

# The House Special



NEWSLETTER OF THE SKYLINE HOUSE UNIT OWNERS' ASSOCIATION | APRIL | VOL 37; ISSUE# 3 | SHUOA.ORG

## PRESIDENT'S REPORT

Richard Porter



In the past year, our accomplishments included holding down our assessment fees; maintaining and improving the appearance and functionality of the property by reopening a refurbished east party room and redecorating the lobby. We also have begun replacement of the east bridge which will allow us to find and fix the water leak in the pool area. Our major committees are functioning well and with continuity despite changes in leadership. The PCAM committee chairman prepared a report on its work that has contributed to a number of improvements. We have worked with management to improve our snow response and general perceptions of overall responsiveness.

For the year ahead, if I am asked to stay on as president, I foresee making further headway in these areas as well as tackling some other major projects such as roof replacement and determining what new efficiencies we can get from our staff. Keeping costs down will remain a priority amongst other things such as careful contract negotiations. In this way, we can achieve the lowest assessment consistent with quality housing. I also hope we can make improvements in our website and newsletter with the help of our new board member. I would also like to see greater use of our new sale and lease registry maintained in the office; it gives prospective buyers immediate information about what's available and gives us the opportunity to acquaint our buyers and sellers with our rules and regulations.

## TREASURER'S COMMENTARY

Karen H. Johnson



Our financial accounts have been audited by the firm of Goldklang Group CPAs P.C. I will be referring to figures from the final audit report.

In 2016, there were no asset transactions or special tax events to complicate our financial accounts. I will try to briefly summarize our straightforward experience with income, expenses, and investments. For the year as a whole, the Association was successful in following the operating budget adopted in the fall of 2015. The equity position of members of the Association strengthened further. At the end of the year, our financial position remained solid.

The three components of our financial activity are the operating budget, the reserve budget, and the holdings of reserve assets. Income and spending items are divided into those that are normal, annual recurring items and hence in the operating budget and those that are periodic or longer-term maintenance and replacement items and hence in the reserve budget. Reserve assets change with the net of our allocation to reserves and our spending on those items and by market changes in the value of the assets we hold.

Operating Budget		
	2015	2016
<b>Total income</b>	\$4,512,983	\$4,614,759
<b>Of which: Assessments</b>	\$4,138,664	\$4,225,825

Total income rose from 2015. Assessment revenue, which increased by about 2 percent, constitutes most of the income received by the Association.

	2015	2016
<b>Total expenses</b>	\$2,953,678	\$2,973,533
<b>Of which: Payroll</b>	\$892,087	\$902,237
<b>Payroll taxes and benefits</b>	\$341,131	\$344,670
<b>Electricity</b>	\$380,028	\$334,244
<b>Water &amp; Sewer</b>	\$337,818	\$380,693
<b>Contribution to Reserves</b>	\$1,475,871	\$1,475,868
<b>Expenses + Contribution to Reserves</b>	\$4,429,549	\$4,449,401
<b>Total Income Less Expenses + Contributions to Reserves</b>	\$83,434	\$165,358

Total expenses in the operating budget rose 2/3 percent from 2015. Although electricity costs declined, water and sewer costs rose significantly. The contribution to reserves was essentially unchanged in dollar terms. Net income, that is, total income less expenses and the contribution to reserves, was significantly higher than in 2015. Our positive figure for income less expenses and reserve contribution was substantial and strengthened our financial position.

The auditor consolidates the accounts for our In Unit Maintenance Program, putting the portion of the payroll expenses that is attributed to that program together with the goods purchases for installation as part of repairs and replacements. The account for this program is as follows:

In Unit Maintenance Program		
	2015	2016
<b>Income</b>	\$171,926	\$179,793
<b>Expenses</b>	\$162,397	\$185,356

For 2016, this program apparently experienced expenses in excess of income. The auditor highlights the accounting done for this program. We should perhaps consider raising prices for some items within this program.

Reserves Allocation and Spending		
The flows of funds into and out of our reserve accounts were as follows		
	2015	2016
<b>Allocation to Reserves</b>	\$1,475,871	\$1,475,868
<b>Expenditure of Reserve Funds</b>	\$473,733	\$383,337
<b>Net Accumulation of Reserves</b>	\$1,002,138	\$1,092,531

Our spending from reserve funds dropped in 2016 from the previous year. The most substantial spending was for lobby redecoration and some work on roof areas that will be followed soon by more extensive repair and replacement.

Net financial position on December 31

Our balance sheet position as of December 31 summarizes our financial position and reflects all of the elements I have just discussed. It incorporates the net balance of income and spending from the operating budget, the use of reserve funds for projects during the year and the contribution of additional funds into reserve holdings, and the impact of market changes on our asset position. Total of member equity at the end of 2016 was more than

one million dollars greater than at the end of the previous year. Most of that represents the prudent accumulation of reserve contributions in anticipation of major future expenses.

Our balance sheet reflects the net income and reserve fund accumulation we experienced in the holdings of cash, deposits, and investments shown on the top line. Total members equity of \$6,679,546 includes \$342,397 of unallocated equity. This sum is available to meet future unexpected financial developments. Its increase is a positive development.

Balance Sheet as of December 31		
	2015	2016
<b>Assets</b>		
<b>Cash, Deposits, and Investments</b>	\$5,535,208	\$6,794,161
<b>Assessments and Accounts Receivable</b>	\$26,923	\$22,529
<b>Other</b>	\$209,255	\$200,156
<b>Total Assets</b>	\$5,771,386	\$7,016,846
<b>Liabilities</b>		
<b>Accounts Payable</b>	\$202,596	\$244,570
<b>Other</b>	\$64,257	\$92,730
<b>Total Liabilities</b>	\$266,853	\$337,300
<b>Consultant Fund</b>	\$159,244	\$233,155
<b>Periodic and Replacement Reserves</b>	\$5,090,999	\$6,109,619
<b>Cumulative Change in Asset Value</b>	\$77,251	-\$5,625
<b>Unallocated Members' Equity</b>	\$177,039	\$342,397
<b>Total Member Equity</b>	\$5,504,533	\$6,679,546

Delinquency status

The total past due to the Association from owners was \$35,618 as of December 31, 2016. That is an increase from the amount due as of one year earlier. It represented obligations of 15 units. We need to continue to emphasize to members of the Association the burden that results from failure to pay. We continue to refer to our attorney for action those owners whose obligation exceeds the 60 day amount. As of December 31, 2016, 28 percent of our units were renter occupied, up slightly from 27 percent one year earlier.

## MANAGEMENT REPORT

Michelle Brown-Slaughter



**Bridge Project:** A walk path was provided under the bridge's scaffold for emergency egress from a nearby stairwell exit door. The bridge's original structure and floor coating were both removed. New steel columns and the bridge's new steel structure was installed. Test cuts were made in the bricks façade. WDP will conduct the tests to determine if the source of water infiltration is from the pool deck's planter boxes. Weather conditions and an issue with rebar in the concrete delayed the project a week. But the contractor is confident the project will still finish on time. The glass and Kalwall panels are expected to be delivered and installed by the end of April.

**Decorating Project:** The lobby redecorating was completed.

**Hall Corridor HVAC Units:** A vote was taken by email and passed with a quorum. The reason for this request was due to the advance order lead time. When we ordered, it would take 4-6 weeks for the local distributor to get the equipment into their shop. We were not made aware of the lead time until after we requested the quote. We planned to review this item at the April meetings. Our distributor usually keeps these units in stock, but the factory retooled their lines, which shut down their plant for a while. We needed to remove the old units before the wallpaper was removed, which was scheduled to begin April in the East Penthouse. The new units will be installed after wallpaper is removed and the walls are painted. The old units were removed from the East Corridor on 4/12/17.

**Penthouse Wallpaper Removal:** Capital City Painting Company began removing wallpaper in the West Penthouse corridors on April 3rd. They are expected to complete the West by 4/12, and begin the East Penthouse removal on 4/13 thru 4/28. In-house painters will paint afterwards. Management was also requested to obtain a cost (and additional time) to remove the wallpaper in each penthouse coat room. The additional cost is \$1,800 and is included in the project.

**West Lobby Mail Entrance Door:** This door is 38 years old and has been a problem since we installed the key fob system. Even though the door has a large 1200 pound magnet (the largest that can be installed on that door), people put both hands on the door to pull and yank it open. As a result the door frame is warped and broken in half. When this door frame finally breaks, the glass will also break. The proposed doors do not have handles on the exterior, on either of the doors. This will accomplish: (1) people will realize they cannot enter through this door; (2) they will not have a handle to yank the door open. Both vendors (Becks and Windows Plus), were requested to provide heavy duty doors that will not flex. Only Becks bid on that criteria. Becks also included one-way

mirror glass which eliminates the plastic film that easily scratches and looks awful. We're unable to only replace the doors because the closers are built into the frame at the top of the doors. These are no longer made. Thus the entire window/door assembly has to be changed. Becks advised that the vendor they source their doors from will have a 20-25% price increase effective May 1st. If we want to save money, time is of the essence.

**Kiddie Korner – aka East Billiard Room (conversion to kid friendly space):** The room was opened on March 15th. A volunteer was found to translate the rules into Arabic. The rules are posted in the room in both English and Arabic.

**IT Proposal – Commonwealth Digital (All Covered):** IT services are underway and we are under full contract. Scheduling was backed up a bit but is still in process to install the new fire wall; install Office 365 and obtain licenses; migrate email from XO Communications; migrate from Mozy to Evault online server backup service, and renew the website domain prior to the May 2017 expiration.

**West Billiard Room HVAC system replacement:** Emtech completed installation of the controls and wiring to connect the new HP split HVAC system. The new Spyder controller and software were also installed to start the program for use.

**Balcony Repairs Proposal:** Management was requested to obtain 2 additional proposals for the balcony repairs. The RFP was submitted to three additional companies who will provide their proposals by or before end of April. We were also requested (but have not received yet), to obtain a cost for all 539 balconies to be inspected.

**Exercise Room Floor Mats:** The rubber floor mats were ordered and are expected to arrive mid-April. They will be installed by in-house staff.

**Lobby Terrazo floor tile repair:** The Lobby Terrazo floor crack was repaired on 3/16/17, by Elegant Floors. The crack was filled with silicone. Floors will be stripped by in-house staff after the bridge work is completed.

**Pool White Coat, Coping and Tile Replacement:** The pool white coating was successful. Damage to the interior concrete walls were repaired. New coping tiles and ceramic depth tiles were installed. Both pools were filled as of 4/11/17.

**Pool Deck cleaning:** Due to the unsightly view of the pool deck from the upper balconies, Management was requested to obtain a cost (and time) to professionally power wash the pool deck. The cost is \$2,970 and if approved, it will be scheduled (over 3 days) the week of 5/24/17, before the pool opens.

**SHUOA Phone Services:** The software has been upgraded as well as our software site license. Management is working with Black Box to learn how to program the phones to use additional functions and features.

**Roof Update:** An infrared scan was completed to determine if there were any areas of moisture between the roof and the slab. Of the roofs to be renovated, there are only 3 very small areas with moisture, which means these roofs will not need a complete tear off at this time. Our engineering consultant from JFW, strongly suggests that the Air Handler Units (AHU's) be replaced before the roofs are started.

**Garage Power washing:** This project will be postponed until after the bridge project is completed.

**Fencing (Build America side):** As an alternative to plant more trees, weave slats thru fencing was recommended at a cost of \$3,991. A proposal was submitted via email to PPOC members. Some additional portions of the fence may need to be replaced that will not accommodate the slats. To reiterate Al Lambert's last suggestion, he proposed that we allow the existing Forsythia trees to grow in. Do not prune them for 2 years, which would fill the space nicely, and cost nothing!

**Water Jetting machine:** Management purchased a water jetting machine (on Amazon) which saved more than 50% of cost if we purchased it from our vendor. It also saved 150% over an outside plumbing company to make the repair. It is a piece of equipment that will allow in-house staff to clean drain lines from the top to the bottom of the building.

**March Preventative Maintenance (PM) Report:**

The PM report for March is a spreadsheet of the monthly items for Maintenance to check. It will be updated each month as PM services are completed on the various items and equipment throughout the property.

**Reserve Study Proposals:** Management was requested to obtain additional Reserve Study proposals. As a result, proposals were requested and received from: (1) Miller Dodson (MDA Reserves); and (2) Design Management Associates (DMA). We will compile a full list and provide a comparative outline of all of the bidders.

**Credit Card Payment System (update)**

On March 2nd and 7th, representatives from PayLease and Dues Payments both conducted demonstrations of their alternate payment systems. Only one person attended each demo. A list of additional questions were submitted to each company. No further steps have been taken at this time.

**4/13/17 PPOC Meeting Action Needed:**

Approvals needed for:

1. West Mail Lobby Door proposal	Becks:	\$13,545
2. Pool Deck Power wash proposal	Heart National Corp:	\$2,970
3. Fence slats (near Build America)	Clinton Fence Co:	\$3,991

The next regular scheduled PPOC meeting is Thursday, May 11th, 2017.

**CHIEF ENGINEER REPORT**

Gregory Grimm

**A**ir Conditioning Season is here! It is time for your annual heat pump tune-up. Please call the office 703-578-4855, to schedule this service which will ensure that your unit is in tip-top shape for the summer.

**Elevator Etiquette:**

Elevators are a very unique place. While you are only on them for a short period of time, there are unwritten rules and etiquette that people are expected to follow. To avoid offending anyone when using an elevator, follow these unwritten rules for boarding and exiting.



**Boarding the Elevator:**

- *Allow people to exit the elevator* – When waiting for the elevator, stand clear of the doors. Only board the elevator when you are sure no one else is exiting.
- *Who boards first?* – Those who are closest to the door should be allowed to get on first. Gentleman should, however, allow ladies the option to board first.
- *Know the direction* – Before boarding an elevator, make sure you know it is going in the direction you want to travel. This will save you from embarrassment and from delaying the car.
- *Entering a crowded elevator* – If the car is crowded when the doors open, see if the passengers either verbally invite you to squeeze in or welcome you by making room. As a rule of thumb, there should be room for two people for every one that is attempting to board.
- *Holding the door* – This should only be done for someone who is running toward the elevator when the car is empty or there is consensus among the passengers that they do not mind waiting.
- *Closing the door* – The door close button should only be pressed when it is clear that no one else is trying to board the elevator.
- *Where to stand* – It is proper etiquette to stand as close to a wall as possible. Also consider your destination, if you are going to a higher floor you should stand towards the back. If you choose to stand near the buttons, understand that you may have the increased responsibility of pressing the floor for incoming passengers.

### **Exiting the Elevator:**

- *Ladies first* – Gentlemen should allow ladies to exit the elevator first unless you are blocking the doors.
- *Reaching your floor* – When in a crowded elevator and you have reached your floor, announce to the other riders that this is your floor and excuse yourself as you go past them. Pushing is discouraged.
- *Getting out of the way* – If you are standing between someone who is trying to exit and the door, do your best to move out of the way. If the elevator is crowded, it is acceptable to exit the elevator, allow them to leave, and then re-board.

## FINANCIAL MANAGEMENT

June Baker

The Financial Management Committee (FMC) continues to be staffed by dedicated volunteers who work closely with the Physical Plant and Operations Committee (PPOC), the Board of Directors, and Management to ensure the financial health of Skyline House. Some of our responsibilities include but are not limited to:

- Reviewing monthly financial statements for the Operating and Reserve budgets and posing questions to Management when necessary;
- As applicable, working with the Treasurer to help ensure that our investments are made in accordance with Federal and State requirements;
- Reviewing and discussing proposals for maintenance and replacements in our buildings and grounds and recommending that the Board accept or reject those proposals;
- Assisting in preparing the annual budgets (Operating and Reserve) in cooperation with Management and the Treasurer;
- Reviewing invoices payable to vendors and other entities twice monthly as part of our fiduciary responsibility;
- Reviewing bank statements and comparing to monthly financial statements after reconciliation by Management;
- In coordination with the PPOC, reviewing and revising Skyline House's Procurement Policy;
- Reviewing and commenting on the annual draft audit before it is sent to the Board in its final form;
- Reviewing Association fees and recommending to the Board in cooperation with the PPOC and Management the individual fees to be charged for Skyline House

facilities and in-unit maintenance based on delivery costs for goods and services.

Towards the end of 2016, Dr. Wynfred Joshua, resigned as Chair of the FMC. Dr. Joshua had served as Chair of the FMC since 2003, and we all owe her thanks for her dedicated service to Skyline House. She continues as a member of the FMC and provides us with her knowledge and understanding of past events.

Owners owe thanks to the entire committee. These committee members include: Marie Aziz, Tremayne Bunaugh, Inge Chilman, Winny Joshua, Grace Krumwiede, Wayne Krumwiede, Gladys Manrique, Liza Ruiz, and Bryant Stukes. In addition, we greatly appreciate participation from Board Treasurer, Karen Johnson, who serves as liaison to the Committee and is an integral part of it.

The activities covered in the 2016 Operations budget were mostly executed as planned and generally conformed with our projections made during the budget process. We spent more than budgeted in some categories and less in others, and we ended the year with a positive net of revenue minus expenses, taxes, and reserve funding.

Some of the major repair and replacement projects for which the FMC recommended funding to the Board using Reserve funds included:

- the East bridge repair. Although the Board awarded a contract to Hammerhead Construction, obtaining necessary permits from Fairfax County and other logistical problems delayed the start of the construction work until 2017. But, finally, work has begun!
- replacement of the West penthouse corridor floor which was completed in time for last year's annual meeting.
- the lobby redecoration project was funded and much of the work was done in 2016 with remaining work continuing into 2017.
- repair of the West building cooling tower roof and two deck drains. Many of our roofs need repair or replacement this year and next, since the last time the roofs were replaced was 22 years ago.

The East building party room had been unusable for more than six years because of the deteriorating floor and other issues. Repairs were estimated at \$192,000. Our in-house Engineering staff re-evaluated the extent of the damage and replaced damaged flooring, flooring near the bar, and made repairs to the heating/air conditioning units for less than \$2,500. Congratulations to our staff for doing the work and saving Skyline House thousands of dollars.

In conjunction with the PPOC, the FMC recommended that Commonwealth Digital Office Solutions be awarded our IT contract as we strive to improve digital capabilities for our staff.

In addition, the FMC recommended that the Board



approve establishing an alternative exercise room on the East building's "S" level using in-house labor as much as possible and keeping within the \$10,000 by-law limit for capital improvements. The new exercise room has been labeled a success by numerous residents and is being used daily.

Finally, every August, a major project for the FMC is planning the next year's budget. After several meetings and numerous drafts, the General Manager and Deputy General Manager, with the support of our Treasurer and the FMC, succeeded in providing an Operating budget for 2017 that enabled the Board to hold the increase in the condo fees to ½ a percent. The budget process demonstrates the dedication of our staff, the committee members, and the Treasurer and other Board members to maintain and enhance our living environment and our investment in Skyline House.

The FMC meets either the third or fourth Monday of the month, and we welcome owners as guests or as new members of the Committee.

## COVENANTS COMMITTEE

Bert Barrois



The Committee did not meet in March except to run our not-so-hotly contested election. After one of the candidates withdrew, the result was a foregone conclusion, but we could not legally forgo the pro-forma voting. Would some of you please run next year so that we don't have to institute a draft? We anticipate three open seats.

[Linguistic brain teaser: Why are conclusions foregone but unheld elections forgone? Speakers of German will know. They're smart.]

We narrowly escaped catastrophe on election night. Only 25.65% of the ownership voted, either in person or by proxy. If we had fallen short of the 25% quorum, we would have had to adjourn the meeting and round up additional voters with whips and lassos. So I have to say, "blessings upon the owners who voted, and brickbats to those who didn't." Anticipating the worst, I had composed a tirade in advance. Not being one to let a good tirade go to waste, here goes:

Dante consigned the apathetic to the first circle of hell. And as the captain of the Vogon Constructor Fleet said before blasting Earth to build a hyperspace expressway, "Bloody apathetic people. The plans have been on file at the galaxy's central planning office for 200,000 years." It could happen to you when the Board you didn't elect decides to make Sanskrit the sole official language of the building. Tat tvam asi.

In the coming months, the committee will be discussing possible changes to Rule 15 to define owners' finan-

cial responsibility for balcony repairs in cases where the damage is linked to floor coverings, such as tiles or carpeting.

## GOOD NEIGHBORS

The purpose of the Good Neighbors Program is to help residents of Skyline House who need assistance for health reasons, including residents who are housebound. This service is NOT available for medical emergencies. In the event of a medical emergency, the resident MUST call 911 for help. Good Neighbors volunteer to help in the following ways: - Taking residents to medical appointments within the radius of approximately 10 miles. If the Good Neighbor wishes to wait for the resident at a hospital or doctor's office, this can be arranged in advance. If the Good Neighbor goes back home, pickup time can be determined between the two parties. - Picking up prescriptions at local pharmacies. - Picking up mail or packages at the Front Desk or the mailbox. - Picking up groceries at the local supermarkets. Any requests of an unusual nature not listed above should be directed to Alina Gonzalez (703-379-5391) or Virginia Fissmer (703-379-2901). If you want to help neighbors in need, and to make the Skyline House Community even better, please contact Alina or Virginia.

April's Good Neighbor is:

- ◆ Alina Gonzalez 1013W 703-379-5391



# SKYLINE HOUSE CALENDAR

## April 2017

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
						1
2	3 <b>Library Open</b> 7:00 – 8:00 p.m. East Penthouse	4	5	6	7	8
9	10 <b>Library Open</b> 7:00 – 8:00 p.m. East Penthouse	11	12	13 <b>PPOC</b> 7:00 PM Meeting Room	14	15
16	17 <b>Library Open</b> 7:00 – 8:00 p.m. East Penthouse	18	19	20 <b>CRC</b> 7:00 PM Meeting Room	21	22
23  30	24 <b>FIN MGT</b> 7:00 PM Meeting Room <b>Library Open</b> 7:00 – 8:00 p.m. East Penthouse	25	26 <b>BOARD</b> 7:00 PM Meeting Room	27	28	29

### BOARD OF DIRECTORS

President Richard Porter 1005E 414-870-0499 rporter@shuoa.org  
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**Web Developer**, Win Singleton

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### GOOD NEIGHBORS COORDINATORS

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