

# WAINWRIGHT CLUSTER ANNUAL MEETING

February 16, 2023

**Board Members:** Damien DeAntonio, Ryan Gordon, David Oakes, Heather Robertson, Kat Vermeer, Kit Case, John Foley, Ryan Gordon, Erick Osman

**Residents:** Wendye Quaye, Laura Avis, Judy Brown, Brian Shimp & Kate Griffin, Tim Casey, Carol Ann Marquez, Myrna Schwab, Carol Berman, Claudia Osman

## State of the Cluster, by Damien

1. Hired a new snow removal company – Perfect Landscapes. Only one snow so far this year.
2. Surprise Bill from the IRS at the beginning of 2022 – claiming Cluster hadn't filed tax returns – there was an error in the ID #, and tax returns had been filed. We received confirmation that there was no liability in fact.
3. Upper Cluster Electrical Issues – still an ongoing issue. Carports are back on thanks to the Casey's house. There is a likely break in the electrical lines.
4. Damage caused to the upper cluster carport by the Amazon truck – Cluster filed a claim and received compensation.
5. RA Complaint due to pine tree removal in the lower cluster – this will be resolved in the spring.
6. New parking signs at cross walk near upper cluster, thanks to Wainwright Cluster President appealing to VDOT.
7. Vantage Hill redevelopment for 21 townhouses will be built where the old pool is located.

## Plans for 2023

1. Tree Work in lower cluster
2. Fix Upper Cluster Electrical
3. Capital Improvements

## Board Election

4 Board members are up for reelection in 2023 – including David Oakes, Ryan Gordon, Erick Osman, Kat Vermeer.

Tim Casey also agreed to join the Board – the group motioned to approve, and he was elected for a 3 year period.

Damien motioned for all 4 existing members to be reelected to the Board for 3 year terms, it was seconded and approved.

## Review of 2023 Budget

The 2022 Budget was \$51,378.49, with actual expenses of \$39,305. We were underspent on snow removal and other non fixed maintenance costs, slightly over spent on tree work/removal. The Cluster has been intentionally building up reserves over the last few years, with the anticipated needed capital improvements that keep getting pushed back and deferred. The 2023 budget is not significantly different in structure than 2022, with some incremental (4%) cost increases in major categories. There are separate funds set aside for carport light/electrical repairs in the upper cluster. There were 2 versions of the budget presented – one with and one without capital improvements.

Major capital improvements include:

- Carport reroofing, the Board estimates maybe the roofs were done over 30 years. Carport Roof estimate was \$50k, but doesn't include replacing plywood, therefore Board is estimating an additional \$30k for plywood repairs, estimated at a total of \$80k for all carports. Many roofs are leaking, shingles are degraded, and some have significant holes in them. Board has over the last 10 years sought roofing company consults and estimates for this work, both in portions and all together, and overall the contractors indicate that doing them all at once will ensure a better price and allow for the same shingle colors to happen in all 3 areas.

- Asphalt resurfacing of parking lots, it is now beyond resealing. We do not believe the cluster has ever had the asphalt redone. Estimates were \$70k - \$80k.

The Board presented 3 financing and timing options:

1. Complete both capital improvement projects at one time through:
  - a. Financing through a loan, which would be a 7 year loan @ 7-8% interest for nearly \$40k in interest.  
OR
  - b. One time capital assessment of \$3,800 of each owner.
2. Incremental funding of the capital improvement projects, with an increase of our quarterly dues to \$525/quarter, effective April 2023. This would be a temporary increase for roughly 5 years. One project would be done in 2023, the other in 3 years as through the increased dues we build back up the reserves.

At this meeting the Board solicited inputs, asked questions about options that were considered, which projects are more urgently needed, and options for phasing. This was heatedly debated amongst those who attended tonight. Some expressed interest in only repairing the roofs that were in most urgent need, but the Board felt strongly that this played favorites to some parts of our community and not all – especially in terms of resale and then further deferring necessary maintenance, that is commonly needed every 30 years. No one in attendance debated that some aspects of these projects were critically needed, there was debate over which sections of the community were more urgently needed – i.e. lower and upper carports are in worse shape than middle, but asphalt in middle was identified as critical.

Financing options to support the various iterations were also discussed. Those in the room consulted felt that the last option – increased dues, was the preferable option. Some expressed concern about the unlikelihood of the dues dropping back down, but the Board reminded the members that we too don't want to pay more than is conservatively needed, the Board has been consistently conservative, and the Board is not incentivized to keep dues high -we are owners as well, and not a property Management company seeking unnecessary revenue. The dues increase would be specifically for a specific capital improvement purpose, with a timeline – and fees would be expected to drop again once this is completed, with adjustments for normal escalation due to price inflation.

During a meeting of 17 households surveyed, none preferred the bank loan financing option – a waste of \$40k of income that would contribute nothing to our community. Half of those surveyed preferred the one time payment – but most recognized how complicated it would get for the accounting and/or if residents sold their units, and how it might not be reasonable/realistic to others, and in fact failure to pay could jeopardize the projects' payments to vendors. It was discussed that having ONE method of payment would be preferable, not giving options between those who wanted to pay one time vs. quarterly increases.

The Board reviewed the Cluster Handbook and Guidelines and a vote for the capital improvements is not required from the owners of the 42 homes, however the Board felt it best to solicit input from the owners on preference for the financing options. It is the obligation of the Board to ensure maintenance of the cluster property shared spaces and assets, and it is in fact at the discretion of those elected to serve on the Board to make determination about quarterly fees and assessments.

A request was made by Wendye Quaye to re-review the Cluster Handbook and perhaps update its governance with need to have a minimum vote for dues/special assessments – the Board did not object, and Wendye agreed she would take a look at the current language. A suggestion was made to look at other Handbooks in Reston with regard to best practices for this.

The attendees also asked the Board to put in the SUBJECT line notification that the Cluster Dues were going to be discussed at the annual meeting – even though they were stated in the body of the email.

All owners are encouraged to read meeting minutes, attend all monthly meetings, and attend annual meetings if they would like to contribute their voices and opinions to the Board, which is comprised of elected owners.

In the end, after consultation from owners in attendance, and one owner who wrote in advance of the meeting that they could not attend but wanted to contribute their opinion – a decision was taken to increase dues effective April 1, 2023 to \$525, and begin ONE of the capital improvements projects in 2023. A survey was taken in the meeting and most owners preferred to start the work on the asphalt ahead of carports. The Board will take the next steps to get quotations, and assess the option to start asphalt first. One resident suggested we tackle the more expensive one first, and then use part of the CD funds in 2024 to shorten the time the increased dues are needed.

Because of the necessary dues increases to pay for much needed capital improvement projects, the Board had decided moving forward that the late fee outlined in Section IV.A.3 of the Cluster Handbook of \$20 per quarter on any outstanding dues balance will be enforced beginning in April 2023.

It was also suggested that an alternative payment option for dues be provided. The Board will look into the use of a payment EFT app such as Zelle or Venmo for dues payment for those that prefer that option over a check. More information on that will be provided and discussed at future Board meetings.

The Board thanked everyone who attended and discussed this important matter.

Open forum included:

1. One resident asking other residents to keep the carport areas more tidy, as it is ugly and can look nicer.
2. One resident informing residents that the police are still actively looking for reports on a man, often driving a black ford sedan, license plates UJG-8770 – who parks on Wainwright and has been reported to be watching the children at play in our neighborhoods and the day care, and who has reportedly been seen with pornographic material. Police are aware. Residents seeing this man should not approach, maybe take a picture, but then immediately call the police.

### **February Monthly Meeting**

The Board motioned to approve the January minutes as written, they were approved.

Treasurer's Report:

|           |  |
|-----------|--|
| Checking: | \$88, 435.56 (to be deposited \$5,442) |
| CD:       | \$17,108.27                            |
| Arrears:  | \$4,883.00                             |

MAIL

- Reinstatement of insurance coverage received
- Unsolicited proposal for power washing of all the homes in the cluster received.

9:15 pm end of the meeting.

Next meeting is March 9th