**MASTERS CLUB HOMEOWNERS ASSOCIATION**

**ANNUAL MEETING**

December 2, 2020 6:00 pm

1. **Call the Meeting to Order** - Welcome and thanks for coming to the 2020 Annual Meeting of the Masters Club HOA. Our HOA was established on December 10, 1985 - so we are 35 years old and going strong.

1. **Certification of quorum** by the Board Secretary – 10 Residents, 8 Proxy’s
2. **Introduction of Board and Committee Chairs** –
* Wally Wenger, Bart Keller, Dineen Lavelle, Jamie Hahl, Frank Zucco, Robert Glandon, and Mary Hahl.

**Announcements**

Thank you once again to Bart and Katie Keller for our beautiful Christmas lights. Also, a big thanks to Mary Hahl for chairing the Social and Community Activities Committee during this very difficult time. Board meetings haven’t been without challenges. Starting April, we went to teleconference (zoom) meetings and continued until July. In-person meetings since July have exercised social distancing requirements and we are now back to teleconference meeting.

1. **Board Reports**:
* **Fence Committee**: In April of 2020 at our monthly Board Meeting discussion was presented on whether MCHOA continue with annual Paint maintenance assistance of the perimeter fences facing common areas as has been done in years past. This arrangement was set up a # of years ago by a prior Board to assist in maintaining an aesthetic appearance with our aging wooden fences rotating every 3 years. Discussion centered around the increasing cost of materials and labor that was allotted each year to cover the 25 homes on a rotating basis! Materials and Labor was costing generally over $6500 a year with an additional $2000 just in repair of the 25 home fences! The Board felt that this expense was becoming too much of a burden with the labor alone starting to become substandard and to get anyone else in would more than double what we were paying now in paint and labor. Motion was made, seconded, and carried, that starting in 2020 and into the foreseeable future, that the MCHOA will ONLY provide assistance in the repair of the perimeter fences involved, and drop all paint and labor assistance and make that now the RESPONSIBILITY of the Homeowner, who actually owns the fence.

In 2018 the MCHOA hired Todd Lewis, an independent contractor to repair the fences. His services were utilized in 2019 as well as in 2020 to repair fence posts, railings, or any bad boards located all along the perimeter fences involved. After identifying appropriate areas to be repaired or replaced in Lots 26-52; he began working through the neighborhood the end of May and finished up by the end of July with a total cost to the HOA of $2958.

**What to expect in 2021**: We are planning on doing the same format in 2021 of the HOA budgeting for just repairs and replacement of needed fence areas with possibly extending beyond the designated lots 53-74 this year. If you are a homeowner and can identify areas of your perimeter fence needing repair or replacing to let the MCHOA Board know in the Spring. Repairs will usually start again around the end of May. **Painting** of your fences in 2021 will be more closely monitored by Board members to be sure they are compliant with a fresh appearance. More on this and what homeowners can expect on Fence painting in our Spring/Summer Flyer coming out in the Spring. Paint/stain color will remain the same and can be purchased from Home Depot: Behr-Moon tan (DP543). Lots 53 – 74 will be the subject of needed repairs in 2021.

* **Landscape Committee:**

Last winter, we had both early and late freezes that have killed or damaged many trees in the neighborhood.

* + Our Landscape Committee advises that nothing can be done this year--as tree services are overwhelmed. In addition, many homeowners have been told to wait until next spring, to see what trees, if any, may “come back."  If you plan to not replace a removed tree--or replace with another type--this requires ACC approval.

This year was a perfect storm for lawn damage and weeds in some of our common areas.

**Why?**

* Several of our **main sprinkler lines broke** and required lengthy and costly repairs.
* Our **sprinkler system timer broke** and could not be fixed and needed to be replaced.  It was 34 years old, and they no longer make that type, requiring a new system, which was time consuming and expensive.
* One of the sprinkler **puck batteries died**, this took some time to discover and repair.
* We have had some **record hot weather and drought**, coupled with the fact that there are **strict new rules on water use** from the Town that we must follow.
* The board will look into replacing the pump in 2021.
* There is a new item on the budget – Landscape Enhancement. This will be used to improve areas of the landscape as money allows.

**What we are doing?**

* The Landscape Committee (Chaired by Wally Wenger) and the Brightview Landscaping Team have repaired all known issues with the sprinklers.  This was a long process, which we believe is complete, for now.
* Much of the common area grass we have is cool season grass that requires a lot of supplemental watering.   The Town of Castle Rock no longer allows this to be planted and has encouraged us to replace it as quickly as possible with low water landscaping.  We are in the process of slowly replacing cool season grasses with grasses or other landscaping that needs less water.
* Castle Rock is keeping the water pricing level for 2021.
* We expect brown grass areas to improve soon--now that sprinklers are repaired, and weather will be cooling down. Finally, the MCHOA has asked Brightview for a quote to increase maintenance in reported weed areas along sidewalks.
* The Landscape Committee and the Brightview Landscaping Team have repaired all known issues with the sprinklers.  This was a long process, which we believe is complete, for now.
* **Architectural Control Committee (ACC)**:
	+ Prior to making any changes to your yard or the outside of your home, you must first contact the Architectural Control Committee **(ACC)** and obtain approval.
	+ This includes, but is not limited to, decks, awnings, painting your home’s exterior, xeriscaping, and planting new trees, shrubs, and flowerbeds.
	+ Contact Frank Zucco at: frankzucco@gmail.com
* **Social Committee** -
	+ The Summer Social and Christmas party will be on hold indefinitely until further notice due to the COVID-19 situation.
	+ The Committee continues to welcome new homeowners into the MCHOA. This year we have **5** new neighbors.

**Review and discuss 2020 budget**

The Masters Club Board of Directors has approved the 2021 budget. As specified in Colorado state law, the Board of Directors sets the budget each year and a copy of the budget was mailed to owners with the date of the Annual Meeting - today’s meeting. At tonight’s meeting, no additional homeowner approval is required, and no affirmative vote is required. The Budget will be deemed approved by the Owners in the absence of a veto at this meeting by the majority (51%) of all owners in the Association. This meeting is required and gives homeowners the chance to review and discuss the budget with Board.

With that clarification, we want to highlight and further explain a few line items in the budget.

* **REVIEW OF 2020 INCOME AND EXPENSES:**
	+ **CURRENT BANK BALANCES AS OF 11/30/2020:**
	+ **OPERATING ACCOUNT: $ 18,314.23**
	+ **RESERVE ACCOUNT: $ 31,158.14**
	+ **STATUTORY RESERVE: $ 50,000**

**INCOME OVERVIEW:** 74 homes were assessed an annual HOA fee of $1035. Of those 74; 36 homes elected to pay annual fee at once in January with a 10% discount for a total of $34,614, while the remaining 38 homes paid monthly totaling $39,330 giving a total 2020 income of $73,944.

**EXPENSE OVERVIEW:**

**WATER USAGE:** As of 11/30/2020 our Water Bill total is at $8,376, which is very close to our budgeted amount of $9000 for the 2020 year. With a projected ~ $800 to pay for the remainder of the year. It is noted that every month we were below the amount that was allocated for our HOA.

**LANDSCAPE:** Contract was for $24,500 for the year with Bright View. This goes from April through November. This included mowing and clean ups in the Fall. Irrigation required replacing of a broken and outdated Irrigation clock in June, which was an unexpected expense of over $7000 and required the Board to recommend that the funds for this be taken from the RESERVE Account ( not Statutory Reserve account ) with intentions of reimbursing this account in time. Given the age of our irrigation system it is becoming increasingly more expensive with necessary repairs being made throughout the year. Over budget by > $4000. We did go over budget with Flowers and shrubs this year by ~ $600. Trees totaled $840 which is under our budget but will most likely require more attention in 2021.

**SNOW REMOVAL**: Is always an unknown; but to date we are close to budget of $4600, but we still have December to contend with?

**TRASH/RECYCLE:** For the 9 months we have paid a little over $10,000 which is right where we should be. Fairly fixed monthly expense.

**MANAGEMENT:** LCM is our HOA Management company we use and the monthly fee to them is $425 for an annual fixed expense of $5100. Budgeted extra for office supplies that we are billed for.

**LEGAL EXPENSES:** Were utilized more this year with declaration and covenant changes needed. As well as legal fees for collections, with the intention of getting reimbursed for legal fees for those sent to collections. Total to date is $1,150.

FENCES: $3000 in Labor and material costs, which is under budget by $1600.

**DELINQUENT HOA DUES ACCOUNTS:**

In 2020, the Board voted to go forward with legal action against 2 homeowners for failure to pay their dues: This was done in August of this year. Of the two homes, one brought their account UTD with fees in September. However, legal matters are still being sought in nonpayment with the other homeowner**.**

**RESERVE STUDY:** In 2019 there was a review by our Board of our Statutory reserve account as to whether any changes needed to be made to our current $50,000 amount the MCHOA carries in the Reserve account. Updated pictures of both the North entrance sign and the South entrance cement walls were obtained as potential HOA Liabilities. Also, pictures ofmailboxes throughout the HOA as well as irrigation areas of concern were taken. It was voted on by the Board Member to keep it at $50,000 and that it would be reviewed in detail every three years. The original Reserve Study was done in 2010 with costs carried out for 30 years on the aforementioned items.

**ASSESSMENT (DUES)**

Since 2013 the Board again voted to continue with offering a 10% discount to all homeowners who elect to pay the entire year 2021 dues early. You will receive in the mail from LCM (Management Co.) how to take advantage of this early payment option. This year dues will still be $90 a month to the Masters Club HOA for an annual total of $1080 per home. With 10% discount by paying early the total annual dues will be $972. January 20th, 2021 will be the cutoff date to take advantage of this savings.

**OTHER BUDGETS ITEMS NEEDING EXPLANATION? QUESTIONS FROM RESIDENTS?**

1. **Nomination of Board Members :**
* We can have up to 9 Board members but no fewer than 3.
* We currently have 7 Board Members: Tom and Wally’s term expires this year. The 5 remaining members (Bart, Dineen, Jamie, Frank, and Robert), their terms do not expire this year, and all have agreed to fulfill their term. Therefore, we can add 4 additional Board members.
* Nominations to serve on the Board can be self-nominations or by another individual, both require a second.
* Nominations for the Board– Wally Wenger, Tom Holm and Debra Stewart were all nominated. All three were unanimously voted yes to join the board. Positions for the board will be voted on in the January meeting.
1. **Homeowner Comments or feedback**

**Old and New Business**

* Street Light Adjustments
	+ Some of the LED in the street lights are very bright and not properly aligned to direct the light down. Adjustments have been made on the angle of the lights and they have made a tremendous difference according to several homeowners.
* Trash and Recycle Services
	+ Effective April 1, 2020 all 74 homes within the Masters Club HOA began trash and recycle services as part of the Masters Club HOA assessment. Waste Management provides (1) 64- or 96-Gallon Trash cart & (1) 64 or 96 Gallon Recycle cart to each household. **TRASH**: THURSDAYS weekly **RECYCLE**: THURSDAYS every-other-week. Trash cans are to be stored where they are not visible to the street.
* Golf Course Update
	+ Papers have been signed by the golf course and the Town of Castle Rock for the purchase of the pool area, tennis courts, and part of parking lot to be made into a park. Our representative, George Teal was instrumental in getting this accomplished. Our many Thanks to George! The club house has been remodeled !
* Visitor Parking
	+ Visitor parking is for use by guests and visitors such as repair/service personnel. It is not to be used by residents except in infrequent situations such as a garage sale, work on your home, etc.
	+ If the guest parking area is needed for more than 8 hours, please notify any MCHOA Board Member and request, in writing, an exception to the parking policy.
* Animals
	+ Please call the Castle Rock Animal Protection Services (303-663-6100) if you observe anyone failing to properly pick-up and dispose of animal waste. If there are issues with repetitious dog barking, please contact a board member with concerns.
1. **Committee Sign-up** -
* Anyone may join the following committees: Social, Landscape, ACC. Please email any of the board members if you are interested in joining. We welcome all to participate.
1. **Door Prizes –** This was put on hold until next year.
* **Next Meeting/Adjourn**: Jan. 13, 2021 6:30 PM at the Holm residence, 2923 Masters Court - social distancing enforced, however, the meeting will likely be held via Zoom.

**Treasurer's Report**

Bart reviewed monthly expenditures, shown below. A complete Financial Report may be obtained by request to the MCHOA treasurer, Bart Keller. The financial report was approved.

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| MCHOA Balance Sheet |  | **November 2020** |
|  | **Income** | **Expenditures** |
| Checking and Savings | $ 99,472.37 |  |
| LESS Statutory Reserves\* | $50,000.00 |  |
| **Total Operating \*\*** | **$ 18,314.23** |  |
| **Total Reserves** | **$ 31,158.14** |  |
| Office Supplies |  | $ 145.00 |
| LCM |  | $ 425.00 |
| Legal Services |  | $ 60.00 |
| **Insurance**/Taxes |  |  |
| Utility – Water  |  | $ 1,385.00  |
| Utility - Electric |  | $ 37.00  |
| Trash/Recycle: Waste Management |  | $ 1,082.00 |
| Landscape Maintenance/Sprinkler |   |  $ 3,050.00  |
| Fence Repair/Painting |  |  |
| Trees/Irrigation/shrubs |  | $ 208.00 |
| Social/Community Events |  |   |
| Total Major Expenses |  |  **$ 6,392.00** |

\*Colorado law. C.R.S. 38-33.3-209.5(1)(b)(IX) provides that a Reserve Study Policy must be put in place by HOAs. The MCHOA Reserve Study determined we must keep $50,000 in savings for emergencies.