

Annual Meeting 2019 Minutes

Unapproved Minutes Subject to Approval and Review

CASTLE COVE ANNUAL MEETING MINUTES

Tuesday, November 13th, 2019 at 7:00 PM
Lawrence North High School
Media Center

ATTENDEES:

Board Members

<input checked="" type="checkbox"/> Bruce Amrhien	<input checked="" type="checkbox"/> Charlie Spyr
<input type="checkbox"/> Scott Gallagher	<input type="checkbox"/> Kim Ridder
<input checked="" type="checkbox"/> Sherry Havlin	<input checked="" type="checkbox"/> Tim Westerhof
<input checked="" type="checkbox"/> Tom Johnson	<input checked="" type="checkbox"/> Chris Zell
<input checked="" type="checkbox"/> Ron Sans	

Residents:

Mary Sans	Crystal Johnson
Erin Hannoy	Kendell & Dona Roberts
Shivaji Gunale	John Ridder
Shane Collins	William Runkel
Bruce Paul	Greg and Deanne Heidrich
Jay Bobian	Ken Ogorek
Jim Ficorilli	Norm Melzer

- The meeting was called to order by Tim Westerhof at 7:05 PM. After consulting with residents present and receiving no objection the Board decided to hold the meeting even though we do not have enough for a quorum.
- The members of the Board were presented to the association.
- Bruce Amrhien ran the election for new 2020 Board Members whose terms were up in 2019.
 - The nominees are the following (The results are in parentheses.) The association voted to approve these as members of the Board.
 - Ron Sans
 - Bruce Amrhien
 - John Ridder
 - Erin Hannoy
 - Due to health concerns Bruce Amrhien requested the 2-yr. term taking Kim Ridder's place as she is resigning from the Board. The rest of the terms are for 3 years.
- The Members approved the minutes from the last Annual Meeting.
- Treasurer's Report – Given by Charlie Spyr
 - The details for the Treasure's Report are shown in the Attachments section.
 - It was suggested that the Board produce a list of expected future significant projects.
 - It was suggested that we have the Shelter House be closed in so that it can be used in the winter.
 - The Association approved the budget for 2020.
- Committee Reports – See Attachments
- The meeting was adjourned at 8:28 PM

Submitted by:
Ron Sans - Secretary

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Reviewed:
Timothy Westerhof - President

Treasurer's Report

Charlie Spyr, Treasurer

2019 brought a new Treasurer into that office. Beginning in 2018 we began having the Castle Cove Board President co-sign all checks written on Castle Cove accounts as required by our By-Laws Article VIII Sec. 8a.

In 2019 the Treasurer began distributing month end detailed expense reports organized by budget line item to all Board members to allow for their review of the status of various Committee expenses vs. their allowed budgets.

Our HOA has traditionally maintained a checking account and 2 savings accounts at PNC. Those 2 savings accounts were a "working" and a "reserve". During the summer 2019 the Treasurer moved the majority of the funds in the PNC "reserve" account into a new higher return BMO Harris CD account. The January 1, 2019 and September 30, 2019 balances of those accounts are listed here:

1/1/2019:

PNC Checking \$ 3,692.55
PNC "working" savings \$ 40,425.20
PNC "reserve" savings \$ 44,156.12

9/30/2019:

PNC Checking \$ 7,745.07
PNC "working" savings \$ 52,492.47
PNC "reserve" savings \$ 3,199.67
BMO "reserve" CD \$ 48,103.31

During 2019 all outstanding dues cases from years prior to 2019 were brought current. Only 1 2019 case remains uncollected, small claims court case for collection has been filed and is scheduled for November 2019.

Significant expenses for 2019 continue to be represented by our pool (\$31,000) and common areas maintenance expense (\$32,000). Individual expenses of note during the year include:
\$3650 repairs and then sealcoating/stripping of parking lot
\$2400 spray wash front brick wall
\$2314 snow plowing now with salting at entrances

Annual Financial Audit

In order to comply with Article VIII Sec. 8 (d.) of our By-Laws which requires the Treasurer to arrange for an annual audit of our books we have recently engaged an auditor who completed their 2nd annual audit for us back on 2/7/2019 covering calendar year 2018.

Since that report contains resident and Board member names and dollar amounts, that summary report was not distributed publicly. While the audit is not a pass/fail exercise the summary report provided POSITIVE observations and AREAS TO CONSIDER.

The audit process has changed since 2018 in that now records are exchanged with the auditor monthly throughout the year instead of the entire year's records delivered to the auditor at one time after the end of

Attachments

the fiscal year. The hope is that this new method will result in lower overall auditing expense. The 2018 audit cost us \$800.

Proposed 2020 Budget

At the October Board meeting a proposed 2020 budget was prepared and is presented here for your review and approval. This 2020 proposal contains some differences from previous budgets.

Traditionally the budget has been composed of the expected dues revenues spread across a number of common expense areas such as the pool, the maintenance of the common grounds and utility payments. This coming year the plan was to assign smaller amounts to areas that did not have specific dollar obligations and moving those uncommitted resources into the unassigned “working” savings account. For example we have been budgeting or guessing we needed \$6,000 annually for snow plowing. For 2020 your Board wishes to set aside \$4,000 for this use. Likewise, in 2019 there was \$10,000 budgeted for Common Area repairs. With no big ticket items known to be in need of repair in 2020 your Board wishes to budget \$3,000 for that purpose. Should unanticipated large repairs become necessary, funds from the “working” savings account will be used.

While previous budgets attempted to be close to neutral (no deficit or excess) this 2020 proposal shows the new style of unassigned dues revenue being described as a \$13,405 “Balance”.

Another change in this 2020 proposal is the addition of a column titled “Year End Estimate”. Review of records indicates that the “Actuals” term used previously may have represented the expenses encountered as of the end of September for each those years, not the year end totals. So, a budget tailored to meet those previous “Actuals” may only have met $\frac{3}{4}$ of the needed annual funding. The 2019 “Year End Estimate” is based on the 12 month 2018 expenses that are now known.

Architectural Control Committee

Chris Zell, Board Member Chairman

I would like to report the following Architectural committee requests that were submitted in 2019. There were a total 10 requests submitted and approved.

- 1) 10-4-19 Alisa & Chris Zell 7929 Castle Lake Rd - Shed
- 2) 9-26-19 Jorge Salcedo 7925 Bayview Point - Remove 2 car asphalt driveway, larger 3 car concrete drive
- 3) 8-29-19 Laura Dean 8125 Castle Cove Rd - Aluminum Fence
- 4) 8-12-19 Jorge Salcedo 7925 Bayview Point - Removal and rebuild of concrete patio and fire pit area.
- 5) 7-13-19 Chris Cavanaugh 8128 Castle Cove Rd – Paint brick, metal patio roof, driveway
- 6) 6-14-19 Rich & Sherry Havlin 7940 Springwater Court - Paint trim and around windows
- 7) 6-10-19 Christie Sorrels 7967 Springwater Drive West - Shed
- 8) 5-15-19 Gregg Gormal 7954 Springwater Drive. - Paint Brick
- 9) 5-10-19 John Ridder 8031 Bayview Point - Shed
- 10) 5-10-19 Katie Myers 7912 Cove Trace Court - Wood picket fence

Thank you
Chris Zell

Common Grounds Committee

Bruce Amrhien, Board Member Chair

COMMON GROUNDS (EVERYTHING OTHER THAN MOWING & SNOW REMOVAL)

Scott Gallagher, Co-Chair, Board Member
Bruce Amrhien, Co-Chair, Board Member

We had a busy year – repaired drain in the parking lot; coated and stripped lot has well. Power wash brick wall and picnic tables and benches. Repaired lettering on the brick wall at the entrances; repaired lights at entrances. Place gutter guards on the shelter and pool house. Continued our landscaping efforts at both entrances and around the shelter and pool houses.

Compliance Committee

Sherry Havlin, Board Member Chair

Beginning in early March 2019, the committee purchased colored postcards with the HOA Name and picture of one of the Castle Cove Entrances as its cover. On the opposite side were preprinted some of the most common violations of our covenants regarding property upkeep, including appearance, grass cutting, tree removal, trash containers and a few others.

The committee carefully drove through the entire neighborhood taking down address where there were clear violations.

A friendly notice was also posted on the Castle Cove Facebook page asking residents to prepare for the upcoming spring weather and to use that time to do general upkeep and refreshing of their homes.

Over 70 post cards were sent, mostly for mailbox violations, but some for more frequent lawn mowing, debris clean-up and a few that were in need of board repair, painting, or new driveways.

While many residents complied when the weather permitted, several still have not even bothered to paint their mailbox, and there has been a lot of follow up regarding recurring violations, particularly at rental properties.

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The city was called in the instance of one homeowner who regularly lets his grass grow well above reasonable height.

Most residents care about the appearance of their homes, and have been cooperative and quick to comply, and a few have contacted me to let me know what is happening regarding extensive repairs.

The burned-out house on Bayview remains under construction, and when I spoke to someone working on the home a few weeks ago as to when the home would be finished, they said in a month or two.

We need to contact the actual owner of the home and give them a timeframe for completion and also to find out who is/or will be residing in the home.

With cold weather coming upon us, there is little anyone can do to complete projects that were not done this summer, and they will be sited again in the Spring.

Without any real recourse to force residents to comply with the covenants, I fear the best we will be able to do is maintain the status quo and hope that as new families move into the neighborhood, that they be aware of/given a copy of our covenants, and that they will also want to take good care of their home and yard as most residents do.

Respectfully Submitted,
Sherry Havlin
Compliance Committee Chair

Lake Committee

Tom Johnson, Board Member Chair

Our Castle Cove HOA used Ponds Rx LLC for water treatment this year. They have been very good and have been responsive to any of our questions and concerns. We contracted them for 7 treatments at \$657.00/mo. The annual amount was \$4,599.

Our early concern was how to get their boat in into the pond due to heavy rains. The only other concern was how the hot and dry weather would react to lake treatment and a potential fish kill. We had no issues for the lake. Sincerely, Tom Johnson - Lake Committee Chairperson

Nominating Committee

Bruce Amrhien, Board Member Chair

The HOA has three (3) positions to be filled at this year's Annual Meeting.

- 1) Ron Sans
- 2) Tim Westerhof
- 3) Bruce Amrhien

All expired terms.

Tim has held the position of Board President for the past year and has elected not to seek re-election. Under Tim's guidance, the HOA has selected a new legal team; he took the lead in purchasing and installing new playground equipment and has commence discussion on improving our Compliance Committee's approach to issues related to outside house and brick painting colors – on going. Thanks, Tim, for your leadership and look forward to you staying involved on a committee work.

John Ridder has agreed to seek one of our open position. Ron and Bruce are also seeking re-election. We will be asking for nominations from the floor at the Annual Meeting

Pool Committee

Kim Ridder, Board Member Chair

- Very favorable reports on pool management and lifeguards! Pyle's has done a great job!
- replaced several umbrellas, pool chairs, and lifeguard refrigerator
- replaced light on shelter house
- mulched area around pool (though I think this was Common Grounds)
- Tim has contacted Mattingly Concrete to fix the area by the kiddie pool

This was the easiest responsibility I've had and I thoroughly enjoyed it. I had the opportunity to meet so many neighbors and I am sad to be moving.

Tennis Court Committee

Bruce Amrhien, Acting Chair

With a lot of help from Greg Bond, this year we experienced a very nominal expenses. Repaired spring on the entrance gate was our only expense. We do need to escrow funds for further repair/expenses 7 to 8 years-resurfacing/painting.

Website

Ron Sans, Web Master/Board Member

The Board Member Section of the website has undergone many updates. Castle Cove Audits, contracts, invoices, and monthly expense reports have been added to this section. Several support programs have been added to publish this data that make it very easy to add data to these sections. These sections now have an extensive search capability. The main web server took a power surge hit earlier this year. The CPU and mother board on that server had to be replaced. During the down time a backup server was running the website.

The website back end software underwent a major upgrade. The Server was upgraded from Microsoft Server 2012 to Microsoft Server 2016. The SQL server was upgraded for Microsoft SQL Server 2016 to Microsoft Server 2019. The SQL server database had to be moved twice in order to do this upgrade.

Welcome Committee

Tim Westerhof, Board Member Chair

As of 10/29 the following new residents were welcomed into the neighborhood in 2019:

- 8073 Springwater Dr
- 8031 Bayview Pt
- 7957 Castle Lake Rd
- 7912 Cove Trace Court
- 8008 Bayview Pt
- 8061 Springwater Cir
- 7980 Springwater Cir
- 7991 Springwater Cir

The following are yet to be welcomed:

Attachments

- 8115 Springwater Dr