

YOUR SOURCE FOR IMPORTANT NEWS ABOUT FAIRFIELD HARBOUR

April 15, 2024

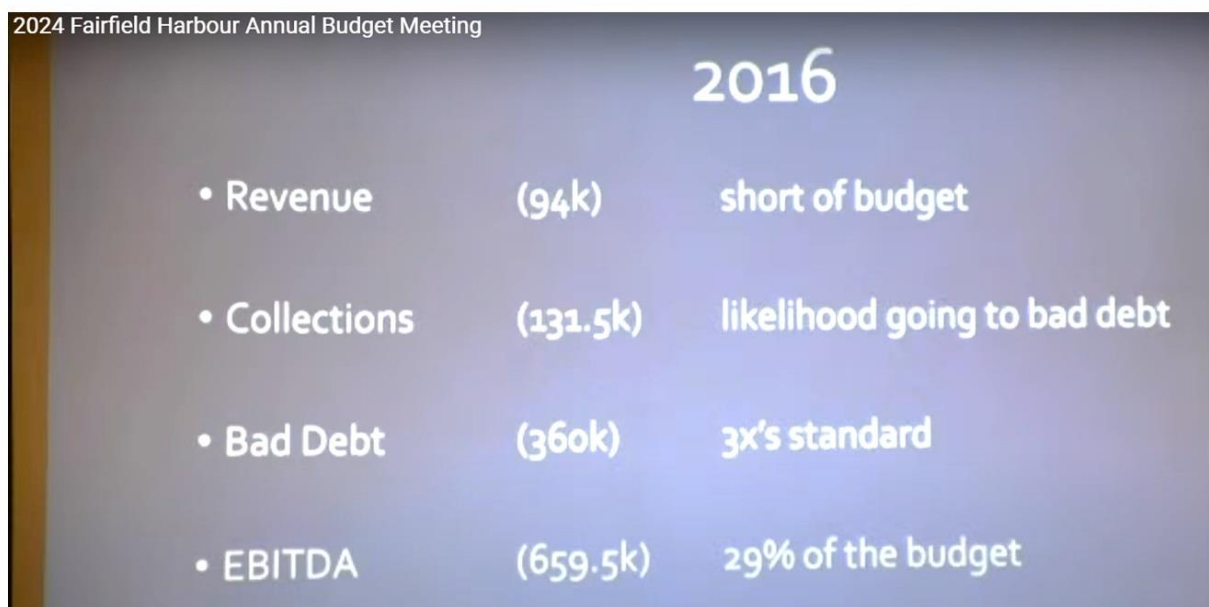
Mission Statement: Fairfield Action Council for Truth and Support (FACTS) will pursue truth and provide concerned residents and property owners with verifiable information about all statements made by any groups or individuals concerning Fairfield Harbour.

Why try to instill fear?

A former POA director, Joe Schulties (2014-2017), recently posted a Social Media response to a BOD slide displayed at a community meeting. Joe has given FACTS permission to share that response with you, here.

At the 2023 Annual Meeting, and again at the 2024 Budget meeting, Board President Hewett offered disparaging and misleading information about previous boards, specifically about the 2016 board. (See the POA slide, below.) Yes, the 2016 board *did* suffer losses *but that Board did so to better the future of our community*. Mr. Hewett said, “Those figures should scare you.” Please read the facts and decide for yourself.

As Joe’s post explained, without the actions of previous boards, we would not have had the beautiful location selected for a clubhouse, survived a 100-year storm, and without the actions of that same 2016 board, we would not be benefitting from the present housing boom in our community. Without the hard work of the 2016 Board, and so many other dedicated board members from many years, Fairfield Harbour would have a *very* different look and feel today.



2024 Fairfield Harbour Annual Budget Meeting

2016		
• Revenue	(94k)	short of budget
• Collections	(131.5k)	likelihood going to bad debt
• Bad Debt	(360k)	3x's standard
• EBITDA	(659.5k)	29% of the budget

The words that accompanied this slide: “Those figures should scare you. But - we borrowed almost \$3 million on top of that in the same year.”

<https://FHFACTS.org/> (established 2011)

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“It required renewing some relationships with my former 2016 board members,” Joe told us, “to post the facts about the Collections and Bad Debt in 2016 slide displayed at the 2023 Annual Meeting and again at this year’s 2024 Budget Meeting.”

He went on to explain that when a property owner failed to pay annual POA dues, and legal notices did not result in payment, the owner was offered a process known as “Deed in Lieu of Foreclosure”. This process meant many residential vacant lots held mostly by non-local property owners became the unwanted property of the POA. On the POA website, Earney & Company (POA accountants) said at one point Fairfield Harbour owned 186 lots during 2016.

Thus, our community became liable for past dues, and property taxes. As you know, POA-owned properties are non-dues paying, contribute nothing, and require cash outlay. The properties had very low market value and were a liability rather than an asset. After all, if there were buyers, the owners would have sold their unwanted properties rather than face foreclosure.

In 2013, following the housing market crash, the Board established a POA committee to sell its foreclosed lots and return them to dues-paying status. In 2016 the land-banks took notice of bargain prices (some lots were offered for as little as \$2,000). They seized this opportunity to make bulk purchases.

The past dues owed before POA acquisition, as well as the unpaid county taxes carried over for the last few years, were written off in 2016 after the sale of almost all the foreclosed lots. The Board reasoned that the write-offs would be more than compensated for by the increase in collected annual dues. We were not in the business of owning properties or speculating in real estate.

– We wrote it off. We moved on...

Your FACTS Reporter