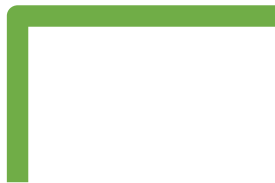


Laurel Mews Board Meeting

November 18, 2023



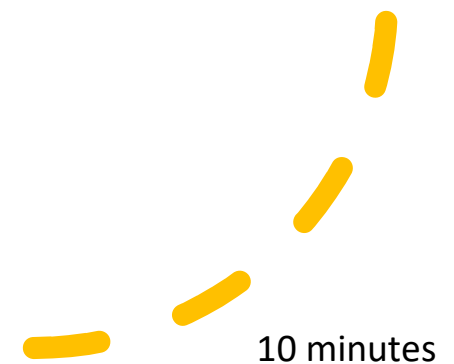
Agenda

- Homeowner's Forum
- 2024 Budget Development
- 2023 Budget Drivers
- Pest Control
- EV Charging Stations
- Upcoming Activities
- Homeowners Insurance
- Executive Session



Homeowner's Forum

- 3 min max per homeowner
- Raise your hand, moderator will keep track
- Be respectful of your neighbors



2024 Budget Drivers

- Reserve Fund ROI
- Delinquencies and Bad Debt Expenses reduced
- Inflation CPI = + 3.5% - 4%
- Aligned with reserve study schedule
 - To be updated in 2024
- Landscaping/grounds
 - Savings due to DYI solutions
- Common area maintenance
 - County storm water tax credits
- Trash
 - Best service in Arlington
- Water/sewage remains steady
 - No vacant units and household growth
- Weather related expenses
- Capital expenses related work
 - Parts & labor remain in short supply and high demand

The top line is that 2024 dues will be \$1,335 per unit per quarter.

2024 Income

GL Account	2023 Budget	
Income (Count: 6)		
09 - Assessment Income (Count: 1)		
45100-001 - Assessment Income	278,370.00	288,360.00
Total Assessment Income	\$278,370.00	288,360.00
10 - Other Income (Count: 5)		
48100-001 - Late Fee Income	140.00	-
48120-001 - Legal Fee Income	6,030.00	-
48130-001 - Legal Interest Income - Delinquencies	2,695.00	-
49010-001 - Interest Income	9,030.00	10,160.00
49900-001 - Miscellaneous Income	6,000.00	-
43825-001 - Owner Charges	-	-
Total Other Income	23,895.00	10,160.00
Total Income	\$302,265.00	298,520.00

2024 Expenses

Expense (Count: 31)			14 - Utility Expenses (Count: 2)		
12 - Gates Hudson Services (Count: 4)			52005-001 - Electricity		
51131-001 - Office Expense	900.00	935.00		750.00	775.00
51135-001 - Copying/Printing	270.00	280.00	52020-001 - Water/Sewer		
51330-001 - Postage/Delivery	250.00	260.00		56,000.00	56,000.00
55150-001 - Management Fee	4,620.00	4,865.00	Total Utility Expenses		
Total Gates Hudson Services	\$6,040.00	6,340.00		\$56,750.00	56,775.00
14- Professional Service Expenses (Count: 13)			15 - Contract Expenses (Count: 4)		
51125-001 - Copying/Printing, Postage/Delivery	100.00	105.00	53120-001 - Grounds Contract		
51126-001 - Misc Expenses	100.00	105.00		29,700.00	35,000.00
51550-001 - Website	150.00	155.00	53505-001 - Snow Removal Contract		
51555-001 - Community Activities - Misc	350.00	365.00		17,000.00	17,000.00
51555-005 - Community Activities - Community Events	1,350.00	1,500.00	53532-001 - Trash Contract		
51555-006 - Community Activities - General Admin Costs	750.00	780.00		15,000.00	15,600.00
51575-001 - Bad Debt Expense	8,000.00	-	54113-001 - Exterminating-Special		
51575-002 - Doubtful Collections Expense	14,025.00	-		3,150.00	3,275.00
55050-001 - Insurance - General Liability	4,200.00	4,370.00	Total Contract Expenses		
55100-001 - Accounting Services	3,500.00	3,640.00		\$64,850.00	70,875.00
55272-001 - Legal & Professional	3,000.00	750.00	16 - Repair & Maintenance Expenses (Count: 3)		
55290-001 - Reserve Study	-	4,000.00	54010-001 - Common Area Maintenance		
56070-001 - Fed. & State	1,875.00	1,270.00		30,000.00	35,640.00
56095-001 - Licenses and Fees - Business License	100.00	105.00	54015-001 - Electrical Repair/Maintenance		
Total Professional Service Expenses	\$37,500.00	17,145.00		2,150.00	2,150.00
			54257-001 - Plumbing Maintenance		
				2,000.00	2,500.00
			Total Repair & Maintenance Expenses		
				34,150.00	40,290.00
			24 - Reserve Fund Contributions (Count: 4)		
			61100-001 - Operating Reserve Contribution		
				1,500.00	1,560.00
			61300-001 - Contingency Reserves		
				50,725.00	52,755.00
			61310-001 - Common Area Reserves		
				50,725.00	52,755.00
			61320-001 - EV Charger Fund		
				25.00	25.00
			Total Reserve Fund Contributions		
				\$102,975.00	107,095.00
			Total Expenses		
				\$302,265.00	298,520.00
			Budget Surplus/(Loss)		
				\$0.00	-

Pest Control

Community needs to work together

- Significant expenditures over the last couple of months
- Leaving trash overnight
- Several patios with junk & debris
- Pumpkins, birdfeeders & grills
- [Free Paper Shredding and Inert Material Drop-Off](#)
- [Quincy Park Recycling Drop-Off Center](#)
- [Trades Center Recycling Drop-Off Center](#)
- [Falls Church Recycling Center](#)
- Call Olivo to schedule special (bulk) pickup

EV Charging Stations

Looking for Community Participation

- Research alternatives
- Own vs rent
- County & state rebates/tax breaks



Upcoming Activities

Holiday Decorating Party (Decorating the trees on Langston Blvd)

- Saturday, December 2, 2023
- 2p
- Meet at the Langston Blvd Wall

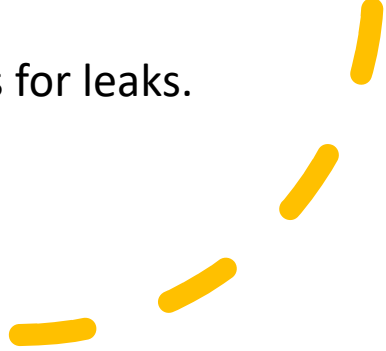
2024 Annual Meeting

- Saturday, January 6, 2024
- 10a – 12p
- By Zoom (bit.ly/LM2024AnnMtg)

Homeowners Insurance

- All units should be covered by HO-3 or HO-5 policy for full replacement value. An HO-6 policy would not be appropriate for a Laurel Mews owner. Laurel Mews HOA Insurance covers the common areas only.

<https://www.laurelmews.org/homeowners-insurance-the-hoa-and-you/>

- Do NOT turn your heat off or even way down if you vacation during the winter months. Pipes could burst. Close the valve to your outside spigot and drain the pipe between valve and outside.
 - Check your faucet fitting and toilet flappers for leaks. Check or smoke/CO2 detectors as well.
- 

Executive Session

Board only to discuss

- Delinquencies
- Late fees



Q & A

Q: The trash removal section mentions the HOA is charged a fee when bulk items are placed for disposal without coordination between the unit owner and Olivo. What amount(s) has the HOA paid in the past for this? (To gauge whether further steps should be taken to discourage such actions by unit owners)

A: It varies from a few hundred to sometimes in the thousands. The HOA tries hard to identify the sources of bulk, but sometimes that is not possible, and the originator conceals what they have done. The HOA must periodically remind residents of our bulk trash rule, and residents must be responsible when they discard bulk items through the trash service.

Q: What caused Admin and Professional Services to increase significantly between 2021 and 2022? Does/did the increased cost continue into 2023/2024? Was the reserve study really \$7k? Assumedly this should be part of the services GHA provides, no?

A: Costs in the Administrative and Professional Services bucket changed from 2020 to 2022 for several reasons. First is changing the Spring event from potluck to a catered event. That was initially pandemic driven. But it was decided that catering is a great option for convenience, food safety, and logistics reliability reasons. So, the overall energy for potluck went to near zero.

Second are the charges for Bad and Doubtful Debt for dues in arrears. Our delinquent accounts are almost 100% caught up now, and the expectation is that they will be zero in the 2024.

Third, the board moved some accounts that were free-standing in the chart of accounts into this bucket.

Regarding the \$7K expenditure in the reserve study account in 2023, what was paid in 2023 is actually for both the 2022 and 2023 updates, owing to the company's delay in presenting their 2022 invoice. In 2024 we will be getting a full study done as the law requires.

Q & A

Q: Although it's great to see the EV Charger line item being funded, is there space to increase contributions to the fund, or accelerate funding by adding in surpluses from other sections? ie, if snow does not materialize this season, adding the excess amount or a nominal amount of the excess to the EV charger fund. I've seen several incentives/programs for HOAs looking to incorporate one in their community.

A: The board can always reallocate part of the reserve fund towards EV chargers or make acquisition/installation part of current year expenses. However, traditionally the HOA management and reserve planning industries have held that reserve funds are for repair/replacements, not new improvements and not even for material upgrades. There might even be IRS regulations on that.

But before we even get to how to finance them, we are not yet sure what to do regarding leasing vs purchasing, how many and what models of chargers to get. The board is looking for volunteers to help research all the options.

Q & A

Q: I look forward to discussing the new storm water utility fee. From what I've read, there should be little to no cost change.

A: It does look like there will be little to no change in what the County charges individual property owners. But there are mechanisms where owners can get up to 35% of the fee in credits that goes to the behavior changes that governments want to see the fee/tax cause. To pay for those credits, there might be an increase in what's charged in the new fee vs the old fee.

In our case, the mechanisms of claiming the credits involve actions that only the HOA can do. Those actions involve installing a rain garden, holding a community education event, and tagging our storm drains. Those things are built into the board's 2024 budget.

Q: Is there anything we can do about the trash pick-up time?

A: Not likely. The nominal time is predicated on pre-pandemic traffic. We are in a different place now on that. The contractor has a route schedule that presumably optimizes their logistics. Part of that is their scheduled dumping times at the incinerator. So, all things considered, it is not likely that our pick-up time can be moved. It's not clear that moving the pick-up time would change our main problem which is residents putting trash out overnight.

Q & A

Q: Can the HOA contract with a service for separate disposal and pick up for dog waste?

A: The LM board has considered this idea before over the years, and we've done so again in the last earlier this year.

The bottom line is that it is ok to put your dog's waste in your normal trash bags. That is, you can have a trash can in your own backyard as long as it has a tight lid such that smell does not get out, and vermin (rats, squirrels, raccoons, etc., can't get in.

Our trash is taken to the Covanta waste to energy facility in Alexandria, i.e., it is burnt. But it must be inside a normal trash bag. Our contractor will not pick up the little individual baggies of dog waste.

The suggestion is to treat dog waste as you would a human diaper.

Another solution is for dog owners to take their dogs' waste into their homes and flush it down their toilets, minus whatever plastic baggies. The County advises that even those flushable doggy waste bags are not so flushable, so you would still be stuck with what to do with the bag. Nevertheless, the waste itself is handled well by the sewage system.

Given the two solutions above, it is not necessary for Laurel Mews to engage dog solid waste pickup. Moreover, for tidy appearance purposes, the Laurel Mews way has always been to not have any kind of refuse in the common area -- even in the limited common elements, i.e., the backyards, until almost the last possible hours before pick-up. That's one of the reasons why our rules are not to put trash out overnight, and why we do not have dumpsters. (Not to mention that no one wanted the dumpster near their unit.)

Having dog waste stations in the common area means the waste would be in there for several days at a time, so the exact opposite of what we want. As in the sentiment on trash dumpsters, surely no one would want a doggy latrine near their unit.

And as it turns out, users still tend to somehow miss the can with their deposits, and the cans are not vermin-proof. The services tend to include a clean-up service. That is, if a resident sees a pile of solid dog waste, they can call the service and they will come pick it up. That would likely lead to dog owners being less inclined to do their own pick-up, instead feeling like that is an HOA service for which they are now paying. Additionally, if non-Laurel Mews dog owners (who are often blamed --rightfully or wrongly-- for waste piles on the property) see the doggy waste cans, they will take it as an invitation to use them.

Those doggy waste handling services are not cheap. They run about \$10-20 per visit, and we would probably have to have 3-4 visits per week. So, the cost-benefit ratio is not a good one for the HOA, especially considering that there are only a few dog owners. The overall result would be that HOA would have to deal with more dog waste in the common area, and incur a new expense for that outcome.

To summarize, Laurel Mews residents can place their dogs' solid waste in a normal trash bag. Our trash contractor will not pick up individual little baggies off the ground, so those should never be put in the trash area unless in a normal trash bag. Nor should little dog waste baggies be thrown on the ground in the limited common elements, i.e., the backyards where they can still attract vermin. Flushing solid waste down the normal sewage system sans the plastic bag (even is marketed as flushable) is a solution if you don't want to store it somehow between our trash pick-up days.