



The Shadowword

November 2006
SPECIAL EDITION

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www.shadowwoodcondos.com

Change is in the Air!

Greetings everyone!

As the autumn season gives way to the cooler holiday season, there are many changes underway at Shadowood. Your leadership team comprised of the Board of Directors and Shadowood officers wanted to offer this special edition of "The Shadowword" to keep everyone updated.

HEATING COSTS

The good news is that the leadership team locked in natural gas rates at the lowest point of the year at a cost roughly 45 percent less than last winter. The bad news is that a colder than normal winter is forecast and so far that prediction is holding true. October weather was nearly 30 percent colder than normal and the Board voted to turn the heat on weeks earlier this year than last. Keeping in mind that we all share in the cost of heat equally, *please do your best to conserve heat* and keep your windows and doors closed when your heat is running.

SPECIAL NOTE: Please help the Association help you. While your heater is on and running, please check the outdoor unit of your air conditioner (off of your balcony or patio). **IF YOU HEAR THE AIR CONDITIONER OPERATING** with the heat on, please call or email the office for a service call and report that your outdoor air conditioner is operating. The air-conditioning system has been turned off until next spring: None of the outdoor air-conditioning units should be operating anywhere on the property. As a reminder, we can have only heat or air conditioning on at any given time. The heating is now on, the air conditioning is off and it will remain off until spring 2007.

NEW SHADOWOOD MANAGEMENT

As many of know, on November 1st, 2006 Shadowood completed the transition from

self-management to professional management. from self-management to professional management.

Koger Management Group is now managing Shadowood Condominium Association including finances and the property.

Ms. Sheila Saunderson is the new on-site Shadowood Site Manager. She can be reached at the usual phone and fax numbers found on the SCA website and via email at office@shadowwoodcondos.com. All of the old SCA staff email addresses have been closed, so please delete them from your address books and add the new address above.

Ms. Saunderson has hired Mr. Hernan Contreras as an on-site maintenance engineer and will be hiring an assistant and another HVAC engineer shortly. Sam Morrison is the Koger Portfolio Manager supervising Ms. Saunderson and Koger's Consulting Engineer, Hector Contreras, will oversee the Shadowood Maintenance Department.

As always, I will be available to assist any of you in working with the Association or its new management.

NEW SHADOWOOD PHONE SYSTEM DEBUTS

To facilitate modern and better communications, Shadowood is installing a new automated VoIP telephone phone system at the Shadowood office. There may be times when the phones roll to Koger's offices or to voice mail, but the transition should be smooth and allow for much better, faster and more thorough call handling for all of the SCA correspondents. If you have any difficulties reaching anyone, please remember that the consolidated email addresses are

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SHADOWORD PUBLICATIONS

Board of Directors meeting (10:00 a.m., SCA Community Center).

office@shadowwoodcondos.com (for the on-site office team) and president@shadowwoodcondos.com (for the board / leadership team)

CLUBHOUSE RENOVATION BEGINS

After what seemed a lifetime of delays and false starts, the Shadowood Clubhouse renovation program began on Friday November 10th. The entire building will undergo a much-needed rejuvenation and modernization. Among other features will be all new energy-efficient doors and windows, a modern life-safety system, new electrical and telecommunications infrastructure, new office space and accessible restrooms and kitchen facilities. To save energy and better control daylight, the ceilings will all be lowered and flattened. Skylights will be installed in the clubhouse space so that the room will remain light and bright and new windows will be installed on the north side of the building offering a view of the woods and landscaping. To control noise, new carpeting and tiling will be installed throughout (including carpeting in the clubhouse). After 35 years, the building will be a pleasant and efficient place to meet, work and play!

Last year a new heat-pump system was installed which dramatically lowered the heating and cooling costs of the building and allowed for individual temperature control by room and time-of-day temperature setbacks, a new roof was added and the front entrance was replaced.

The project will continue throughout the winter months—as such there may be office closings and moves. PLEASE CALL or EMAIL THE OFFICE if you have any questions about open or closed times or if the on-site Koger staff have temporarily moved. The entire project should be complete in time for a reveal at the 2007 annual meeting—Monday March 5th 2007!

Recently, several co-owners have discussed at the monthly Board meetings the possibility of reducing the number of publications of the Shadoword. Each publication of the Shadoword costs the association somewhere between \$500 and \$600 depending on the number of off-site co-owners; is this money well spent or are there better and cheaper ways to communicate to co-owners? What do you think? Some of the options discussed:

1. Continue monthly editions but only send out in electronic formats. Hardcopies would be available in the office for co-owners wishing to have a hard copy.
2. Publish quarterly editions and distribute normally.
3. Change nothing and continue as present.

What works best for you and how would you like your funds spent? Please bring your ideas and suggestions to the monthly board meetings or submit them to president@shadowwoodcondos.com.

2007 CONDO FEES: \$35 - \$40 HIGHER

by Trent Benisch, SCA Treasurer

On 4 November, the SCA Budget Committee met to review the proposed 2007 budget. The twelve (12) co-owners in attendance came to agreement on a budget that translates to a monthly increase somewhere between \$35 and \$40. In other words, 2-bedroom assessments could go as high as \$204.42 and 3-bedroom assessments to \$230.64 per month. The final numbers are not known at this time because the Community must decide whether to pass through the actual cost for front door repairs and repainting to the individual co-owners or pay for it through a higher condo fee. This decision will be made, and the final budget presented and voted upon, at the 18 November 2006

THE GOOD NEWS!

First the good news: the recent move to professional management will save each unit owner more than \$9.00 each month. Also, we expect to generate \$20,000 in additional, non-assessment income this year, saving each unit owner another \$3.70 each month in condo fees.

SO, WHY ARE CONDO FEES GOING UP?

Below are some of the major 2007 budget items. To see the budget in its entirety, you can download a copy from the SCA website - www.shadowwoodcondos.com - or pick up a hard copy at the SCA Community Center.

HVAC Replacement

Just under \$31 of the monthly increase is to get the HVAC replacement project underway this spring. This project is expected to cost somewhere between \$1.35 and \$2.25 million (\$3,000 - \$5,000 per unit). Due to shortsighted decision-making by Boards of Directors during the first 30 years, the Reserves currently available for this project is less than 10% of the cash that will be needed in 2007 to complete this replacement.

\$31 each month is a good start, but the Budget Committee members agreed on 4 November that another budget meeting will be needed in spring 2007 to determine how to come up with the rest of the cash needed. Options for how to generate the cash, and pay for this project, include a special assessment, much higher condo fees, bank loan, or some combination of all the above.

It is the Board's intent to have a tight estimation of the actual cost of the project, and the pluses and minuses of

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each approach to pay for it, available by the Annual Co-Owners meeting (March 5, 2007). At the Annual meeting we will be looking to you to inform us as to which way you want to pay for a new heating and cooling system that will bring better comfort, individual control, and lower utility bills.

If you want to get involved now, and help identify the right way forward, please contact Rod Newhouse, the HVAC Committee Chair, who is heading the effort to find vendors, identify the best solutions, and negotiate the lowest price. Email president@shadowwoodcondos.com to get involved.

SCA Community Center

\$12 of each month's assessment will help restore and improve the SCA Community Center. In summer 2006 there was a fire at the Community Center that forces us to repair and renovate the Community Center much earlier than planned. Dramatic improvements to this community-shared facility will be visible by the Annual Co-owners meeting. If you want to help pick out the floor tiling, cabinets, paint colors, and other amenities, please email president@shadowwoodcondos.com.

Landscaping and Reserves

The association will spend about \$5.50 more per owner per month to take care of much needed landscaping repairs and improvements. There are drainage and erosion problems that must be addressed to prevent structural damage to our buildings. A prime example is the back corner of 2214 Castle Rock Square.

To see what work will be done, stop by the Community Center to see the master design. If you want to get involved and provide input to where the most needed landscaping is, please email president@shadowwoodcondos.com

Reserves

Reserves contributions will go up \$4.90 per month as this Board tries to ensure that co-owners are not burdened with higher costs in the future when the roofs need replaced, next HVAC system must be installed in 20-30 years, and parking lots are rejuvenated (every 5-7 years).

Bad Debt

Finally, and in my opinion, most important, your condo fees will increase \$3.70 each month to pay for bad debt the association has to write off. This bad debt results when your fellow Co-Owners don't pay their condo fees and the legal recourse does not result in us being able to get that money.

Believe it or not, SCA is at the bottom of the list of debtors when it comes to liens and foreclosures (after the IRS, lawyers, and mortgage holders). The consequence is that there is not enough "profit" generated from these actions to pay all the above.

In 2006, your Board has been very aggressive in trying to get the money owed to the community; however, we will lose nearly \$20,000 this year because of those who refused to pay their condo fees. We will continue to be aggressive in 2007, but need your help to reduce this additional cost levied against all of us.

If everyone paid their condo fees we'd all save at least \$3.70 per month (not including lawyer fees saved – another \$2.22 per month).

WHERE CAN I GET A COPY OF THE BUDGET?

I encourage you to look through the budget and see where your money is spent each year. You can download a copy from the SCA website - www.shadowwoodcondos.com – or pick up a hard copy at the SCA Community Center.

SCA Calendar

November 18, 2006

Hearings Panel – 9:00 AM
SCA Community Center

Board Meeting – 10:00 AM
SCA Community Center

November 23, 2006

Thanksgiving
SCA Office Closed

November 24, 2006

SCA Office Closed

December 16, 2006

Hearings Panel – 9:00 AM
SCA Community Center

Board Meeting – 10:00 AM
SCA Community Center

December 25, 2006

Christmas Day
SCA Office Closed

December 26, 2006

SCA Office Closed

March 5, 2006

SCA Annual Meeting
SCA Community Center



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