

**Castlewood Home Owners Association
Monthly Board Meeting
January 15, 2008
Association Meeting Minutes**

Walter Colquitt, President
Denny Reid, Vice President
Tony Leone, Treasurer
Dan Franklin, Director
Gary Bowery, Director

I. Call to Order

The meeting was called to order at 7:00pm by President Walter Colquitt.

II. Establish Quorum

Attending the meeting were board members Walter Colquitt, Denny Reid, Tony Leone, Dan Franklin and Gary Bowery and a quorum was established. Also attending was CCMC community manager, Jo Lynn Tefft.

III. Approve Minutes of November 20, 2007 Meeting

Jo Lynn read the minutes from the November 20th BOD meeting. The minutes were approved as written by the board.

IV. Social Committee Update

Jo Lynn gave the social report: "We need to actively look for volunteers for social events. We need one chairperson and several volunteers for all events. Amanda may be able to do the 4th of July and another event later in the year. The first event coming up is the Easter Egg Hunt and at this point we don't have anyone to head it up." Jo Lynn needs volunteer help as her hours do not allow her to do all aspects of the social events. Jo Lynn and Tony will send another broadcast email and another "help" ad will be put in the newsletter.

V. Open Session

Several residents had questions about the assessments increase and Walter explained that due to the large expenditures in pool and irrigation repair, water increase, etc., that it was necessary to raise the dues. Tony explained that 2007 was the first dues increase at Castlewood and upon doing research on HOA's in this area, we found that the majority of HOA's raise their dues on an average of 5% per year. In retrospect, we should have raised the dues a percentage every year. The builder had control for the first five years and did not raise dues. The first budget that the HOA was responsible for was 2005 and dues were not increased until 2007. The \$68 special assessment was to replenish the reserves. The \$68 was a one-time charge and the dues next year will be based upon the \$610 annual assessment this year. Castlewood has raised dues an average of 2.99% since its inception. Highland Shores has raised their dues an average of 4.79% since 1991. Several residents have complained about the timing of the dues and Walter explained that our fiscal year is from January 1 through December 31 and was set up by the builder and cannot be changed. A resident asked about split payments, one in January and one in June. Tony said the board did discuss that at their budget meeting, but ultimately felt that taking the hit twice wasn't worth changing

the original schedule. Walter explained that we have a reserve study done that gives a starting point on the life and replacement time and cost of major items (i.e., tennis court resurfacing, roof replacement, etc.) For example if the tennis courts need to be resurfaced every 10 years, a portion of every resident's assessment goes into the reserves to pay for the resurfacing at 1/10th of the projected cost for 10 years. It was also explained to the residents that unpaid fines showed up as income on the financial statements. With houses going to foreclosure, the fines become substantial and showing up as income is misleading. Beginning in January, these unpaid fines will be put in a separate category. A resident asked about "certified mail charges" on violation letters. It was explained that in order to be in compliance with Texas state law, the second letter and the fine letter has to be sent certified and regular mail.

VI. Manager's Report

Irrigation is all repaired. The front entrance is watered twice a week, the clubhouse area is watered once a week and the rest is turned off. There has been ice at the front entrance and Jo Lynn checked and we do have "freeze sensors." However, according to the irrigation company, it has to be below freezing for several days before the sensors work. We will turn the front irrigation off if there is a freeze warning. Woody's came out today to look at the creek area and beaver dams and will give us an estimate to get all dams and debris cleaned out from the bridge to the playground. Dan Franklin will look at site plans and check with the City of HV to be sure this is all on our property. To get the pool into compliance with 11 new drain covers, new safety rings and new signs the cost will be \$1400. Jo Lynn would like to have the pool table recovered, buy a few more cue sticks and a cover for the table. The cost is approximately \$250 for refelting and approximately \$25 each for cue sticks. Jo Lynn will check on prices for soft and hard covers. She would also like to put a garbage can at the soccer field and will check on cost for a cement pad to bolt the can to.

Jo Lynn would also like to have HOA-approved home improvements inspected when the project is complete, either by her or the Modifications Committee. More research will be done.

VII. Treasurer's Report

We ended the year at a \$20,000 loss; however, when you take the builder/homeowner fines of \$13,500 we ended up being about \$33,000 over budget. \$28,000 was for repairs/maintenance and repairs/supplies. We have budgeted an additional \$14,000 in the 2008 budget for repairs and maintenance. Walter also asked for items with longer than a "one-year life" be coded to reserves instead of operating. Tony will do a "year-end" summary in the February newsletter.

VIII. Easements Update

The revised line-of-sight easement letters were delivered today for board review. The board will give their decision by next week.

IX. Violation Report

The fine overages have been written off and the amounts due are now correct.

X. Delinquency Report

Board Reviewed.

Open Session was closed at 8:00 p.m._____