



The Unit Owners Association of Lakeshore Condominiums Annual Meeting 2017

OCTOBER 26, 2017

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Agenda

- Roll Call
- Proof of Quorum
- Proof of Notice
- Reading & Approval of 2016 Draft Annual Meeting Minutes
- Reports of Officers
- Open Floor for Nomination of Candidates
- Close Floor for Nomination
- Statements of Candidates
- Appointment of Inspectors of Election
- Election of Owners to the Board of Directors
- New Business Open Forum (Limited to 3 minutes per Owner)
- Announcement of Election Results
- Adjournment of Meeting



Lakeshore President's Report

DANIEL CARVILL



Lakeshore Transition to Sentry Management

- Owner/renter contact information sheets (email and phone numbers) missing.
- All emails received and sent from lakeshoreoffice@verizon.net were deleted.
- Data recovery software revealed Lakeshore laptop showed association records were deleted. (very little information was recoverable)
- No Lakeshore building maintenance records were found.
- Lakeshore Petty Cash account of \$500 was not reconciled.
- Equipment purchased in the amount of \$1,500 by the association was missing. (Report filed with Loudoun County Sheriff)



Record Retention Policy Resolution No. 2017 – 05

- Defines what Lakeshore Records need to be retained and for how long.
- All Lakeshore records should be scanned and saved in PDF Format (or comparable format).
- All records should be stored on a back-up hard drive AND an iCloud or third party back-up site.
- All Lakeshore records should be disposed of by either shredding or incineration.



Contractor Issues and Business Conduct

- From January 2011 until September 2015, one contractor received **\$1,450,847** in Lakeshore Funds.
 - Wood Replacement on 15 Lakeshore Buildings
 - Deck Replacement
 - Roof Replacement
 - Gutter and Drainage Repairs
 - Painting Hallways
 - Water leak repairs from pipe breaks



Extensive Building Wood Replacement and Repairs



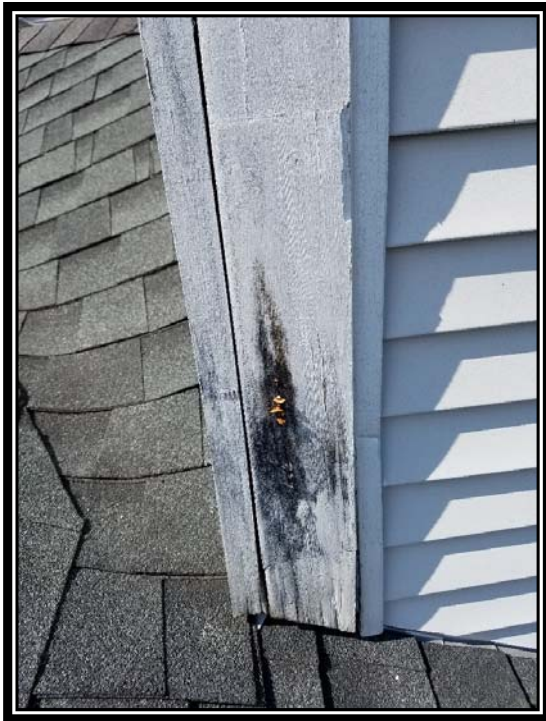


Rotting Wood Issues



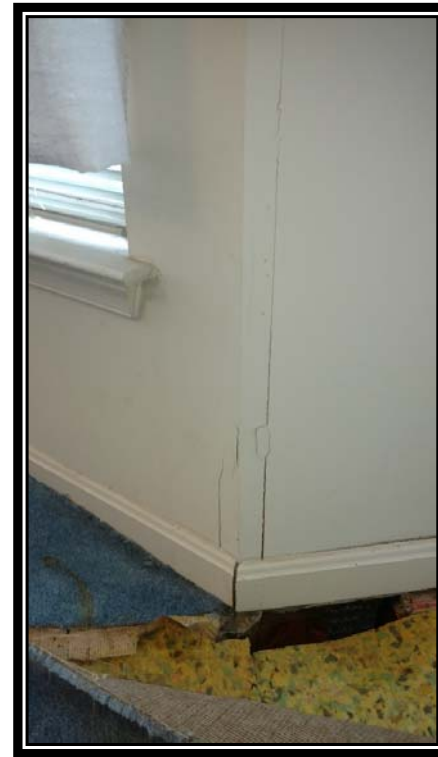


Rotting Wood Issues





Rotting Wood Causing Issues in Units



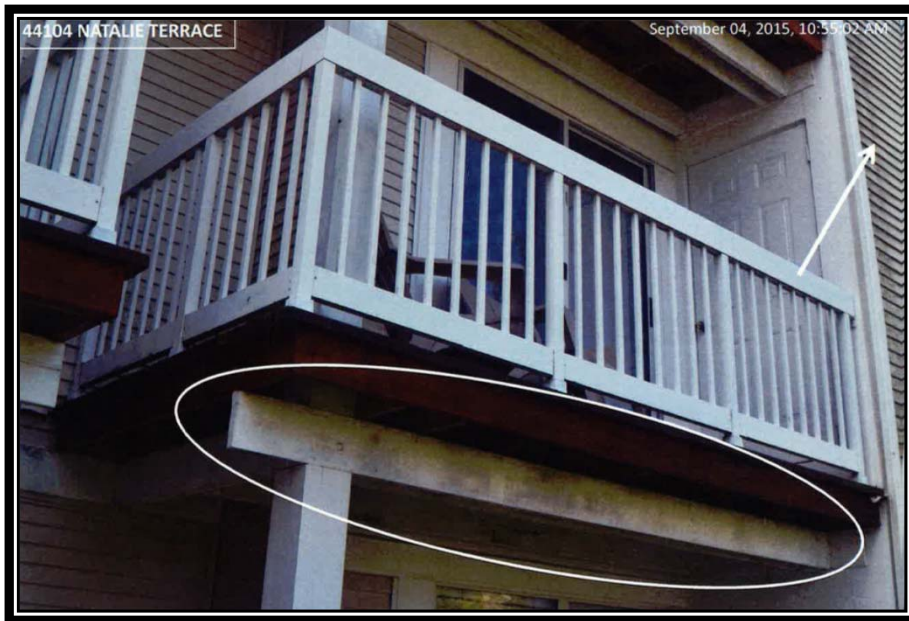
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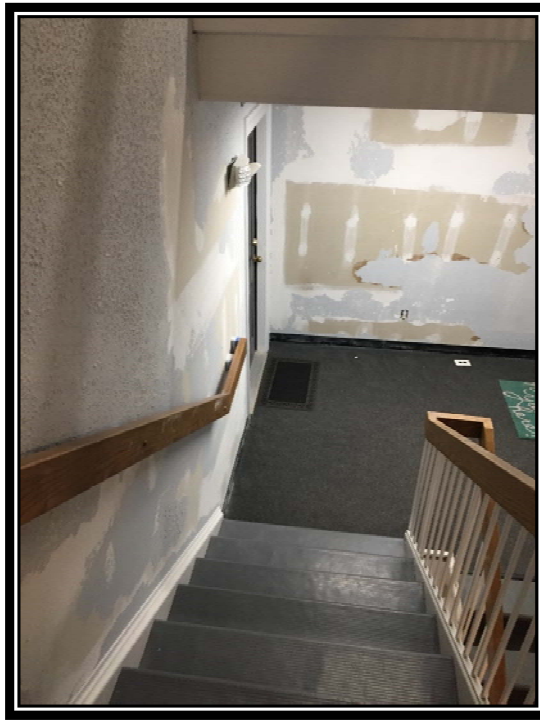
Emergency Roof and Shingle Repair



Replacement Decks (Less than 8 yrs. useful life)



Poor Painting Work in Hallways





Repairs and Rework Costs to Lakeshore

2016-2017 Lakeshore has spent:

- \$97,586 in Exterior Repairs
- \$46,839 in Roof Repairs

Total Cost = \$143,426

(More issues and problems are being found)



Possible Legal Action Against Contractor?

- No Signed Contracts were found
- No specifications for the work performed
- No records of competitive bidding from other contractors
- No record of the Lakeshore Board Directors voting on any of this work
- No mention of contracts being signed in the Lakeshore Meeting Minutes



Recovered Lakeshore Funds

- Lakeshore Board voted for a Special Assessment to Wrap Pipes in October 2014
- Contractor billed Lakeshore for **\$6,751** in materials (Home Depot Receipts)
- Lakeshore Board cancelled the project in November 2014
- Contractor returned materials to Home Depot and kept the money
- Lakeshore Legal sent the contractor a demand letter in July 2017

Total Funds Recovered **\$5,428.00**



Contract Review & Business Practices Resolution No. 2017 – 06

- All potential contracts exceeding \$5,000 in value must be must be put out for bid to a minimum of three (3) qualified contractors.
- All contracts exceeding \$40,000 in value must be submitted to the Association's legal counsel for review prior to execution by the Board President.
- All contracts must be voted upon and approved by a majority of a quorum of the Lakeshore Board of Directors in open session, and such approval shall be documented in the meeting minutes.
- All contractors engaged by the Association to perform work on Lakeshore Condominium property must be properly licensed to perform the work by the Commonwealth of Virginia and Loudoun County.
- All financial or personal conflicts of interest by a Lakeshore Board Member with a contactor must be disclosed to the Lakeshore Board.
- Any Subcontractors must be identified in proposal process.



Management Agent Requirements Resolution No. 2017 – 07

- Any managing agent or community manager hired by the Board of Directors shall hold an active designation as an **Association Management Specialist® (AMS®)** by CAI throughout their time of employment.
- Any management firm hired by the Board of Directors must hold an active **Accredited Association Management Company (AAMC)** designation by CAI qualification for certification by the Common Interest Community Board. Any community manager assigned to the Lakeshore Condominium by a management firm must hold an active designation as a **Association Management Specialist® (AMS®)** by CAI throughout their time of managing Lakeshore Condominium.
- Any managing agent or community manager hired by the Board of Directors shall not directly or indirectly be a Unit Owner of the Association of Lakeshore Condominium.
- Any managing agent or community manager shall not solicit, campaign for, or attempt to influence voting and/or declaration of proxies for any Lakeshore Board of Director.



Board Member Code of Conduct Resolution No. 2017 – 08

- Board members shall base their decisions on the merits and substance of the matter at hand, with the primary consideration being the advancement of the best interests of the Association, rather than unrelated and irrelevant considerations (e.g., personal agendas).
- Directors, members of the Board, and appointed officers shall exhibit professional courtesy to all other directors, appointed officers and members, and to the management agent professionals and/or staff employed by the Association.
- Board members shall not provide copies of or retransmit Board e-mail correspondence to any member or non-member not listed as an addressee on the sender's original correspondence without the sender's permission.
- Board members shall respect the confidentiality of information exchanged in executive sessions or which is otherwise privileged under the Virginia Condominium Act (see specifically Va. Code § 55-79.75C) and Board policy.
- No member of the Board shall vote to approve the expenditure of funds for the acquisition of services or goods from any Board member, relative of a Board member, or entity which it is affiliated with.



2017 Lakeshore Projects





New Glass and Light Emitting Diodes Bulbs

BEFORE



AFTER





Annual Cost Savings

Lakeshore's Average Annual Electric Cost is \$28,000

- With LED upgrades for the light poles and the LED in the hallways, we should be able to cut the electric bill in by \$10,000 per year.
- In three years, the cost savings should paid for the upgrades
- October 2017 bill was only \$1,457.97
- Received \$2,362 credit from Dominion Energy in September



Power Washed and Sealed Decks & Patios on Buildings 9-16





2017 Hallway Renovation Project

BEFORE





2017 Hallway Renovation Project

AFTER





2017 Hallway Renovation Project

BEFORE





2017 Hallway Renovation Project

AFTER





- Completed turf project in front of Buildings 1-6
- Increased tree pruning around the buildings
- Removed 6 trees that were causing building and sidewalk damage
- Removed several dead shrubs with new health ones
- Trimmed tree near light poles





A monthly newsletter for the Lakeshore Condominium Unit Owners Association

- Started Online Monthly Newsletter to keep residents informed of Community News and Events





IF YOU SEE SOMETHING SAY SOMETHING!!





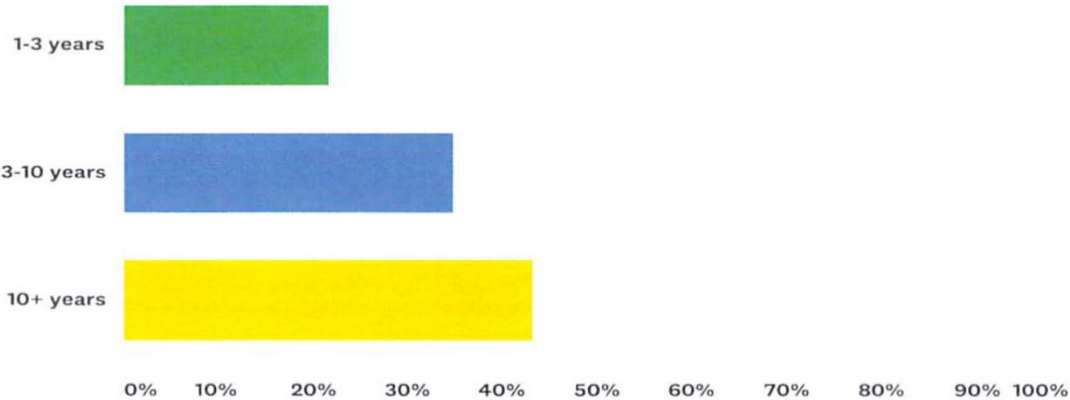
Lakeshore 2017 Community Poll Results

CAROL STIRNER

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Q1 How long have you lived at Lakeshore?

Answered: 60 Skipped: 1



ANSWER CHOICES	RESPONSES	
1-3 years	21.67%	13
3-10 years	35.00%	21
10+ years	43.33%	26
TOTAL		60



Q2 Is Lakeshore your:

Answered: 59 Skipped: 2

Primary
Residence



Investment
Property



0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

ANSWER CHOICES

Primary Residence

Investment Property

TOTAL

RESPONSES

88.14%

11.86%

52

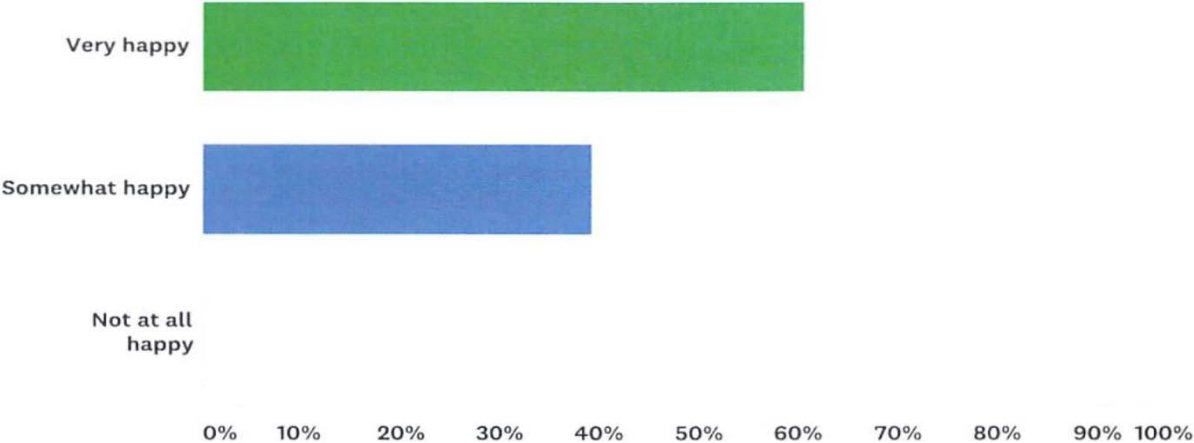
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Q3 Overall, how do you feel about living at Lakeshore?

Answered: 61 Skipped: 0

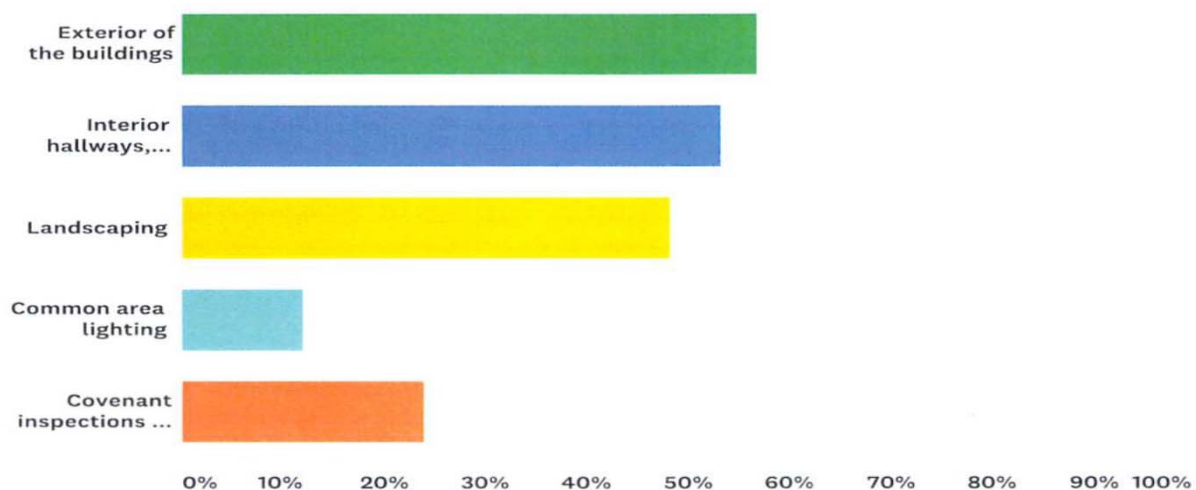


ANSWER CHOICES	RESPONSES	
Very happy	60.66%	37
Somewhat happy	39.34%	24
Not at all happy	0.00%	0
TOTAL		61



Q4 What issues do you feel need maintenance attention? Check all that apply:

Answered: 58 Skipped: 3



ANSWER CHOICES

Exterior of the buildings

Interior hallways, railings, doors, lights, stair treads, carpets

Landscaping

Common area lighting

Covenant inspections and enforcement of the rules (balconies, patios, hallways, etc.)

Total Respondents: 58

RESPONSES

56.90% 33

53.45% 31

48.28% 28

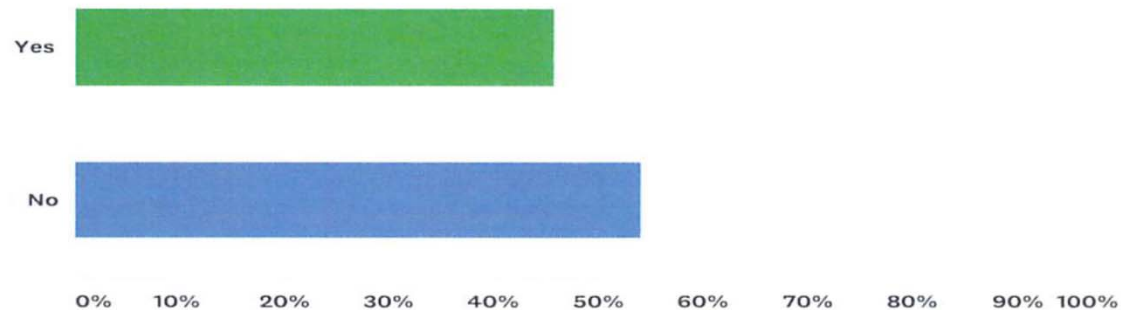
12.07% 7

24.14% 14



Q5 The Board of Directors recently considered installing 4 exterior lights behind buildings 4, 6, 10 and 14 to reduce the darkness and improve safety and security. A lighting specialist and the Loudoun County Sheriff were consulted and agreed that additional lighting would have an impact on security. The cost for these lights will be approximately \$5,000 and there are sufficient funds in the current operating budget. Are you in favor of installing these security lights?

Answered: 59 Skipped: 2



ANSWER CHOICES

Yes

No

TOTAL

RESPONSES

45.76%

54.24%

27

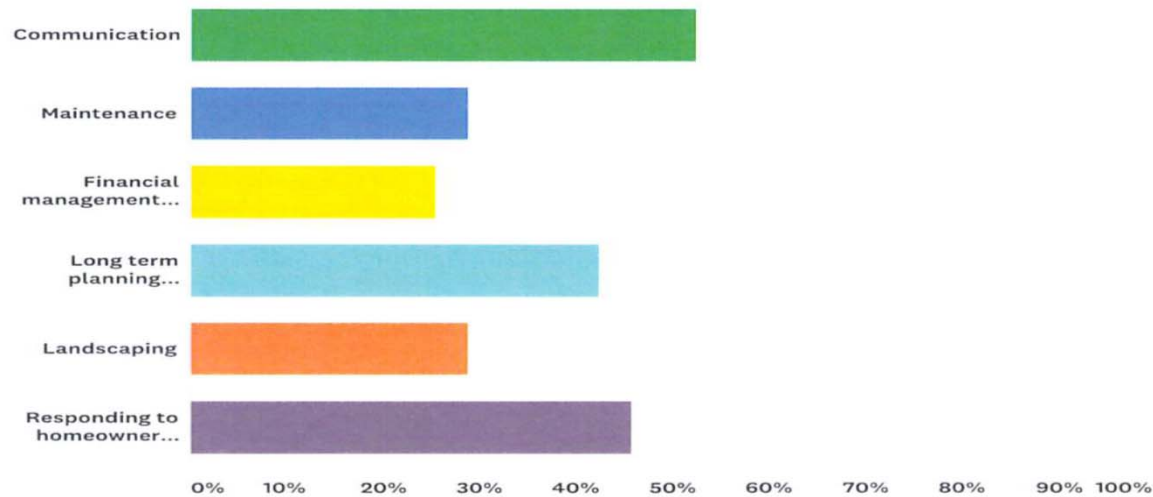
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Q6 Which areas do you feel the Board of Directors needs to improve upon: Check all that apply:

Answered: 59 Skipped: 2



ANSWER CHOICES

Communication
 Maintenance
 Financial management (budgeting, controlling expenses, contract selection)
 Long term planning (capital improvements, replacements, enhancements)
 Landscaping
 Responding to homeowner concerns and issues
 Total Respondents: 59

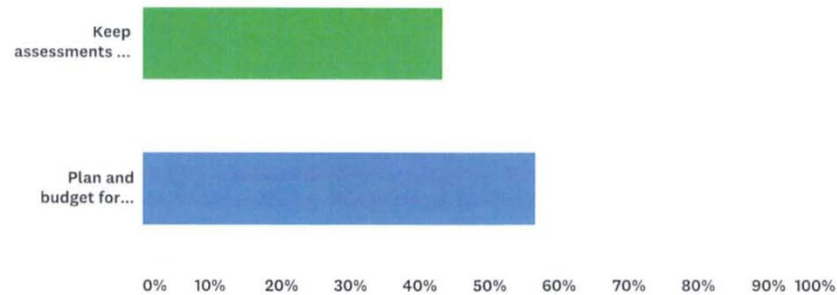
RESPONSES

52.54% 31
 28.81% 17
 25.42% 15
 42.37% 25
 28.81% 17
 45.76% 27



Q7 Keeping assessments under tight control and increases to an absolute minimum is the goal of every board. In an aging community; however, this can become a challenge when you also need to upgrade the community appearance in order to increase property values and stay competitive in the resale market. Do you feel it is more important to keep assessments low with little or no increase, or, do you feel the Association should plan and budget for upgrades that would enhance the overall appearance and value of the community. Assume that discretionary upgrades or enhancements would be prioritized by the members and the impact on assessment considered before approval of any project.

Answered: 60 Skipped: 1



ANSWER CHOICES

Keep assessments as they are

Plan and budget for member approved upgrades and enhancements.

TOTAL

RESPONSES

43.33% 26

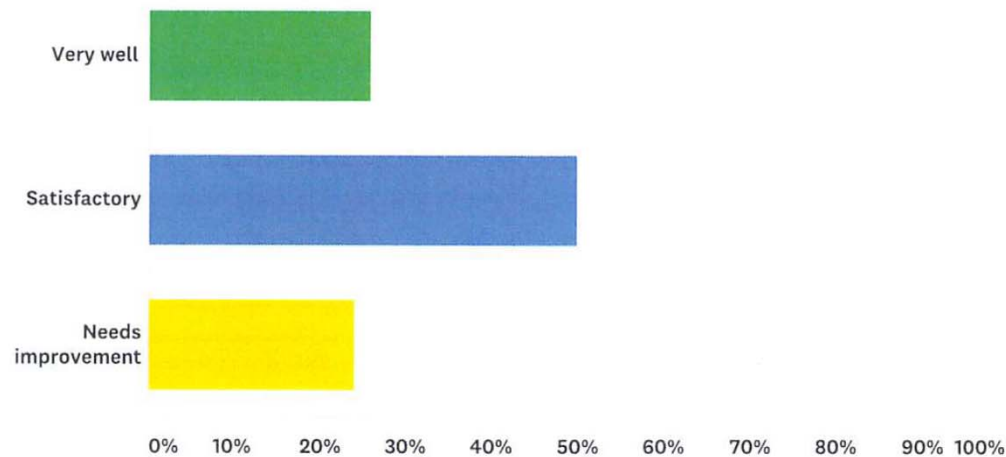
56.67% 34

60



Q8 How well do you think the current management (Sentry Management) is working in the community?

Answered: 58 Skipped: 3



ANSWER CHOICES

Very well

Satisfactory

Needs improvement

TOTAL

RESPONSES

25.86%

50.00%

24.14%

15

29

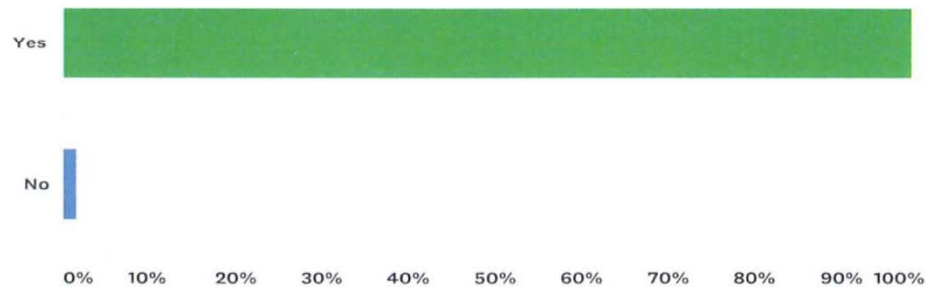
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Q10 The BOD, on behalf of the Association, shall have all powers and authority for the conduct of the affairs of the Association which are enabled by law and not specifically reserved to Members ... to provide for the maintenance of any and all improvements, structures or facilities which may exist or be erected on the Common Area. That being said, would you prefer that before the BOD exercises such power and authority on large or controversial issues they poll the Members for their thoughts before committing to a particular action?

Answered: 59 Skipped: 2



ANSWER CHOICES

Yes

No

TOTAL

RESPONSES

98.31%

1.69%

58

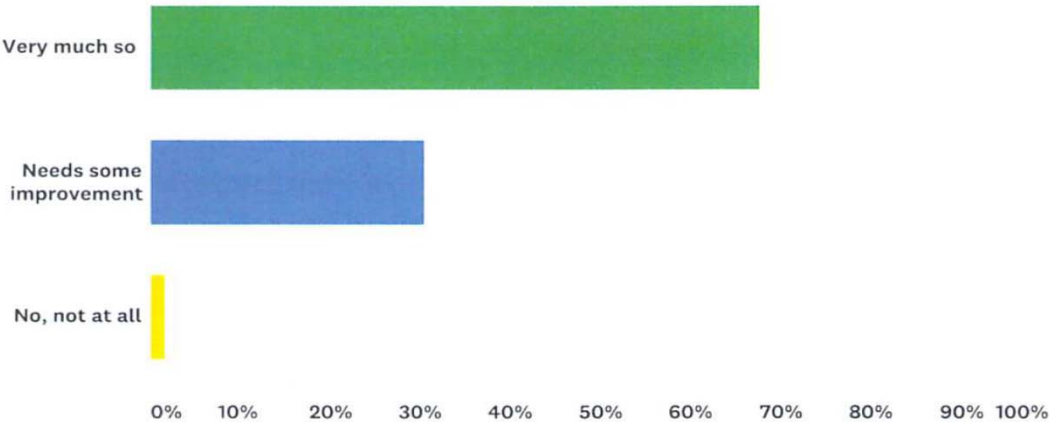
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Q11 Overall, do you feel your current board of directors is satisfactorily performing their fiduciary duties?

Answered: 59 Skipped: 2



ANSWER CHOICES

Very much so

Needs some improvement

No, not at all

TOTAL

RESPONSES

67.80% 40

30.51% 18

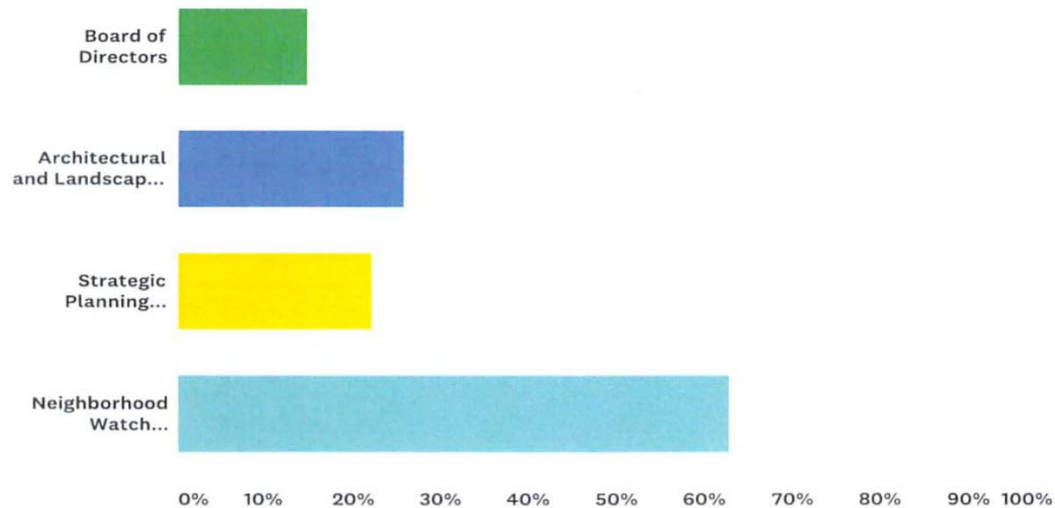
1.69% 1

59



Q9 Would you be willing to serve on any of the following? Check all that apply:

Answered: 27 Skipped: 34



ANSWER CHOICES

Board of Directors

Architectural and Landscaping Committee

Strategic Planning Committee

Neighborhood Watch (established by AVCA and Loudoun County Sheriff's Dept)

Total Respondents: 27

RESPONSES

14.81% 4

25.93% 7

22.22% 6

62.96% 17





Signup Sheets for Committees

- Landscaping Committee
- Neighborhood Watch Program
- Social Committee
- Strategic Planning Committee



Lakeshore Treasurer's Report

CAROL STIRNER



Lakeshore Balance Sheet as of 09/30/2017

TOTAL ASSETS: \$464,398.29

TOTAL LIABILITIES: \$367,525.68

TOTAL RESERVES: \$251,524.52



Lakeshore Budget as of 09/30/2017

TOTAL INCOME: **\$586,566.98**

TOTAL EXPENSES: **\$597,397.21**

TOTAL NET (LOSS): **\$(10,830.23)**



Write-Offs on Lakeshore Accounts

5 Foreclosed Units:	\$48,300.34	Uncollectable dues
Insurance Receivables:	\$11,087.69	Unknown Paid Claims
Petty Cash Account:	\$500.00	Unreconciled/Missing
Cash		
Total Write-off:	\$59,888.03	



Lakeshore Accounts Receivables

Total Account Receivables:	\$28,204.64
Total Prepaid:	\$-24,081.43

33% of the balance is from 1 Unit Owner.

- 8 owners are with legal

Lakeshore's Cash Flow is Outstanding!!



Vice President's Report

DANIEL SHRUM



Lakeshore Condominium 2020

Lakeshore Condominium is located 3.8 miles from Future Ashburn Silver Line Metro Station which is scheduled to open in 2020.

- Ashburn is seeing a major influx of jobs and development.
- Loudoun County is having a housing shortage



Lakeshore Unit Sales in 2017

Style	BR	2013	2014	2015	2016	2017	% Change	5 Year AVG.
CHAMPLAIN	1	\$ 192,472	\$ 199,000	\$ 182,500	\$ 186,750	\$ 195,000	4.23%	\$ 191,144
CUMBERLAND	1	\$ 181,646	\$ 190,000	\$ 195,000	\$ 204,667	\$ 198,000	-3.37%	\$ 193,863
GENEVA	2	\$ 195,691	\$ 196,950	\$ -	\$ 202,250	\$ 225,000	10.11%	\$ 204,973
PLACID	2	\$ 219,843	\$ 229,100	\$ 236,200	\$ 221,433	\$ 242,400	8.65%	\$ 229,795
TAHOE	2	\$ 208,422	\$ 227,600	\$ 230,150	\$ 232,833	\$ 246,400	5.51%	\$ 229,081
VICTORIA	3	\$ 228,768	\$ 244,000	\$ 259,750	\$ -	\$ 283,333	8.32%	\$ 253,963
Grand Total		\$ 205,634	\$ 222,208	\$ 227,956	\$ 218,113	\$ 244,500	10.79%	\$ 223,682

Unit Sales	29.00	18.00	16.00	27.00	16.00
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Lakeshore Unit Sales in 2017

Sale Price are the highest in the last 10 years

- 2 Bedroom, 2 Bath Unit Sold for \$255,000
- 3 Bedroom, 2 Bath Unit Sold for \$294,000

Lakeshore Condominiums are selling in 24 hours



New 2017 Reserve Study Completed

- **Recommends 2018 Reserve Contributions at \$257,000**

Lakeshore
Recommended Reserve Funding Table and Graph

Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)
2018	257,000	181,189	2028	260,200	809,681	2038	311,000	122,478
2019	261,600	207,358	2029	264,900	1,027,317	2039	311,000	286,967
2020	266,300	181,450	2030	269,700	1,185,532	2040	311,000	467,475
2021	271,100	338,869	2031	274,600	1,418,262	2041	311,000	424,225
2022	276,000	93,872	2032	279,500	1,265,174	2042	311,000	606,883
2023	238,000	250,542	2033	284,500	1,444,641	2043	316,600	494,271
2024	242,300	356,912	2034	289,600	1,398,114	2044	322,300	711,964
2025	246,700	469,742	2035	294,800	1,331,474	2045	328,100	485,745
2026	251,100	589,075	2036	300,100	463,972	2046	334,000	667,143
2027	255,600	673,001	2037	305,500	483,753	2047	340,000	736,222



New 2017 Reserve Study Completed

- **Recommends fixing rotting Window Boxes, Trim, and Paint Finishes in 2018**



Window box damage



Trim deterioration



New 2017 Reserve Study Completed

- **Recommends fixing Gutters and Downspouts**



Downspouts draining onto lower elevation roof



Downspout fastener failure



New 2017 Reserve Study Completed

- **Recommends starting to replace wood balconies in 2018**



Wood post cracks and deterioration



Wood frame deterioration



Wood balcony deterioration, cracks and deck board deflection



Lakeshore Upcoming Events

- **Upcoming Town Hall meeting at the Lakeshore Condominium Unit Owners Association Community Center in Ashburn Village (44190 Natalie Terrace) on November 16th at 7:00 PM**

Loudoun County Board of Supervisor, Ron Meyer, is hosting an informational meeting about outstanding projects in Ashburn. There is a lot happening in our area, with the Ashburn Village Interchange, Russell Branch widening, new signage on Russell Branch, Park and Ride, Sheriff's Department and many more. Supervisor Meyer will provide an status report on all projects, and more importantly, obtain input from the community.

- **Lakeshore Community Holiday Cookie Swap on Saturday, December 16th at 2 PM**



THANK YOU!!!!