

**Meeting:** Everett Estate Homeowners Association (HOA) Annual Board Meeting

**Location:** Central Rappahannock Regional Library (Salem Church Branch) 2607 Salem Church Road, Fredericksburg, VA

**When:** Saturday, January 14, 2023, 3:00 PM – 5:00 PM

**Purpose:** To discuss neighborhood status quo at Everett Estate Residential Property

**Attendees:**

Bethany Duncan  
Jim Burnopp  
Paul Murph  
Raul Visaya  
Lydia Visaya  
Joanne Duncan  
Jason Webber  
Christal Webber  
Bernardo Russo  
Rex Berfield  
Tammy Berfield  
Brian Zdglebloski  
Catherine Blackstone

**Meeting Summary:**

**State of the HOA/Neighborhood – J. Webber**

- State of the HOA from his perspective is good. From business perspective, licenses, insurance, our SCC documents are up to date. As for the neighborhood, I have walked the neighborhood and practically is in good condition.
- One complaint of one of the neighbors was brought to my attention and will be dealt with in the next board meeting. A phone call will be made. But overall, this was the only complaint this year.
- One HOA board member, the treasurer, will be available. An email for the treasurer's position was sent out on 12/10/2022; however, there were no responses. Will convene for the next election to obtain a treasurer.

**Treasurer Report – J. Duncan (see EE HOA FY23 Budget Proposal, page 4)**

- From the budget, we spent \$19,179.88 as noted in column FY22 expenses, under our yearly assessment total.
- Need to do a Capital Reserve Study and has been budgeted for \$1,200.00 and it was due last year. P. Murph indicated that he will assist. He indicated that it occurs every five (5) – years. Additionally, it will assess the fencing, etc. and will provide projections as to the monies reserve to do maintenance/repair in our neighborhood. It is like an emergency fund. For FY 23, eight (8%) percent was added due to inflation to the amount of \$22,516.00. We received \$19, 250.00, but it was an overpayment and wrote a check back.
- For FY23 budget, lawn and storm water retention pond maintenances are the cost that has been spent and it hasn't changed from FY22. We transferred the amount of \$11,817.37 from last year, FY22. So, this is how much we start with prior to our assessment. J. Duncan moved to have the yearly dues to stay as \$600 per year.

- **Questions/Discussion**

- R. Berfield – Please assess the dues and the reasoning behind keeping the dues the same with the carry-over of \$11,000 with approximately \$42,000 in the bank?
  - J. Duncan indicated that we spent the appropriate amount allocated from last year and should have a shortfall. Last year, C. Jencks worked the budget and concluded that \$3,000 shortfall will be apparent.
- R. Berfield - If bring down the dues, are we allowed getting into the Capital Reserve?
  - P. Murph indicated that you can tap into the Capital Reserve in a certain amount, but a justification is required. He indicated that two major expenses are fencing and mowing and make an educated guess to how much money we spend. A third-party contractor will have to do a Capital Reserve Study.
- L. Visaya – On the \$11,000 carry-over, why is the money in a current savings account as opposed to an interest-bearing account?
  - P. Murph – does not know the answer; however, he indicated that it may be due to tax purposes as the Everette Estate HOA is a non-profit. J. Webber and P. Murph will research it.
- R. Berfield – Can we spend the \$11,000 on anything we want, now?
  - P. Murph indicated that it is an operating cost. We still must accomplish a Capital Reserve Study in providing a recommended list of maintenance in the neighborhood, including assessments on expenditure. Once a Capital Reserve Study is accomplished, we go to vendors/contractors and request cost estimates. Again, the priority is fencing repair, mowing, tree maintenance, and other miscellaneous items. Once a legitimate estimate is established, a majority vote is required from the neighborhood on the estimate. J. Duncan indicated that we had previously cut trees down as part of expenditure at neighborhood including common areas and B. Russo indicated that the contractor hired did not do a very good job. Additionally, one proposal is to take down the fencing at all storm water-pond area; however, a written permission from a lawyer is required for any liability protection.

**Old Items – J. Webber**

- After looking at the HOA's Adherence to protective covenants, there was a complaint on one of the neighbors on commercial vehicles constantly parking in their premises. Based on the covenants, our homes are primarily our residence and strictly prohibits any business. We cannot have any barbershop, bed-and-breakfast; on the other hand, we can have a home office, but cannot have clientele coming in-and-out your residence. On Article V, Restrictions and Reservations, paragraph 21, Parking and Vehicles, of the Everette Estates Declaration of Protective Covenants specifies the enforcements. It indicates that commercial vehicles may remain temporarily on the Property to furnish necessary services to an Owner.
- B. Russo indicated that he had a business using a white van. It was not commercial, but it was registered under his name. He was given a reprimanded letter from C. Jencks of not parking any commercial vehicle once he initially moved to the neighborhood. He was able to convey the complaint and was never discussed further.

**New Items**

**Discussions/Questions**

- B. Russo proposed to put up a bid to a third-party company to manage the work on the HOA due to the following reasons:
  - A great deal of work is not being addressed.
  - J. Duncan will be leaving as a Treasurer.

- Everyone is busy because of work and other personal matters.
  - J. Webber indicated he opposed bringing in a management company for the following reasons:
    - ◆ Additional cost to all neighbors. J. Duncan indicated the dues would increase to approximately \$139.00 a year for a hybrid type, where a HOA Board are still required, including the Treasurer paying the bills. The company will manage the bids associated with any work done to the neighborhood.
    - ◆ Everette Estate is a self-governing neighborhood. With a management company, it will become a military base family housing, where it. We will give up control of accountability.
  - J. Webber indicated that he has retired and will have more time to address the HOA's concern. Meetings will be accomplished according to the covenants.
  - R. Visaya indicated that a Treasurer is a practically a full-time job.
  - J. Webber indicated can we hire an accountant? J. Burnopp indicated why not hire J. Duncan?
  - J. Duncan indicate pays the bills every month (if not twice a month- depending) via phone. When the dues come in, it is much work to do.
  - J. Duncan will still be the treasurer until J. Webber can find someone.
  - J. Webber motioned to approve the budget for FY23. All attendees approved the budget.
  - P. Burnopp also motioned to approve paying J. Duncan to stay on. R. Berfield indicated it is the board that makes the decision.
  - J. Duncan indicated that her issues were that the HOA Board were not meeting accordingly, and email questions were not addressed. J. Webber indicated that he would do a lot better in managing expectations from the board in moving forward.
  - J. Webber indicated that he hopes to establish a tenure, where Board members to serve approximately two years to volunteer to be the president, treasurer, secretary, and other board members. P. Murph recommends staggering the work.
  - J. Duncan indicated that the dues date will have to change for a month or two. It was for February, but now it may set back to March.
  - L. Visaya questioned on the tree roots affecting the communications or electrical line. P. Murph indicated to call the power (Dominion) or communication (Xfinity) company.

#### **Action Items:**

- Recommendation is to do a Capital Reserve Study Report.
- Research in interest bearing account and tax implications on non-profit organizations.
- Send a letter to the neighbor to adhere to the protective covenants regarding the parking of commercial vehicles.

#### **Meeting ended at 3:35 pm**

**Next Meeting** – To be determined; perhaps the first week of February 2023. The HOA secretary will schedule a meeting place at either Snow or Salem Lot Library. More to follow.

#### **RAUL VISAYA**

Secretary, HOA Board Member

**Everette Estates FY 2023 Budget Proposal**  
**15 December 2022**

	FY22	FY23	FY24
Carryover Balance	\$ 11,747.25	\$ 11,817.37	\$ 8,501.37
Assessment	\$ 19,250.00	\$ 19,200.00	\$ 19,200.00
<b>GRAND TOTAL REVENUE</b>	<b>\$ 30,997.25</b>	<b>\$ 31,017.37</b>	<b>\$ 27,701.37</b>

FY22 BUDGET AND EXPENSES	FY22 BUDGET	FY22 EXPENSES	DELTA's	FY23 BUDGET	FY24 BUDGET
<b><u>Maintenance</u></b>					
Lawn Maintanace	\$ 9,600.00	\$ 9,600.00	\$ -	\$ 9,600.00	\$ 9,600.00
Misc. Repairs	\$ 1,500.00	\$ 950.00	\$ 550.00	\$ 1,500.00	\$ 1,500.00
<b><u>Stormwater Management Facilities</u></b>					
Inspection/Engineering Assessment	\$ 500.00		\$ 500.00	\$ 500.00	\$ 500.00
Cleanup and Debris Removal	\$ 1,800.00	\$ 1,650.00	\$ 150.00	\$ 1,800.00	\$ 1,800.00
Capitl Reserve Study	\$ 1,200.00		\$ 1,200.00	\$ 1,200.00	\$ 300.00
<b><u>Administration</u></b>					
Insurance (liability,O&D, & WC)	\$ 1,600.00	\$ 1,554.00	\$ 46.00	\$ 1,600.00	\$ 1,600.00
State Registrations	\$ 55.00	\$ -	\$ 55.00	\$ 55.00	\$ 55.00
Accounting Fees	\$ -		\$ -		
Legal Fees	\$ 1,200.00	\$ 800.00	\$ 400.00	\$ 1,200.00	\$ 1,200.00
Office Adm.	\$ 450.00	\$ 143.88	\$ 306.12	\$ 300.00	\$ 300.00
Capitl Reserve Contribution	\$ 4,432.00	\$ 4,432.00	\$ -	\$ 4,761.00	\$ 5,142.00
Dues Overpayment		\$ 50.00	\$ (50.00)		
<b>TOTAL BUDGET AND EXPENSES</b>	<b>\$ 22,337.00</b>	<b>\$ 19,179.88</b>	<b>\$ 3,157.12</b>	<b>\$ 22,516.00</b>	<b>\$ 21,997.00</b>

<b>GRAND TOTAL BALANCE (Projected carryover balance for the next year)</b>	<b>\$ 11,817.37</b>	<b>\$ 8,501.37</b>	<b>\$ 5,704.37</b>
<b>ANNUAL OWNER DUES</b>	<b>\$ 600.00</b>	<b>\$ 600.00</b>	<b>\$ 600.00</b>

CAPITAL RESERVE ACCOUNT	FY22	FY23	FY24
Balance	\$ 24,760.24	\$ 29,204.35	\$ 33,980.35
Contribution	\$ 4,432.00	\$ 4,761.00	\$ 5,142.00
Interest Earned Jan - Oct 2021	\$ 12.11	\$ 15.00	\$ 15.00
<b>GRAND TOTAL CAPITAL RESERVE</b>	<b>\$ 29,204.35</b>	<b>\$ 33,980.35</b>	<b>\$ 39,137.35</b>
<b>GRAND TOTAL BALANCE AND CAPITAL RESERVE</b>	<b>\$ 41,021.72</b>	<b>\$ 42,481.72</b>	<b>\$ 44,841.72</b>