

FAIRFAX CLUB ESTATES HOA
MINUTES – SEMI-ANNUAL HOMEOWNER’S MEETING
November 2, 2017
Bonnie Brae Elementary School Cafeteria

I. Call to Order

II. Verification of Quorum

Attendees: Chris Jewett (President), Angela Brown (Vice President), John Korb (Webmaster), Mike Krzykowski (Tennis), Maria Little (Treasurer), Dave McGraw (Common Grounds)

Board Members not in attendance: Paul Trkula, Dave Hardin, Tim Stacy (Arch Review)

Homeowners in attendance: **List needed from sign in if available**

III. Topics of Discussion

Speed Humps

Homeowners shared concerns regarding the potential installation of speed humps in the neighborhood, with attendees largely divided on the issue. Ultimately, it is at VDOT’s discretion to determine whether speed humps will be installed. However, the HOA has the ability to approach the county with significant demonstrated support from homeowners (in the form of signatures) to request that a study be conducted by VDOT. As an action item, the HOA board will facilitate communication with VDOT after signatures showing homeowner support have been collected by volunteers. There is currently a group of fourth and fifth grade students who have created a petition, signed by 58 homeowners, that could be presented to VDOT at a later date.

Because the current FCE email listserve is comprised of homeowners who have registered for the pool, there was also a discussion regarding a need to identify more ways to communicate with a broader number of homeowners to engage them in these kinds of efforts.

Guest Speaker: David Bulova, 37th District Representative in the Virginia House of Delegates

David Bulova provided an overview of his role in local and state government and shared a recap of the 2017 session and what’s ahead in the near future.

Recap of 2017 Session

There was a \$1.5 billion deficit that required a significant amount of budgetary cuts. However, more money was added for raises for state employees and teachers, mental

health issues and combating the opioid crisis. In addition, a statewide infrastructure was proposed for Airbnb-style home rentals. To avoid the “commercialization of neighborhoods” it is now required that homeowners who wish to use their homes for vacation rentals register in advance so these rentals can be monitored.

Looking Ahead in 2018

We are in a much better position than last year with our budget but revenue is moderate in Virginia. We also are doing well with employment gains, but the jobs that are being created are not as high paying. The state will also need to determine funding needs for K-12 education, Metro funding, the Affordable Care Act and public universities. Bulova shared that he is currently working with George Mason University on the pilot for an income sharing program that would allow students to attend college without incurring debt. Based on a similar program at Purdue University, this program would allow students to commit a certain amount of their future earnings in exchange for receiving financial assistance for the university and private sector organizations.

Additional Issues under consideration include data breaches, alternative education models and SOL reform.

Long term budgeting and assessment overview

The HOA recently commissioned a new reserve study, and the President shared that our revenue approach may need to change in the very near future in light of its results. (To receive of the presentation that was shared, please email vicepresident@fairfaxclubestates.org.)

FCE is the only community of its size in the 22032 zip code that has a pool managed by the HOA rather than being privatized. Before the reserve study came in, it was already clear that FCE is highly dependent on pool membership revenue to pay for its reserve funds. With assessment revenue coming in in April and October, pool operating costs are supplemented by summer and associate memberships, which is unsustainable. The reserve study has now shown that FCE will reach a deficit of \$76,000 in nine years. The HOA would need to borrow the money to cover that deficit. This calculation is different from the previous reserve study because of increased operating costs and the fact that the previous study was not performed when the pool was in operation. FCE would need to raise assessments by 5% for the next ten years to avoid having those deficits start much earlier.

The HOA consulted with a local realtor to review FCE’s assessment costs relative to other communities in the 22032 and 22015 zip codes, noting that there are substantial differences. While some neighborhoods are smaller than FCE and some are larger, the average annual assessment cost was \$861 compared to our \$525.

With these concerns in mind, it is the HOA Board’s recommendation that FCE pursue an annual assessment increase of 5% during the next several years to avoid a

potentially large deficit in the community's reserves. These increases would also dramatically reduce the risk of special assessments or a need to incur financing/debt to cover capital expenditures. Most importantly, it would reduce the risk of an HOA bankruptcy.

The proposed budget and board slate for the next fiscal year will be circulated in early 2018.