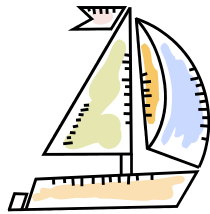


LAKE BARCROFT ASSOCIATION



FUTURES COMMITTEE

FINAL REPORT

November 2009

**Lake Barcroft Association
Futures Committee Final Report
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Introduction & Report Summary

Introduction

The community of Lake Barcroft is almost three generations old. A number of areas of community property have begun to show their age and are in need of serious renovation or restoration. A number of projects and proposals to maintain or improve our surroundings have been discussed. Many of these projects need attention either immediately or in the near future and together could cost a significant amount of money. The Lake Barcroft Association (LBA) Board of Directors needed additional information to make informed decisions about the various and sometimes conflicting choices to be made.

In the past, the LBA has endorsed a number of reviews and studies to look at specific ways to enhance the quality of life and improve the value of the properties of the residents. Some of these studies were brief reviews of specific topics; others were broader and longer in study duration. All were *ad hoc* and generally conducted independently of one another.

To provide the Board with a comprehensive view of the various choices, and to place the various choices in perspective, the current LBA president Cindy Waters formed a Futures Committee.

The Futures Committee was chartered to develop a vision of how the community might look in the future in terms of recreational facilities, physical and natural resources, infrastructure, communication capabilities, and administrative functions. The committee was chaired by Jerry Mendenhall and Lisa Levine and members were Charles de Seve, George McLennan, Kevin Howe, and Steve Klein.

As a first step, the Committee members developed an inventory of past studies and incorporated selected past projects into this project. They also agreed upon the topics of the study. A community survey was authorized to seek comments and ideas from the community-at-large. The survey was developed and conducted by David Goslin, and the resulting analysis was incorporated into our findings and recommendations.

The end product of the committee's work is this report which includes an analysis of selected issues which impact the future of Lake Barcroft, a discussion of the costs and benefits of each where appropriate, and recommendations, including priorities, for the Board. A proposed resolution was prepared for those activities that are recommended for Board action.

One of the major benefits of this approach is to provide a consistent methodology for structuring proposals brought before the Board. These proposals can then be evaluated on a more objective basis than has sometimes been the case. Also, in addition to making more informed decisions, in the future the process of developing and evaluating issues should be facilitated because much of the homework has been completed.

Report Summary

This report is organized into three major sections that conform to the areas selected for study at the beginning of this effort. A summary of each recommendations is provided.

1. **Infrastructure** – This section addresses the installation of sidewalks (recommend no action at this time); burying underground utilities (very costly; no action recommended for the foreseeable future); and improve security (recognize the recent revitalization of Neighborhood Watch and recommend increasing the off-duty police patrols in-line with LBA budget considerations).
2. **Major Landscaping, Repair and Upgrade Projects** – This section includes a number of improvement projects such as vine removal (to be phased into regular maintenance work); Community Garden renovation (Phase 1-the planting of the “Butterfly Garden” portion has been completed; The LBA board approved Phase 2- Rebuild the pond and improve the surrounding area at its meeting on November 12, and work has begun on this phase. The remaining projects recommended for implementation are longer-term in nature, such as improving the drainage at Beach 4 parking lot, and they are in the early stages of planning. A review of boat rack space had concluded that there is currently adequate storage space, but, that a program should be developed to assist owners of unused boats to sell them at the annual boat auction.
3. **Communication and Administration** – By way of communication, the community currently utilizes the monthly printed *Newsletter* and the electronic email service LakeLink. It should be noted that a Lake Barcroft Blog has been initiated recently. The committee recommends continuing to develop innovative ways to upgrade community communications. Direct pay systems (such as PayPal) should be investigated to facilitate collecting dues, etc. While allowing residents the option of continuing to receive the *Newsletter* via mail, residents should also be given the choice of selecting an electronic delivery version of the *Newsletter*. A records retention and recovery policy was recently approved by the LBA board. Now, we recommend that a strong records management program be implemented with explicit provisions for emergency and disaster recovery. Also under Administration, we recommend that a volunteer coordinator be appointed by the board president.

We have also included appendices with the community survey results and selected reference materials.

In terms of priorities, we recommend completing the renovation of the Community Garden (Phase 2) in 2010 as the number one project that will enhance the beauty of our common property. Other longer-term projects, such as the drainage and paving of Beach 4 are in-work and should be completed in 2010.

Implementing a records management program focusing on emergency and disaster recovery has begun. This should be completed in the first half of 2010.

The remaining recommendations should be phased in as part of the regular activity of the LBA board's standing committees.

Infrastructure.....Tab 1

1. Install sidewalks throughout the community
2. Undergrounding of overhead utilities
3. Improve security in Lake Barcroft

Issue: Install Sidewalks throughout the Community

Description: Construct sidewalks on streets throughout the community to improve safety and make walking easier and more convenient within Lake Barcroft.

Pros:

- Having more sidewalks would improve safety for pedestrians
- Improve aesthetics throughout the community
- Improve property values
- Make walking more convenient and easier for the elderly.

Cons:

- Some in the community prefer the “unspoiled” nature of our streets.
- Such projects are the responsibility of the County, which has very limited funds for such undertakings. There is a very long wait.
- Cost, which is considerable, would be shared by residents.
- From the edge of the roadway roughly 6 to 8 feet of “private” property along with all trees and other landscaping would be lost. There would be significant disruption to private property because of the excavation.
- All homeowners would have to agree to the project.

Alternatives: None identified.

Recommendation: Given the cost and level of disruption, this item should be tabled for the foreseeable future.

Board Resolution/Motion: N/A

Issue: Undergrounding of Overhead Utilities

Description: Bury overhead utilities (wires for power and communications) and remove power poles to improve aesthetics of Lake Barcroft.

Pros:

- Greatly improve beauty of the Lake Barcroft community
- Alleviate the frequent power outages throughout the community
- Improve property values
- There might be an opportunity to put in sidewalks as part of the project.

Cons:

- Above ground transformer boxes will remain to serve as distribution points for groups of homes. Some find these nearly as unattractive as the poles.
- The utilities companies do not encourage such projects so the entire cost must be born by the community. The cost would be on the order of \$7 to \$10 million per mile. Costs of that order of magnitude would require issuing bonds.
- The existing easements extend roughly 6 to 8 feet from the edge of the roadway so there would be significant disruption to private property because of the excavation. All trees and other landscaping within that easement would likely be lost.
- Where sidewalks now exist would add significantly to the cost.
- All homeowners would have to agree to the project.

Alternatives: Residents may put the wires that run from the street to the house underground. For more information on this subject, see page 15 of the July 2002, *Lake Barcroft Newsletter*.

Recommendation: Given the cost, this item should be tabled for the foreseeable future.

Board Resolution/Motion: N/A

References:

1. PowerLinesMcGrew.doc (Lake Barcroft Newsletter, July 2002)
2. Down With the Poles? Up With The Costs (Washington Post, 30 April 2005)
3. PowerLines Wehner (Lake Barcroft Newsletter, July 2002)

Issue: Improve Security in Lake Barcroft

Description of possible actions: Increase off-duty police patrols to year-round; convert Lake Barcroft to gated community; re-activate and expand Neighborhood Watch program; promote disaster preparedness programs; add more streetlights; enlist residents who live adjacent to common properties to report suspicious activities

Pros

- General advantages for any improvement to security
 - Increase quality of life; well-being (intangibles)
 - Reduce crime and vandalism (tangibles)
 - Potential increase to property values
- Specific alternatives
 - Neighborhood watch (including disaster preparedness and reporting of suspicious activities)
 - Takes advantages of volunteerism with little or no cost
 - Involves LBA residents in community safety

Cons:

- Increased off-duty patrols: additional costs of patrols
- Gated community: not feasible
- Many roadways are thoroughfares
- All roads are public roads
- Police and fire won't allow restrictions
- Additional streetlights
- Lake Barcroft considered a safe neighborhood so County unlikely to pay for installation
- If LBA pays, cost is about \$3,100 per light/pole for installation
- Not including possible easements
- Once installed, county usually pays electricity cost
- Some residents object to additional streetlights (NIMBY)

Recommendations:

1. Pursue no/low cost options as high priority
2. Note: Neighborhood Watch has recently been revitalized
3. Use results from the community survey to establish priorities regarding increased patrols

Board resolution/motion: none required

Reference: Email from Penny Gross

Major Physical Landscaping, Repair and Upgrade ProjectsTab 2

1. Community-wide vine removal
2. Community Garden Phase 1
3. Improve drainage control at Beach 4 parking lot
4. Renovate planted area behind the sand at Beach 5
5. Renovate the outside (north side) of the Beach 5 peninsula
6. Replace the Beach 2 swing set
7. Landscape the entrance at Aqua Terrace
8. Repave parking lots at Beaches 3 and 4
9. Add Boat Racks

Project: Community-wide vine removal

Description: Several varieties of invasive vines are taking over large areas of community property. Some of the landscaping in these areas has been destroyed. Examples include Swift Island, the inside part of the Beach 5 peninsula and the area behind the sand at beach 5. In other areas the landscaping is in jeopardy but it is not too late to save it. Vine removal will become a regular part of on-going grounds keeping. To make this most cost efficient and take advantage of work crew downtime the work will be scheduled from November through April. The Beach 5 area and the Community Garden are the primary targets for this project.

Pros:

- This will save existing landscaping and the cost of replacement
- Community property will have greater aesthetic appeal.

Cons:

- There is no downside as the vines will ultimately have to be removed in any case and at greater cost.

Alternatives: None

Note: The Lake Barcroft Watershed Improvement District has taken responsibility for vine removal on Swift Island; therefore, no additional action by LBA is necessary.

Recommendation: As an on-going project, vine removal can be incorporated into the existing maintenance program within the current budget. However, it must be made a priority by the maintenance coordinator. No Board action is required.

Project: Community Garden Phase 1

Description: Re-landscape the area bounded roughly by Holmes Run and the existing pond. This work was initiated in 2008 and will complete in 2009. A grant of \$5,000 from Fairfax County is being used as seed money.

Project: Community Garden Phase 2

Description: Rebuild pond and immediate surrounding area.

Pros:

- Pond has become unsightly
- Work will have to be done as part of the Community Garden rehabilitation program

Cons:

- Any work done must be compatible with foreseeable future garden rehabilitation efforts.

Alternatives:

Recommendation: Project in in process.

Project: Improve drainage control at Beach 4 parking lot.

Description: Replace drainage ditch with a rain garden to slow and divert the water going into the Lake. This would be a “demonstration” project to test the practicality of using this method to reduce erosion and control and clean the numerous storm water drainage ditches that dump into the Lake.

Pros:

- Would provide an innovative means of controlling storm water
- Would add an aesthetic quality and provide wildlife habitat to an area that currently has neither.

Cons:

- Cost (currently unknown but could be in the range of \$5,000)

Alternatives: Leave drainage ditch as is.

Recommendation: Maintenance committee should include this project in the 2010 maintenance plan.

Project: Renovate planted area behind the sand at Beach 5

Description: Existing landscaping has been largely destroyed by invasive vines. Remove vines, undergrowth and old shrubbery and replace with native plants. Relocate the existing boat rack and with possible expansion of the number of spaces.

Pros:

- Return an unsightly overgrown area to a pleasing and attractive state
- Prevent vines from spreading further and causing additional damage.

Cons:

- There is no downside as the vines will ultimately have to be removed in any case and at greater cost. (The cost is currently unknown but could be in the range of \$6,000.)

Alternatives: None

Recommendation: Maintenance Committee should include this project in the 2011 maintenance plan.

Project: Renovate the outside (north side) of the Beach 5 peninsula

Description: The existing landscaping has become shabby over the years and is now at jeopardy from the spreading invasive vines. Remove vines, undergrowth and old shrubbery and replace with native plants. Install the plantings in such a way as to provide a visual screen from the homes on the opposite side of the channel.

Pros:

- Return an unsightly overgrown area to a pleasing and attractive state
- Prevent vines from spreading further and causing additional damage.
- Demonstrate the attractiveness of native plants.

Cons:

- There is no downside as the vines will ultimately have to be removed in any case and at greater cost. (The cost is currently unknown but could be in the range of \$6,000.)

Alternatives: None

Recommendation: Maintenance committee should include this project in the 2010 maintenance plan.

Project: Replace the Beach 2 swing set

Description: The existing very old swing set at Beach 2 set should be replaced with new and more robust set. Safety will soon be an issue.

Pros:

- Bring the Beach 2 swing set up to the standard of the others in the community
- Prevent a future safety problem

Cons:

- None

Alternatives: None

Recommendation: Maintenance committee should include this project in the 2010 maintenance plan. Current replacement cost estimated at \$1,500.

Project: Landscape the entrance at Aqua Terrace

Description: Re-landscape as required to maintain existing plantings.

Pros: None

Cons: None

Alternatives: None

Recommendation: No action needed.

Project: Repave parking lots at Beaches 3 and 4

Description: This is routine repaving.

Pros: None

Cons: None

Alternatives: None

Recommendation: The maintenance committee should consider this for 2015 depending on the condition of the existing asphalt. Cost are estimated in the range of \$3,000 to \$6,000.

Project: Add Boat Racks

Description: Existing boat racks provide sufficient storage. A future maintenance committee may wish to consider the alternatives and recommendations set forth in Common Area Task Force Report of 2007:

Periodic warnings should be given that residents will lose their boat privileges if they permit non-residents to store boats on LBA boat racks.

Recommendations:

- Impose a boat storage fee in addition to the boat sticker fee to ration the space and make it accessible to the many boat owners not now able to utilize the boat racks for their boats.
- The committee recommends an annual fee of \$25 per boat above the sticker fee.
- Prohibit storage of boat trailers at the beaches.
- Assist owners of unused boats to sell them at the annual boat auction.

Pros:

- This should discourage the many residents who utilize the boat racks but never use the boats.
- The recommended additional fee could be used to help defray the maintenance of the boat racks and construction of additional boat racks when that becomes necessary.

Cons: None

Alternatives: None

Communication and Administration.....Tab 3

1. Communication media
2. Records management program
3. Reserve fund policies and practices
4. Volunteer coordinator for LBA

Issue: Communication media

Description: Enhance use and effectiveness of website and listserv (LakeLink) and establish as the primary community communications media. The Lake Barcroft community is a vibrant, activity community with multi-generational families. In an effort to effectively communicate with all residents the community should continue to upgrade its communication media and methods.

Pros:

- Faster, cheaper way to communicate with residents.
- 94.98% of the households in Lake Barcroft have internet access.
- 73% subscribe to LakeLink.
- 96% read the LBA *Newsletter* every month.
- Improved transparency between the board and the residence.
- Clubs would have a page/work center to conduct their business.
- Clubs may at some point be able to utilize direct pay systems (such as PayPal) to accept dues and event registrations online.
- Streamlined approach to communicating and no longer need to retype/reinvent material as it would be housed in one place.
- Stronger historical and legal trail of information.
- Potentially save money from postage of dues invoices, newsletters and other community mailings.

Cons:

- Personal data security is an issue.
- Potential additional development expenses to get site set up for more functional use.
- May not reach all neighbors.

Recommendation:

- Investigate additional options to enhance the LBA website and LakeLink.
- Develop a one year campaign to move all residents from reliance on “paper communication” to using and communicating through LakeLink and the website.

Board Resolution:

- Move to establish the above recommendation as a goal for the communication and volunteer management teams of LBA.

ISSUE: Should the Lake Barcroft Association institute a records management program?

Description: What documents to keep; what documents to discard? These present two of the most important, vexing and boring issues all organizations have to face sooner or later. Over its 50 plus years of existence LBA has accumulated a large mass of information in the form of meeting minutes, legal documents, maps, and other documents of legal, financial, and historical importance as well as many documents of no lasting importance. These documents are, for the most part, currently stored at the Lake Office in various stages of order and chaos.

Periodic efforts to purge this accumulated information have been undertaken. These efforts usually occur when the storage requirements bump up against the storage space available. These periodic efforts are undertaken with good intentions and no consistent rules or guidelines on what to retain and what to discard.

A records management program would:

- Develop a consistent set of records retention guidelines considering federal (including the Internal Revenue Service), state, and local requirements as well as the community's desire to preserve an historical record.
- Include the requirements of a disaster recovery program.
- Conduct a study on the feasibility of digitizing some of the records for preservation and disaster recovery purposes.

Pros:

- Develop complete Inventory of documents retained currently by LBA.
- Develop guidelines for record retention that are consistent and that meet legal and regulatory requirements.
- Conduct a keep/discard program.
- Free up storage space at the Lake Office.
- Institute disaster recovery steps.
- Determine what storage medium is optimum for various classes and sizes of records.
- Incorporate records management into LBA's "best practices."

Cons:

- The existing practices have worked for over 50 years.
- It is difficult to get people excited about records management.
- Additional costs will be incurred for digitizing and off-premises storage of records.

Recommendation: After records management criteria have been established, implement disaster recovery program including off-site records storage.

NOTE: A records retention policy statement has been issued and approved by the LBA board. The policy is being put into practice over the next year. Emergency/disaster recovery is yet to be done.

Lake Barcroft Association Reserve Fund Policy and Practices

Much of the information below is largely drawn from the *Report of Findings*, dated August 2, 2002, of the Finance Committee Task Force on LBA Reserve Funding. Some of this information may also be found on the LBA Web site.

This topic is not an issue as the term is used elsewhere in this report. As a result, this discussion will depart from the issue paper format. Instead this paper will describe the background, authority, and guidelines for fund management at LBA.

This subject is included in the Futures Committee work because of its importance to the community and to assure that effective reserve fund management becomes an integral part of LBA's financial management.

LBA Definition of a Capital Asset: The Lake Barcroft Association has defined a capital asset as an asset that cost over \$1,000 and has a useful life in excess of one year. This definition should be applied in all cases below where the terms capital asset, capital component, capital expenditures, or capital equipment are used.

Authority: The Lake Barcroft Association Bylaws, as amended and approved by a Special Membership Meeting on February 4, 1992, provide for the maintenance of a reserve fund by the association to assure the financial stability of the community.

In addition, in 2002 the Virginia State Legislature passed legislation that required all condo and property owners associations (NOTE: under this law, the Lake Barcroft Association is considered a property owners association, sometimes referred to as a homeowners association or HOA) to perform a reserve study. The study requirement was effective on July 1, 2002. The study would identify those Capital Components that the association had the obligation for repair, replacement or restoration. It would also assist the associations directors in determining the amount of funding that would be required for the replacement or restoration of these items and provide the basis for the association's yearly funding requirements. Examples of Capital Components are paths and walkways, common area boat docks/ramps, playground equipment, or structures located on the common area.

A separate review of the retaining wall funding in the cloisters (formerly known as Parcel A) was conducted by the Futures Committee. The purpose was to assure that the annual \$500 deposits of the households in Parcel A are adequate to fund the scheduled maintenance on the retaining walls. A table summarizing that review follows this section.

Our review indicates that the current deposits of \$500 per household are adequate.

Additional information is included in Appendix B.

Issue: Does Lake Barcroft need a volunteer coordinator?

Description: Currently each group requiring volunteers within Lake Barcroft recruits, trains, and retains its own volunteers. There are at least seven groups that actively seek volunteers on a regular basis (see table on following page). An alternative is to have one person responsible for recruiting and retaining a volunteer pool. Groups requiring volunteers would tap into this pool as needed.

Pros:

- A person (or persons) would be tasked with the responsibility for locating volunteers.
- Potential volunteers would avoid the current situation of being contacted by several people for different volunteer activities.
- Conflicts among groups seeking volunteers would be avoided.
- A master list of volunteers would be maintained.
- A person with an interest in and the necessary skills and abilities for recruiting and retaining volunteers would be responsible for the task. This would result in more volunteers being available.

Cons:

- The special needs of some groups might not get adequate attention.
- Training required for some activities would be diluted by lack of commitment to a specific activity.
- Individual volunteers with a specific preference might get discouraged and cease volunteering.
- The administrative burden associated with record keeping would be significant.
- A desired volunteer might not be available for an activity when needed.

Recommendation:

That a volunteer coordinator be appointed for a trial period of one year.

Board Resolution: Move to allow the president to appoint a volunteer coordinator for a one year trial period and to report progress periodically to the board.

NOTE: Certain aspects of this recommendation have already been accepted, and the LBA board has appointed a volunteer coordinator.

**Lake Barcroft Volunteer Opportunities
By Organization and Function/Activity**

| Function/ Activity | Newcomer's | Special Events | Security | Maintenance | Woman's Club | Publications | WID |
|-------------------------------|------------|-------------------|----------|-------------|-----------------|--------------|-----|
| Chili cook Off | | | | | | | |
| • Set-up | XX | | | | | | |
| • Register | XX | | | | | | |
| • Clean-up | XX | | | | | | |
| Fire works | | XX | | | | | |
| Neighborhood Watch | | | XX | | | | |
| Ice Cream Social | | XX | | | | | |
| Beach Clean-up | | | | XX | | | |
| Parades | | XX | | | | | |
| Easter | | | | | XX | | |
| Halloween | | | | | XX | | |
| July 4th | | | | | XX | | |
| Community Garden | | | | XX | | | |
| Clean-up | | XX | | | | | |
| Sand Day | | XX | | | | | |
| Labor Day Games | | XX | | | | | |
| Newsletter | | | | | | XX | |
| Community Web Site | | | | | | XX | |
| WID Associate Program | | | | | | | XX |
| WID Community Open House | XX | | | | | | XX |
| Easter Egg Hunt | | | | | XX | | |
| All manner of Newcomer events | XX | | | | | | |
| RPA Garden Maintenance | | | | XX | | | |

Appendix A: Community Survey Results - 2009

Designed and Conducted by Dave Goslin

| 1. Length of time lived in Community (Q1 Grouped Responses) | Total | Percent |
|---|------------|----------------|
| <2 years | 42 | 6.60% |
| 2-5 years | 81 | 12.74% |
| 6-10 years | 102 | 16.04% |
| 11-20 years | 125 | 19.65% |
| 20+ years | 286 | 44.97% |
| Total | 636 | 100.00% |

| 2. How much longer expect to live in community | Total | Percent |
|--|------------|----------------|
| <5 years | 38 | 6.08% |
| 6-10 years | 96 | 15.36% |
| 11+ years | 279 | 44.64% |
| Don't know | 212 | 33.92% |
| Total | 625 | 100.00% |

| 3. Waterfront or not | Total | Percent |
|----------------------|------------|----------------|
| Yes | 175 | 27.34% |
| No | 465 | 72.66% |
| Total | 640 | 100.00% |

| 4. Section of community | Total | Percent |
|-------------------------|------------|----------------|
| Lakeview | 209 | 34.04% |
| Waterway | 226 | 36.81% |
| Beachway | 179 | 29.15% |
| Total | 614 | 100.00% |

| 5. Have you made improvements to your home? | Total | Percent |
|---|------------|----------------|
| Yes , major | 339 | 53.22% |
| Yes , minor | 261 | 40.97% |
| No | 37 | 5.81% |
| Total | 637 | 100.00% |

| 6. Do you plan to make improvements in the future? | Total | Percent |
|--|------------|----------------|
| Yes , major | 124 | 19.44% |
| Yes , minor | 281 | 44.04% |
| No | 101 | 15.83% |
| Don't know | 132 | 20.69% |
| Total | 638 | 100.00% |

7. Number of children in your household currently under age 17?

| | | |
|--------------|------------|----------------|
| 0 | 443 | 70.21% |
| 1 | 79 | 12.52% |
| 2 | 80 | 12.68% |
| 3 | 24 | 3.80% |
| 4 | 4 | 0.63% |
| 5+ | 1 | 0.16% |
| Total | 631 | 100.00% |

8. In which of the following ways do you or other members of your household make use of the Lake and common properties?
A. Swimming

| | | |
|--------------|------------|----------------|
| Frequently | 219 | 36.38% |
| Occasionally | 215 | 35.71% |
| Rarely | 116 | 19.27% |
| Never | 52 | 8.64% |
| Total | 602 | 100.00% |

B. Boating

| | | |
|--------------|------------|----------------|
| Frequently | 191 | 31.94% |
| Occasionally | 217 | 36.29% |
| Rarely | 107 | 17.89% |
| Never | 83 | 13.88% |
| Total | 598 | 100.00% |

C. Fishing

| | | |
|--------------|------------|----------------|
| Frequently | 49 | 8.91% |
| Occasionally | 122 | 22.18% |
| Rarely | 124 | 22.55% |
| Never | 255 | 46.36% |
| Total | 550 | 100.00% |

D. Beach (in season)

| | | |
|--------------|------------|----------------|
| Frequently | 202 | 34.18% |
| Occasionally | 238 | 40.27% |
| Rarely | 100 | 16.92% |
| Never | 51 | 8.63% |
| Total | 591 | 100.00% |

E. Picnicking

| | | |
|--------------|------------|----------------|
| Frequently | 51 | 9.50% |
| Occasionally | 151 | 28.12% |
| Rarely | 159 | 29.61% |
| Never | 176 | 32.77% |
| Total | 537 | 100.00% |

F. Using play equipment at beaches

| | | |
|--------------|------------|----------------|
| Frequently | 54 | 10.15% |
| Occasionally | 106 | 19.92% |
| Rarely | 82 | 15.42% |
| Never | 290 | 54.51% |
| Total | 532 | 100.00% |

G. Visiting gardens

| | | |
|--------------|------------|----------------|
| Frequently | 94 | 16.90% |
| Occasionally | 207 | 37.23% |
| Rarely | 159 | 28.60% |
| Never | 96 | 17.27% |
| Total | 556 | 100.00% |

H. Walking/Jogging

| | | |
|--------------|------------|----------------|
| Frequently | 347 | 58.12% |
| Occasionally | 174 | 29.15% |
| Rarely | 45 | 7.54% |
| Never | 31 | 5.19% |
| Total | 597 | 100.00% |

I. Bird-watching, observing nature

| | | |
|--------------|------------|----------------|
| Frequently | 185 | 32.92% |
| Occasionally | 185 | 32.92% |
| Rarely | 101 | 17.97% |
| Never | 91 | 16.19% |
| Total | 562 | 100.00% |

9. Does anyone in your household have internet access?

| | | |
|--------------|------------|----------------|
| Yes | 606 | 94.98% |
| No | 32 | 5.02% |
| Total | 638 | 100.00% |

10. How often do you visit the Lake Barcroft Web Site (www.lakebarcroft.org)?

| | | |
|--------------|------------|----------------|
| Weekly | 92 | 14.51% |
| Monthly | 166 | 26.18% |
| Rarely | 283 | 44.64% |
| Never | 93 | 14.67% |
| Total | 634 | 100.00% |

11. Does anyone in your household subscribe to LakeLink?

| | | |
|--------------|------------|----------------|
| Yes | 464 | 72.96% |
| No | 172 | 27.04% |
| Total | 636 | 100.00% |

12. Does anyone in your household read the Lake Barcroft Newsletter?

| | | |
|------------------|------------|----------------|
| Yes, every month | 615 | 95.94% |
| Sometimes | 24 | 3.74% |
| Rarely | 1 | 0.16% |
| Never | 1 | 0.16% |
| Total | 641 | 100.00% |

13. Renovation of the Community (Woman's Club) Garden and rebuild pool

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 77 | 14.15% |
| Favor | 143 | 26.29% |
| Oppose | 55 | 10.11% |
| Strongly Oppose | 40 | 7.35% |
| No Opinion | 229 | 42.10% |
| Total | 544 | 100.00% |
| Willing to Pay | 148 | 33.18% |
| Not Willing to Pay | 298 | 66.82% |
| Total | 446 | 100.00% |

14. Renovation of the Community (Woman's Club) Garden and remove pond

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 26 | 5.06% |
| Favor | 76 | 14.79% |
| Oppose | 93 | 18.09% |
| Strongly Oppose | 61 | 11.87% |
| No Opinion | 258 | 50.19% |
| Total | 514 | 100.00% |
| Willing to Pay | 83 | 20.75% |
| Not Willing to Pay | 317 | 79.25% |
| Total | 400 | 100.00% |

15. Improvement of beaches and surrounding common property

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 139 | 24.73% |
| Favor | 311 | 55.34% |
| Oppose | 15 | 2.67% |
| Strongly Oppose | 6 | 1.07% |
| No Opinion | 91 | 16.19% |
| Total | 562 | 100.00% |
| Willing to Pay | 333 | 71.46% |
| Not Willing to Pay | 133 | 28.54% |
| Total | 466 | 100.00% |

16. Additional gardens/plantings in common areas Children

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 77 | 13.49% |
| Favor | 272 | 47.64% |
| Oppose | 38 | 6.65% |
| Strongly Oppose | 17 | 2.97% |
| No Opinion | 167 | 29.25% |
| Total | 571 | 100.00% |
| Willing to Pay | 213 | 47.54% |
| Not Willing to Pay | 235 | 52.46% |
| Total | 448 | 100.00% |

17. More playground areas/equipment at beaches

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 56 | 10.07% |
| Favor | 122 | 21.94% |
| Oppose | 100 | 17.99% |
| Strongly Oppose | 69 | 12.41% |
| No Opinion | 209 | 37.59% |
| Total | 556 | 100.00% |
| Willing to Pay | 128 | 30.05% |
| Not Willing to Pay | 298 | 69.95% |
| Total | 426 | 100.00% |

18. Day camp for children

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 43 | 7.86% |
| Favor | 97 | 17.73% |
| Oppose | 66 | 12.07% |
| Strongly Oppose | 96 | 17.55% |
| No Opinion | 245 | 44.79% |
| Total | 547 | 100.00% |
| Willing to Pay | 82 | 18.34% |
| Not Willing to Pay | 365 | 81.66% |

| | | |
|--------------|------------|----------------|
| Total | 447 | 100.00% |
|--------------|------------|----------------|

19. Instructional programs for children in summer Community Facilities

| | | |
|-----------------|-----|--------|
| Strongly Favor | 57 | 10.38% |
| Favor | 159 | 28.96% |
| Oppose | 46 | 8.38% |
| Strongly Oppose | 61 | 11.11% |
| No Opinion | 226 | 41.17% |

| | | |
|--------------|------------|----------------|
| Total | 549 | 100.00% |
|--------------|------------|----------------|

| | | |
|--------------------|-----|--------|
| Willing to Pay | 117 | 26.53% |
| Not Willing to Pay | 324 | 73.47% |

| | | |
|--------------|------------|----------------|
| Total | 441 | 100.00% |
|--------------|------------|----------------|

20. Community Center

| | | |
|-----------------|-----|--------|
| Strongly Favor | 65 | 12.04% |
| Favor | 105 | 19.44% |
| Oppose | 90 | 16.67% |
| Strongly Oppose | 119 | 22.04% |
| No Opinion | 161 | 29.81% |

| | | |
|--------------|------------|----------------|
| Total | 540 | 100.00% |
|--------------|------------|----------------|

| | | |
|--------------------|-----|--------|
| Willing to Pay | 118 | 26.70% |
| Not Willing to Pay | 324 | 73.30% |

| | | |
|--------------|------------|----------------|
| Total | 442 | 100.00% |
|--------------|------------|----------------|

21. Party pavilion at Beach 5 Infrastructure

| | | |
|-----------------|-----|--------|
| Strongly Favor | 62 | 11.25% |
| Favor | 158 | 28.68% |
| Oppose | 78 | 14.16% |
| Strongly Oppose | 75 | 13.61% |
| No Opinion | 178 | 32.30% |

| | | |
|--------------|------------|----------------|
| Total | 551 | 100.00% |
|--------------|------------|----------------|

| | | |
|--------------------|-----|--------|
| Willing to Pay | 141 | 32.34% |
| Not Willing to Pay | 295 | 67.66% |

| | | |
|--------------|------------|----------------|
| Total | 436 | 100.00% |
|--------------|------------|----------------|

22. One or more cell towers for improved cell phone coverage

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 116 | 20.32% |
| Favor | 138 | 24.16% |
| Oppose | 79 | 13.84% |
| Strongly Oppose | 87 | 15.24% |
| No Opinion | 151 | 26.44% |
| Total | 571 | 100.00% |
| Willing to Pay | 106 | 24.31% |
| Not Willing to Pay | 330 | 75.69% |
| Total | 436 | 100.00% |

23. Wireless hot zones at one or more beaches Security

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 54 | 9.57% |
| Favor | 85 | 15.07% |
| Oppose | 96 | 17.03% |
| Strongly Oppose | 118 | 20.92% |
| No Opinion | 211 | 37.41% |
| Total | 564 | 100.00% |
| Willing to Pay | 60 | 13.76% |
| Not Willing to Pay | 376 | 86.24% |
| Total | 436 | 100.00% |

24. Year round security patrols (Note: off-duty police currently patrol the community at night during summer months)

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 126 | 21.91% |
| Favor | 250 | 43.48% |
| Oppose | 65 | 11.30% |
| Strongly Oppose | 27 | 4.70% |
| No Opinion | 107 | 18.61% |
| Total | 575 | 100.00% |
| Willing to Pay | 269 | 60.45% |
| Not Willing to Pay | 176 | 39.55% |
| Total | 445 | 100.00% |

25. Additional streetlights

| | | |
|--------------------|------------|----------------|
| Strongly Favor | 86 | 14.70% |
| Favor | 147 | 25.13% |
| Oppose | 134 | 22.91% |
| Strongly Oppose | 87 | 14.87% |
| No Opinion | 131 | 22.39% |
| Total | 585 | 100.00% |
| Willing to Pay | 136 | 31.12% |
| Not Willing to Pay | 301 | 68.88% |
| Total | 437 | 100.00% |

26. In which of the following community organizations do you participate? (Check all that apply)

| | | |
|--------------------|------------|----------------|
| Barcrofters | 61 | 26.87% |
| Newcomers | 105 | 46.26% |
| Woman's Club | 47 | 20.70% |
| Gay/Lesbians of LB | 14 | 6.17% |
| Total | 227 | 100.00% |

27. How often do you volunteer to assist with community activities?

| | | |
|--------------|------------|----------------|
| Regularly | 65 | 10.67% |
| Occasionally | 163 | 26.77% |
| Rarely | 217 | 35.63% |
| Never | 164 | 26.93% |
| Total | 609 | 100.00% |

28. If never, would you be willing to volunteer on occasion?

| | | |
|--------------|------------|----------------|
| Definitely | 77 | 22.92% |
| Maybe | 187 | 55.65% |
| No | 72 | 21.43% |
| Total | 336 | 100.00% |

Appendix B: Lake Barcroft Association Reserve Fund Policy and Practices

Much of the information below is largely drawn from the *Report of Findings*, dated August 2, 2002, of the Finance Committee Task Force on LBA Reserve Funding. Some of this information may also be found on the LBA Web site.

LBA Definition of a Capital Asset: The Lake Barcroft Association has defined a capital asset as an asset that **cost over \$1,000 and has a useful life in excess of one year**. This definition should be applied in all cases below where the terms capital asset, capital component, capital expenditures, or capital equipment are used.

Background: In March 2002, a volunteer task force was established to undertake a review of the finances of the community, insurance, and assets to determine the amount of reserves needed to appropriately fund the cost of a major problem or event and/or unanticipated budget overruns. A set of guidelines were established for maintaining the funds and setting forth conditions under which the money would be used. In addition, the task force considered how a capital improvement account could be established.

Authority: The Lake Barcroft Association Bylaws, as amended and approved by a Special Membership Meeting on February 4, 1992, provide for the maintenance of a reserve fund by the association to assure the financial stability of the community.

The Bylaws provide for the payment of annual fees, including covenant fees, assessments, and annual service fees, by the residents of Lake Barcroft. Specifically, *ARTICLE IV-Revenues; Reserve Fund, Section G. RESERVE FUND*, provides that –

The Board shall maintain a Reserve Fund to cover cash flow short falls, capital improvements, maintenance of assets, or unforeseen expenditures and/or revenue deficiencies. The Board shall maintain the Reserve Fund in an amount sufficient to support prudent financial management of LBA's assets and responsibilities.

In addition, in 2002 the Virginia State Legislature passed legislation that required all condo and property owners associations (NOTE: under this law, the Lake Barcroft Association is considered a property owners association, sometimes referred to as a homeowners association or an HOA) to perform a reserve study. The study requirement was effective on July 1, 2002. The study would identify those Capital Components that the association had the obligation for repair, replacement or restoration. It would also assist the associations directors in determining the amount of funding that would be required for the replacement or restoration of these items and provide the basis for the association's yearly funding requirements. Examples of Capital Components are private streets, sidewalks, common area boat docks/ramps, playground equipment, pools, or structures located on the common area.

The law also provides that the board of directors shall:

1. Conduct at least once every five years a study to determine the necessity and amount of reserves required to repair, replace and restore the capital components;
2. Review the results of that study at least annually to determine if reserves are sufficient; and
3. Make any adjustments the board of directors deems necessary to maintain reserves, as appropriate.

The law further provides that to the extent that the reserve study conducted in accordance with this section indicates a need to budget for reserves, the association budget shall include, **without limitations** (emphasis added).

1. The current estimated replacement cost, estimated remaining life and estimated useful life of the capital components;
2. As of the beginning of the fiscal year for which the budget is prepared, the current amount of accumulated cash reserves set aside, to repair, replace or restore capital components and the amount of the expected contribution to the reserve fund for that year; and
3. A general statement describing the procedures used for the estimation and accumulation of cash reserves pursuant to this section and the extent to which the association is funding its reserve obligations consistent with the study currently in effect.

Reserve Fund Guidelines: Reserve funds were established and funded by money that was available in August 2002, and that was invested in savings accounts and certificates of deposits.

The Finance Committee Task Force on LBA Reserve Funding recommended that three reserve accounts be established. A fourth reserve account was also described and later established; they are the:

1. Contingency Reserve Account (this account was originally called the Operating Reserve Fund)
2. Asset Replacement Reserve Account, and
3. Capital Improvements Reserve Account.
4. Retaining Wall Reserve Fund (added later)

Expenditures from each fund are to be made only for specific purposes described as follows.

The Contingency Reserve Fund shall be used to:

1. Cover the cost of a major problem or event,
2. Fund regular expenses that unexpectedly exceed the budgeted amount,
3. Fund the deductible amount in any insurance claims against the community,
4. Cover the cost of legal expenses, and
5. Function as an operating reserve until the income for the following year is received.

Funding the account will follow these guidelines:

The initial deposit into the Contingency Reserve Account was \$20,000. If the Board subsequently determines that this amount is not sufficient, this amount can be increased, at

the Board's discretion, to an amount sufficient to meet the community's needs.

Each year, withdrawals may be made from the Contingency Reserve Account, as necessary for the authorized purposes listed above, and approved by the Board of Directors.

In the event that the balance in the Contingency Reserve Account drops below the \$20,000, sufficient funds shall be set aside from the annual budget to replenish the Contingency Reserve within three years of the date on which the balance fell below the required amount. (Should a major depletion of 50 percent or more of the Contingency Reserve Account occur, the Account may be reconstituted within five years.)

The Asset Replacement Reserve Fund shall be used to

1. Provide a reserve for major cyclical repair (costing 40 percent or more of the replacement value), or
2. for replacement expenses of assets of the community. (Regular maintenance and repair costs shall continue to be paid from the LBA's operating budget.)

Funding the account will follow these guidelines:

- The initial deposit into the Asset Replacement Reserve Account shall be \$100,000.
- Each year, \$5,000 shall be deposited into the Asset Replacement Reserve Account to be applied to the future costs of major repairs or replacement of community assets.

The Capital Improvements Reserve Fund shall be used:

For additional community assets which the Board, in its best judgment, determines will enhance the value, beauty and/or enjoyment of the community.

Funding the account will follow these guidelines:

- An initial deposit of (the balance remaining at the end of the year after the other *reserve accounts are established*) shall be made into the Capital Improvements Reserve

The Retaining Wall Reserve Fund shall be used **solely** for the:

Maintenance and repair of the retaining walls located in Parcel A (now called the Cloisters)

Funding the account will follow these guidelines:

- An initial deposit of income from Parcel A as it accrues. (Net income refers to Parcel A revenue less expenses incurred in improving the portion of Parcel A being transferred to the community as common property.)
- Annual deposits of \$500 per lot in parcel A, for an annual total of \$6,000.

A separate review of the retaining wall funding was conducted by the Futures Committee. The purpose was to assure that the annual \$500 deposits of the households in Parcel A are adequate to fund the scheduled maintenance on the retaining walls. A table summarizing that review follows this section.

Our review indicates that the current deposits of \$500 per household are adequate.

LBA Compliance: To comply with the requirements of the Bylaws and the Virginia homeowners association law, the LBA Board of Directors modified the Bylaws to include Section G, described above, defined the reserve funds, and directed that an asset reserve study be undertaken. Asset reserve studies were conducted in 2002 and again in December of 2007.

To further assure LBA compliance, an audit of LBA's 2007 financial statements was conducted. The audit report noted that –

Improvements to and replacements of property and equipment have been charged to expenses in the financial statements. In the auditor's opinion, all capital expenditures should be capitalized and depreciated over the estimated useful lives to conform with U.S. generally accepted accounting principles.

The practice described in the audit report has been in-place for many years. At this writing (November 2009), we are working to develop procedures regarding the accounting for capital items to place LBA in full compliance with generally accepted accounting principles.

References:

1. Lake Barcroft Association Bylaws, posted on the Lake Barcroft Web site, click on *Association, Governing Documents*
2. *Report of Findings*, Finance Committee Task Force on LBA Reserve Funding dated August 2, 2002. The reserve fund guidelines may be found on the Lake Barcroft Web site.
3. Code of Virginia, Chapter 26, Section 55-514. For an up-to-date view of the act, go to the Web site:

<http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+55-514.1>

**CLOISTERS (PARCEL A) - RETAINING WALL RESERVE
TWENTY YEAR CASH FLOW (in 2007 dollars)**

Prepared: February 21, 2007

| | 2007- 2011 | 2012- 2016 | 2017- 2021 | 2022- 2026 |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Opening Balance | \$35,600 | \$36,307 | \$48,807 | \$61,307 |
| Inspect/Paint Railings | 2,500 | 2,500 | 2,500 | 2,500 |
| Drainage System | 2,500 | 2,500 | 2,500 | 2,500 |
| Landscaping | 5,000 | 5,000 | 5,000 | 5,000 |
| Inspection by Engineer | 2,500 | 2,500 | 2,500 | 2,500 |
| Mortar Maintenance- Minor | 5,000 | 5,000 | 5,000 | 0 |
| Mortar Maintenance- Major | | | | 20,000 |
| Various work | 11,793 | | | |
| Total Withdrawals | (29,293) | (17,500) | (17,500) | (32,500) |
| Contributions | 30,000 | 30,000 | 30,000 | 30,000 |
| Closing Balance | \$36,307 | \$48,807 | \$61,307 | \$58,807 |

NOTES:

- 1 - The purpose of this analysis was to determine on an approximate basis if the contributions of the 12 households in the Cloisters are adequate for the maintenance of the retaining walls.
- 2 - Assuming no additional expenses are incurred, the above results indicate the current level of contribution is adequate.
- 3 - This is a preliminary cash flow in 2007 dollars.
- 4 - Interest earned on the money in the retaining wall reserve fund is omitted from the above calculations.
- 5 - In the year 2026, it is assumed that no mortar maintenance-minor would be performed because Mortar Maintenance-Major is being performed.

SOURCES:

- 1 - Report from GJB Engineering, dated February 21, 2007
- 2 - LBA Balance Sheet, dated December 31, 2007