

AVALON WOODS II

Avalon Woods II Annual Meeting of Owners

Meeting Minutes

February 6, 2024 | 6:00pm

Location: Rocktown Realty Office & Zoom Videoconference

218 East Market Street, Harrisonburg, VA 22801

Board Attendees: Megan Austin, Rick Frutuoso, & Michael Noble

Owners: 19 owners present via Zoom or by proxy.

Management Attendees: Bernard Hamann & Kayleigh Sponaugle – Rocktown Realty

1. **Call meeting to order & establish quorum:** 6:00pm (Megan)
 - a. The Bylaws state that 10% of owners be represented by proxy or in attendance, which is 9 units.
 - b. We have 10 units represented by proxy and 9 units in attendance via Zoom, for a total of 19; quorum has been established.
2. **Proof of notice of annual meeting:** Annual notices were sent out by email via DocuSign and by USPS if no email was provided.
3. **Review & approve of meeting minutes from May 15, 2023:** Megan would like to strike her comment in the Open Forum section regarding the signposts.
 - a. Don Plank motions to approve the minutes with the edit, Rick Frutuoso seconds, minutes pass.
4. **Financial Review (YTD, 12/31/2023):**
 - a. We have \$10,766.15 in total cash and \$86,108.08 in reserves, for a total of \$96,874.23 in total assets and liabilities and capital.
 - b. From 9/1 – 12/31/2023, we have a total operating income of \$11,105.78 and a total operating expense of \$15,314.19.
5. **Manager's Report:**
 - a. Parking: We have had issues with residents having more than 2 vehicles and using visitor spaces for them. We have reached out to units about this as needed.
 - b. Trash: There are 3 dumpsters that are emptied twice a week on Mondays & Thursdays. Bulk pick-up is provided on Wednesday for large items left outside or in front of the dumpsters.
 - c. Landscaping: Season After Season is providing the landscaping for the community this year.
 - d. Snow Removal: Season After Season is also providing the snow removal.

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- e. Occupancy: There are some properties where there are intentions by the owner to create multiple apartments in one townhome. The Covenants state that no more than 2 unrelated are permitted and it is for single family residential use only.
 - i. Rocktown has reached out to the owner of these properties about this and will follow-up with them.

6. Old Business: None.

7. New Business:

- a. 2024 Budget: The 2024 budget was completed and approved by the Board prior to the reserve study findings.
 - i. We are projecting \$51,600 in operating income and \$61,464.50 in expenses, which is a shortfall of almost \$10,000.
- b. Reserve Study: Reserve studies are legally required for homeowner associations and must be completed every 5 years.
 - i. The studies look at all the common elements in the community and forecast when they will need to be replaced, and they estimate the funds that are needed for these replacements.
 - ii. The reserve study was completed in December 2023 and calls for a transfer of \$55,000 into reserves in 2024. This is in addition to the projected operating expenses for the community.
 - iii. The association is now playing catch up to get funding that is needed for the large expense for the private roads in 2029.
 - 1. The dates are not absolute, but the association must have the funds for the time the projects are due.
 - iv. The reserve study will be posted to the website for owners who would like to review it.
- c. Dues Increase: Because the association is underfunded, a dues increase is necessary to catch up.
 - i. Dues have been \$50/month for a long time.
 - ii. Special assessments are painful from a budgeting perspective for owners, and a dues increase is a bit more palatable.

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- iii. Megan states that previous budgets for the association have been balanced and they did not have a lot being put into reserves.
 - 1. The City of Harrisonburg paid the association for an easement, which has helped get to where we are currently.
- iv. Don Plank states that the 2024 budget is unbalanced and asks if it will be amended by the Board.
 - 1. The budget will be amended now that the reserve study has been completed.
- v. Comparable communities in the area:
 - 1. Crescent Ridge - \$90/month
 - 2. Congers Creek - \$75/month
 - 3. Campus View Condos - \$265/month

8. Member Input:

- a. Sara Hodges states that she has owned since 2014 and that the dues have been the same since then and understands the need for the increase. If possible, increasing them gradually would help.
 - i. Bernard: The association needs to have \$350,000 in reserves in 5 years, so if dues don't go up now, you will have larger jumps each year afterwards.
- b. Scott Rogers suggests the option to push out large projects another year, such as asphalt paving, and to start with a gradual dues increase.

9. Board of Directors Elections:

Per the Bylaws, the Board of Directors shall consist of 3 persons. The terms shall be one year or until successors are elected.

- a. Michael Noble motions to re-elect the existing Board, Don Plank seconds, motion passes.

10. Adjournment: 6:42pm (Megan)