

Great Oaks Homeowners Association
Annual Meeting
September 22, 2010

Minutes

Following the determination that a quorum of the membership was present, John Harold called the meeting to order at 8:04 p. m.

When John asked for the approval of the minutes of the 2009 Annual Meeting, it was discovered the copies of these minutes had neither been included in the Announcement packet sent out to the membership nor had they been made available at this meeting.

Ruth Fischer, secretary, was instructed to get the extant hard copy of the minutes of the 2009 Annual Meeting posted to the GOHA website as soon as possible.

President's Annual Report (John Harold)

Verizon: Current negotiations with Verizon have come to an impasse over the clarification of the following portion: "***Grantor expressly prohibits any leasing or subleasing or any other use or grant of a use to or by a third-party in or to the easement or the easement area without the prior written approval of the Grantor which shall neither be withheld unreasonably nor conditioned upon receipt of monetary or other consideration.***" John asserted that to say that Verizon has use of GOHA property for other than our interests and that we may not withhold permission "unreasonably" simply does not give GOHA the protection we need.

Jim Scanlon noted that there had also been problems with how the cable was to be laid. If Verizon laid that cable in a manner most cost effective for them (rather than tunneling under the effected areas), considerable damage could be done to trees in the common areas and to paved areas. Iain Williamson suggested that the tunneling could be done prior to the needed curb work, to which Jim replied that 70% of Great Oaks cannot be tunneled under.

Ken Curtis asked if there was any way to break the impasse, to which John replied that there was not.

Front Entrance: John reported that he thought that Portugal has done a beautiful job. He added that documents required by the Department of Professional and Occupational Regulation to proceed with our claim for the recovery of funds we paid Accent contacting have been filed. When a hearing has been scheduled, he suggested that a board member and GOHA's legal counsel attend.

Special Assessment: John noted that the funds taken from the Capital Reserve to pay for removal needs to be replaced. He urged that the membership you to vote for the Special Assessment. He noted that the Board is reviewing the study of our assets and the

replacement schedule and costs. This review then goes to our auditors for their work. The review allows the Board to define the Capital Reserve Balance for each year. That definition allows the Board to schedule the payments to the Capital Reserve Fund. At this point in time money in the fund is needed to repair the sidewalks, curbs and gutters.

Discussion regarding the proposed assessment:

Steve Bowman asked if 50% of Great Oaks does not have sidewalks, why snow removal on the sidewalks was even part of the contract and suggested that in the future snow removal on the sidewalks in front of a house be the responsibility of the homeowner.

Gary Bottorff also raised concerns about the way the contract was written. Ed Killinger, absentee owner, agreed.

Chuck Calvert expressed aversion to a special assessment and his support for a 10% dues increase rather than a special assessment. Bob Duryea concurred.

Barbara Hart noted that we recently had an assessment for re-paving the roads. Ruth Fischer pointed out that that assessment of \$1000 per household occurred in August 2001. It was pointed out, however, that the roads had been resealed in 2006 with no assessment.

Barbara suggested that instead of an assessment, the board impose an austerity program to delay the repair of the community's capital assets. Gary Bottorff concurred that the board determine ways to cut costs.

Gary asked what would be considered an adequate amount for GOHA's Capital Reserve. Ruth noted that the Institute of Community Associations suggests that in order to be considered in good financial position, an association should have at least 70% of its capital assets covered in the reserve fund, the closer to 100%, the better.

Chuck Calvert expressed an aversion to assessments, supporting a 10% increase in dues instead. Bob Duryea concurred.

Contracting Process: John reported that the Board has established a clear cut process in accepting contracts. Each bidder is reviewed to establish that they hold the proper licenses and insurance. Complaint histories are reviewed. Only appropriate deposits are paid, and the schedule of payments is aligned with the completion of the work.

The Long Range Planning Committee has proposed that the Board consider a contractual arrangement without neighbors to share the pool. The vote on the proposal presented is only advising that the Board consider the proposal and seek legal counsel as to the proposal.

John recognized that GO residents should have input regarding the projects, contacts and activities undertaken by the Board. He supports that position but noted that, by law, the

Board must act in the best interest of Great Oaks Homeowners Association, not the interests of a homeowner. The Board must make decisions and may not cede those decisions to the membership. The Board appoints committees, the committee chairs and the committee members. These committees take responsibility for reviewing issues coming to the Board and advise the Board. For example, those who wish to review contracts are invited to come forward to join a finance committee. John further noted that he has repeatedly asked for help but has gotten advice, direction and complaint but the Board needs those who will work with the board on the issues.

He also reminded pet owners to clean up after their pets.

He thanked Rowena Morris for her work on the Landscaping Committee and to Ruth Fischer for assisting her, Dick Olson for his leadership in the Block Watch program, to Diana Dowell and Steve Bowman, for conducting the Architectural Control Committee and to the nominees who have have accepted election to the Board.

[Because the position of Vice President was vacant, no report was available.]

Secretary's Report (Ruth Fischer)

Ruth reported that she had taken over the secretary's position in January after John Treutel resigned (moved). In addition to the regular secretarial duties, including taking minutes and ensuring that they are posted on the GOHA website once approved, other projects included those mentioned below:

- Reconstructing the history of GOHA through the collection and collation of extant minutes, annual reports and newsletters found in the GOHA storage unit.
- Compiling a full set of plats of homeowners' lots in usable form
- Writing a demographic survey, which, among other things, asked for activities that GO residents might be interested in doing and was completed by about 45 residents
- Assuming responsibility for the newsletter, with the most able assistance of Dick Olson.

She reported that other initiatives to promote communication among GO residents include an updating of the website, thanks to Chico and Meredith Barosso, and the nascent establishment of an Announcement List. The Announcement List team includes, along with Chico and Meredith, Dick Olson and Marvin Beriss. She noted that the team would be working on policy related to the use of both site and list over the coming months.

She reported that as board liaison to the Landscaping Committee (report below), she had had the pleasure of working along side Rowena in trying to maintain the grounds in a manner that shows the beauty of our development.

Treasurer's Report (Patrick LeFloch)

Patrick reported on the state of GOHA finances and presented recommendations to address costs incurred earlier this year.

Depreciation of Assets

A 2007 reserves study by ETC shows that our assets held in common require, not surprisingly, replacement and improvement reserves so that they are maintained in attractive and functioning order. Our most valuable assets, the pavement and pool, are projected to need complete refurbishing by 2020. Therefore we need to set aside reserves in anticipation of their scheduled replacement. Other items, such as sidewalks, storm sewers, walls, trees, are less costly to replace but nonetheless are due for replacement over time. Patrick noted that he has budgeted \$40,000-\$50,000 of our assessments each year towards the replacement and improvement of these common assets.

Improvements to Community Property

The work on replacement of the entrance wall started in July 2010 and was expected to be completed in September 2010. The budget for this project is \$73,000, which will be paid out of GOHA accumulated capital reserves this year. The Long Range Planning committee has shared several improvement projects with us that would benefit the entire community. These need to be given strong consideration as we strive to maintain the appeal of the neighborhood.

Operating Costs

Patrick reported that 2010 had been an expensive year for operating costs, primarily because of the \$90,000 spent in snow removal due to the record-breaking storms. Historically, snow removal cost us about \$10-15,000 per year. This unexpected expense leaves the snow removal line item with a \$75,000 deficit for this year.

Income

The board approved a 10% increase in dues in 2010. With this increase plus a \$585 per house special assessment to reimburse for the cost of removing 60 inches of snow, GOHA's budget will be balanced and our cash position will be strong once again.

Patrick supported the special assessment because (1) the cost of snow removal was incurred and paid six months ago, and (2) as a community, we have been allowing our

reserves to be maintained a low level (\$136,000) for many months, and (3) our reserves will be reduced by another \$73,000 once we the full cost of the entrance wall is paid.

Landscaping Committee (Rowena Morris/Ruth Fischer)

They reported that the huge amount of snow this past winter resulted in the need for unexpected tree trimming services to clean up the mess of downed trees and tree branches. JL Tree Service, Inc. was called on to provide this service.

Valley Crest (Russ Tolle, Project Manager) was chosen to take care of general landscaping maintenance of the common areas. They have been have been extremely satisfied with the service provided by Valley Crest. Having a project manager assigned to Great Oaks meant that they had one contact person who came out several times and worked with us to address our specific situation. They are hoping to work on a long-term program of improvement above and beyond the maintenance program in place for years, which has resulted in the gradual deterioration of many common ground areas.

JL Tree Service, Inc. recently completed trimming trees that homeowners who had responded to the notice in the August newsletter indicated were at risk of damaging their homes because of overhanging branches. An full assessment of the common area trees is being planned by the next Board.

Cravens Nursery and Pottery has been awarded two contracts, one to replace the Leyland Cypress trees along Old Lee Highway across from the entrance to the Army Navy Country Club and the other to provide the landscaping for the area in front of the new entry signs. They both thanked Terry Dabrowski for her contribution to the landscape design.

The **election of new members** to the Board of Director was held. Three candidates were on the ballot: Ken Curtis, Carol Khalil, and Iain Williamson. Meredith Barosso nominated John Harold from the floor. Ken Curtis, Carol Khalil and Iain Williamson were elected.

The next item of business was the **discussion and vote on two propositions**. The first one dealt with the assessment.

Proposition: Reimbursing the Reserve and Replacement Fund in the amount of \$75, 000 by assessing each household in Great Oaks in the amount of \$585.

This proposition passed with a vote of 83 For and 31 Against.

The second proposition read as follows:

Proposition: Approving the GOHA board's efforts to establish a swimming pool/park membership agreement with the two neighborhoods closest to Great Oaks (Fairfax Oaks

on Ridge Avenue and the adjacent proposed Horton development) with the following provisions:

- 1) an initial one-time payment for improvements to the pool and possible future recreational amenities (e.g., park, playground) by each non-GOHA family/household;
- 2) an annual membership fee per each non-GOHA family/household;
- 3) a liability waiver by each non-GOHA family/household; and
- 4) continued control over the pool and recreational areas by the GOHA board or its authorized representatives.

Pursuant to GOHA approval of this proposition, the plan would be presented to GOHA's legal counsel for review, after which, if the review is favorable, contact with the adjacent neighborhood associations would be initiated.

It was moved/seconded/approved to amend the proposition to delete the phrase "Pursuant to GOHA approval of" and replace it with "Authorize the Board to investigate"

The proposition failed with 48 votes For and 67 votes Against.

There was no **New Business**.

Homeowner Comments and Questions

Barbara Carter challenged the members present to volunteer to do what she called Gate Watch for the upcoming 75th Anniversary Homecoming at Fairfax High School on September 24th.

Tom Manganello asked the group to join in a video "hello" to Steve Carter, who is currently stationed in Iraq.

Tom also mentioned that Mike Thomas had died and that a memorial service was being held for him at the Old Post Chapel at Ft. Myer.

There being no further business, the meeting was adjourned at 9:40.

Respectfully submitted,
Ruth Fischer
Secretary