15 more are needed for it to pass. The proposed amended bylaws removes the responsibility of replacing windows from the association’s limited budget and transferring it to the individual unit owners who become financially responsible for the window replacement and repairs of their own units. “That is the way it is done in other [similar] communities and we’re just trying to be the same way.”

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- Special Assessments vs other options: The board tries to limit the use of Special Assessments as a tool because of the mark that it can leave on the value of the community with prospective future buyers.

Treasurer: Craig Bogle: The finances of the community are “stable but underfunded” We have \$50K in the bank available for reserve/replacement expenditures (which is underfunded as that number should be closer to \$150-\$200K). We have been able to meet obligations.

- Overview of the budget/ How the monthly condo fee is spent:
 - 45% Long-term Capital Expenses/ needs of the community.
 - Repairs of roof, chimneys, doors, sidewalks, asphalt, railings, etc
 - 20% Water & Sewage
 - 15% Property management and Insurance
 - 20% Grounds Maintenance, Trash/ Recycling, etc.
 - Inflation seen across the board but particularly:
 - Alexandria Water & Sewage implemented a 2-year price increase of 5.4% in July 2023 and 5.1% in July 2024. That is over 10% in 2-Years!
 - Insurance increases 20% “year over year”
 - Roof repairs have also increased significantly
 - 2024 Condo Fee increase will be 9%
 - Due the increase of costs to fund the Association, The Board unanimously voted for a 9% fee increase.
 - One January 1, 2024, the dues will increase
 - Upper units’ dues will increase by \$33 to \$403/ month.
 - Lower units will increase by \$29 to \$351/ month.
 - This was done to keep up with inflation and also to proactively rebuild the replacement/reserve expenditure fund to the amount suggested by the capitol reserve study of approx. \$200K vs the \$40-\$50K currently in that fund.
- A letter informing the association of the condo fee increase will go out in the next 2-3 weeks.

OLD BUSINESS

No old business to discuss at this time.

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NEW BUSINESS

No new business to discuss at this time.

ELECTION OF NEW BOARD MEMBER

Incumbent Craig **Bogle** (Current Treasurer) was elected to the board of directors for a three-year term. Unanimous approval from the floor.

There is a vacancy on the board after the election.

OPEN FORUM

- **Danny & Jenna Cackley:** “nothing at this time but thank you.”
- **Pat Heflin:** “Just want to thank Board members for their participation as Board members...”
- **Adam Tabaka:** Asked for clarification on the legal limit of 5% for fee increases. Gary replied that the legal counsel said that the increase was at the “discretion of the Board.”

ANNOUNCEMENT OF NEXT ANNUAL MEETING

The 2024 Annual meeting will be tentatively scheduled for Wednesday, 13 November 2024 (the second Wednesday of November).

ADJOURNMENT

Gary Burns moved to adjourn the 2023 Annual Meeting; **Pam Shover** seconded. The motion was put to a vote of the General Membership and was approved unanimously. The meeting was adjourned at 8:06 pm.