

Message from Terri Lacoff, Council Treasurer
December 2021

In accordance with the Beacon Hill Townhomes Condominium (BHTC) Code of Regulations and Delaware condo law, enclosed is the proposed BHTC 2022 Annual Budget. The monthly condo fee effective January 1, 2022, will be reduced to \$140.

The 2022 Annual Budget projects expenses will exceed income at year-end by \$30,800. However, this needs to be of no concern since any such deficit will be covered by surplus cash carried over from prior years. Furthermore, because some expenses are uncertain, like *Snow* and *General Maintenance*, if these expenses are minimal, the deficit will not be as high as projected.

A *Reserve Study Report* (“*Study Report*”) is a long-term capital budget planning tool that, along with the cash Reserve Fund, is a requirement under Delaware condo law. The Reserve Fund is separate from the daily Operating Account. The Reserve Fund serves strictly for the funding of major replacements like roofs, sidewalks, asphalt, etc. The law forbids the use of Reserve funds for any expenses other than what is specified in the *Study Report*. BHTC has been funding the Reserve Fund in accordance with our *Study Report* recommendations. Accordingly, our Reserve Fund cash balance at year end 2021 is projected at \$381,600, \$10,600 over the recommended balance. Our *Study Report* can be found on our website, beaconhillcondos.org.

It has now been seven (7) years since I was first elected to Council. In that time, I have served as the Council Treasurer and the point person for maintenance matters. Despite the difficulties of obtaining qualified contractors available to perform our maintenance needs and COVID only adding to the problem this past year, we continue to see success in managing the quality and cost of our maintenance. Speaking directly with residents along with doing on-site inspections provides a clear, first hand perspective of the problem that I can then document and communicate accurately to our contractors. This process has eliminated a lot of confusion and miscommunication with owners trying to explain what their maintenance issue is. As always, if you have maintenance issues that need addressing, forward such matters directly to Council. Council email addresses can be found on our website.

In ending, may I say our community has met all of its operating needs accordingly and responsibly all the while achieving financial milestones I personally have never seen here in my almost 24 years of residency. However, past performance isn’t indicative of future performance. Therefore, it is my fiduciary responsibility to communicate as I do each year, should I (for whatever reason or cause) cease the duties I have been performing on the behalf of the Association and no Council Member or Owner volunteers to assume these duties **or** the services currently being provided Peg Savoia come to an end, the Association will most likely have no choice but to engage the services of a full service property management company, which will result in a significant increase to the monthly condo fee.