



November 22, 2019

NOTICE OF ANNUAL ASSESSMENT FOR FY 2020

This notice of the annual assessment is provided to all Crosspointe homeowners as required by Article V, Section 7 of the Crosspointe Declaration of Covenants, Conditions, and Restrictions.

The Board of Trustees approved the 2020 Annual Budget at their monthly meeting on November 14, 2019. The new budget calls for an **increase in the annual assessment** of \$35.00 per quarter, which will be the **first assessment increase in six years**. A detailed description of the budget changes will be published in the next issue of the Crosspointe newsletter, the *Chronicle*, and is available on the Crosspointe website at www.Crosspointe.info. The new rates will be effective starting with the 2020 Fiscal Year, which begins January 1, 2020, and ends December 31, 2020.

The expense of operating our community varies from year to year as does the cost of repairing or replacing common property such as the buildings, pools, courts and trails. The budget includes payments into the reserve accounts used to pay the changing expenses so we can hold the assessments unchanged over multiple years. There are separate reserve accounts for operations and for replacement expenses. The current increase is necessary to maintain an adequate balance in our operating reserve account. The replacement reserve account balance is adequate as explained in Attachment A to this notice.

The assessments are paid each quarter with the due dates of January 1, April 1, July 1, and October 1. Your payment is due on the 1st of each quarter and late if not received within 30 days of the due dates. We will not charge you the late fee of \$25.00 if First Service Residential receives your payment within the 30-day grace period. As a reminder to owners not enrolled in the Automatic Debit Program with First Service Residential, we will mail you a payment statement each quarter. We will also publish payment information in every issue of the *Chronicle* and on the Crosspointe website. Failure to receive a quarterly statement does not relieve the homeowner of the requirement to pay their assessment prior to the due date. You can manage your assessment account at <http://dcmetro.fsconnect.com>.

Direct Debit. If you are not already using direct debit, we encourage you to consider this convenient program that automatically deducts the payment from your bank account on the first day of each quarter. This program eliminates any possibility of a payment being late or lost in the mail.

Electronic Payments. You can make a one-time e-payment or schedule recurring e-payments by visiting www.fsresidential.com and clicking on “make a payment” at the top of the page. This program charges no fees for a one-time or recurring ACH/e-check payment. It does charge a fee from the third party service provider for making credit card payments. If you already participate in online payments through ClickPay please log in to their website and verify your account information. For payment assistance call FirstService Residential at 1.888.354.0135.

Bank Automatic Payments. If you have your bank debit your account and send quarterly payments to the address below, notify your bank to **increase the payments to \$260.00** prior to January 1 and ensure that the bank

initiates the transfers at least 10 business days before the 30-day grace period ends to help guarantee your payment is credited to your assessment account in a timely manner.

Check payment. If you receive statements by mail, you can sign up for e-Statements to receive your statements by email. Visit <https://estatements.welcomelink.com/dcmetro> to participate. Ensure your Account Number is included on your payment and mail your checks at least ten days before the due dates to the address listed below, which will help ensure your payment is credited before the payment becomes past due:

Crosspointe Swim and Racquet, Inc.
c/o FirstService Residential
PO Box 62010
Newark, NJ 07101-8060

If you have any questions on the payment processes, please contact FirstService Residential at 1.866.433.3187 or email them at customerservice.dcmetro@fsresidential.com

Thank you.

Board of Trustees

Crosspointe Swim and Racquet, Inc.



November 22, 2019

Re: Fiscal Year 2020 Budget

Dear Homeowner at Crosspointe Swim and Racquet, Inc.,

Enclosed please find the approved 2020 operating budget for your Association. The Board of Trustees and Management have made every effort to control operating and administrative costs in order to keep the assessment fee as low as possible while continuing to provide quality services for your community. Please take note of the important information below.

- There was an increase in the assessments for 2020. Please see the budget enclosures for more information. If you have questions about these documents please contact us at 1-866-433-3187 or by email at heather.mcdevitt@fsresidential.com or cp.manager@verizon.net
- Payment statements will be delivered to you in the coming weeks. Owners enrolled in ClickPay recurring payments (Auto Pay) will NOT receive statements. If you have not received your statement by late December, please contact our Customer Care Center at 1-866-433-3187 or by email AR.DCMetro@fsresidential.com.
- Visit your community website to view your account history, update your mailing address, obtain community information, Association documents, forms, applications, etc.
- Electronic one-time or recurring payments: You can make a one-time e-payment or schedule recurring e-payments by visiting www.fsresidential.com and clicking on “make a payment” at the top of the page. If you already participate in online payments through ClickPay please log in to make sure your payment information is correct. For payment assistance call 1.888.354.0135.
- Personal check or bank bill payer service: If you currently pay by check or utilize your bank’s online bill-paying service to pay your assessments, you will need to update the payment amount per your statement. Please send personal checks with the provided statement for accuracy.
 - o Your Account Number must be present on your payment
 - o Checks must be made out to your Association, not FirstService Residential
 - o Checks must be mailed to the lockbox address (below) for timely processing

Crosspointe Swim and Racquet, Inc.
c/o FirstService Residential
PO Box 62010
Newark, NJ 07101

Sincerely,

FirstService Residential DC Metro

Management Agent for Crosspointe Swim and Racquet, Inc.

Crosspointe Swim and Racquet, Inc.
Operation Budget FY2020

Appendix A

Replacement Reserve Disclosure

The Virginia Property Owners' Association Act requires community associations to provide the below information on replacement reserves for capital components ("replacement reserves") as part of the annual budget. Also, replacement reserve studies are required to be conducted once every five years.

The following information was provided by the Association's Independent Auditor as part of the FY2018 Audit Report, and explains the funding methodology of the replacement reserves, as well as the current estimated replacement cost and estimated remaining useful life of the Association's capital components.

"Repair and Replacement Fund - The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are identified in a separate fund and generally are not available for expenditures for normal operations."

The Board of Trustees conducted a study in 2017 to estimate the remaining useful life and the replacement costs of the components of common property. The estimates were obtained from a firm that specializes in the preparation of replacement reserve studies and inspected the property. The table below was included in the unaudited supplementary information on future major repairs and replacements provided in the study.

"The Board is funding for major repairs and replacements over the remaining useful lives of the components based on the study's estimates of replacement costs and considering amounts previously accumulated in the repair and replacement fund. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the repair and replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available."

Components	2017 Estimated Useful Lives (Years)	2017 Estimated Replacement Cost
Recreation	1-38	\$1,882,490
Pavements/Concrete	1-8	156,000
Other Property Features	1-24	346,960
Replacement Reserve Study	3	4,000
Total		\$2,389,450

"The study covers a period of two replacement cycles, or 30 years. Some components are not replaced 100% during a cycle. Please refer to the replacement reserve study for more complete information."

The recommended annual replacement reserve contribution for fiscal year 2020, based on the Association's 2017 replacement reserve study, is \$169,840. The approved 2020 operating budget includes an annual replacement reserve contribution of \$169,840.

The recommended beginning Replacement Reserve Fund Balance for fiscal year 2020 based on the 2017 replacement reserve study is \$671,960. As of September 30, 2019, accrued replacement reserves total \$1,014,571.56 and are fully supported by cash and investments.

As of the beginning of the 2020 fiscal year, the amount of accumulated replacement reserves set aside to repair, replace, or restore capital components is estimated to be \$1,047,775.00 as of January 1, 2020.