

**BOARD OF TRUSTEES MEETING
ROYAL CREST COUNTRY CLUB CONDOMINIUM
WEDNESDAY, MARCH 16, 2022
6:30 P.M.**

The meeting was called to order by Chairman, Carl Tempesta, at 6:30 P.M.

In attendance: Carl Tempesta (Chairman), Jeanean Street (Treasurer), Tim Collins (Secretary), Jeff Smith, Tom Quin and Ray Ruggieri.

Also in attendance: Kate Kelly, about 60 unit owners in person and via zoom.

Tom Quin made a motion to approve the Minutes of the October 27, 2021, Board of Trustees Meeting. Tim Collins Seconded the motion. All approved.

Golf Course

Carl gave a slide show presentation on the condition of the Golf Course. There is need for work on the 6th hole and the 9th hole. These issues will be addressed at an upcoming meeting. We will be getting quotes in the near future.

Carl also announced the creation of the Golf Committee, to be headed by Jeff Smith. It will include a representative from each phase.

Bob Travers will be returning as the Royal Crest Golf Pro. He will have two days off this year, Thursday & Friday. The Board is in the process of hiring at least one, but probably two high school students to work as Pro Shop Attendants.

The Board has contracted with Geese Police to patrol the Golf Course for the cost of \$375 per week. They will be coming for at least two weeks and they will continue working until the Board of Trustees decides that they are no longer required.

Republic Services

The Board has signed a contract with Republic Services to replace Waste Management. The new contract saves \$12k per year. The Board decided to try bi-weekly pick up in the winter to save an additional \$1k per month during that time. If that doesn't work out, we will go back to weekly pick-up year-round. Royal Crest will be monitoring this closely.

Clubhouse Security

The Board has ordered security cameras from H.E.L.P, Inc. The system will have seven zones to cover the interior and exterior of the clubhouse. The system costs \$7k. The system can handle up to 32 cameras, so we can add on if needed.

Fire Alarm Systems

Carl mentioned that we are still waiting on parts to repair systems around the complex that were found

during our last inspection. The total cost for the work will be \$12k. Residents will be notified when repairs are scheduled. This includes fire panels, smoke detectors and horns.

Landscaping

Brightview will be returning this year to provide the common area landscaping. They will be on site shortly for the annual spring cleanup. Murphy Landscape will be coming back to repair the damage to the grass caused by snow removal.

Maintenance/Repairs

Carl showed slides of the deteriorating road conditions. He stated that repairing the roads is our number one priority. He encourages unit owners to take walk around Phase 2 and 3. The Board will obtain new quotes for the cost of paving, focusing on in front of Buildings 9 and 29 and corner between 16 & 18. As well as looking at patching small areas.

The focal point wall behind Building 17 is in need of major repairs. Royal Crest will be reviewing the work and obtaining quotes.

Building 21 will be getting a new roof this year. The Board will get three quotes for the roof work.

Building 27 will get exterior painting.

Buildings 19 & 21 will have siding work done.

A new front door for building 5 has been ordered for \$3k.

The new flagpole is on backorder. It will be installed as soon as possible.

2022 Budget/Projections

Please see the attached 2022 Operating Budget and Reserve Budget.

Tom Quin explained what a reserve fund is. He stated that approximately \$100 of monthly condo fees goes directly into the reserve account. This is not enough to fund the major projects that need to be done.

He announced that the Board decided to increase the condo fees by \$3k per unit, adjusted for beneficial interest, over three years. Owners will have the option to pay it all upfront, yearly or monthly. This increase will go into the Reserve account.

The increase will go into effect on July 1st, 2022. This is not a special assessment; it is an HOA fee increase for three years.

Jeanne presented the 2022 budget that the Board has agreed to (see attached).

Open Forum

Complaints were made about the condition of the pool deck and the lifeguards. Complaints were made regarding the safety procedures of the Roofers, powers washers. This has been duly noted by Board and will be communicated with the vendors. A request was made to clean up the locker rooms in clubhouse.

The Board will take the comments under advisement.

Meeting adjourned at 7:45.

Next Board Meeting: TBD.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Tim Collins". The signature is written in a cursive, slightly slanted style.

Tim Collins, Secretary

Royal Crest Country Club--Financial Activity At-A-Glance

December, 2021

Income At-a-Glance

| | Mthly Income | YTD Income | YTD Budget |
|-------------------------------|---------------------|-----------------------|-----------------------|
| Income | | | |
| Monthly Condo Fees | \$119,776.00 | \$1,437,312.00 | \$1,437,312.00 |
| Pool/Clubhouse Fees | \$0.00 | \$0.00 | \$3,300.00 |
| Room Fees | \$0.00 | \$0.00 | \$90.00 |
| Returned Check Fees | \$0.00 | -\$5.00 | \$0.00 |
| Miscellaneous Owner Fees | \$500.00 | \$500.00 | \$200.00 |
| Insurance Proceeds | \$14,735.00 | \$14,735.00 | \$0.00 |
| Total Operating Income | \$135,011.00 | \$1,452,542.00 | \$1,440,902.00 |
| Other Income | | | |
| Golf Course Fees | \$3,150.00 | \$73,075.00 | \$66,000.00 |
| Total Other Income | \$3,150.00 | \$73,075.00 | \$66,000.00 |
| Total Income | \$138,161.00 | \$1,525,617.00 | \$1,506,902.00 |

Citizens Bank Accounts At-a-Glance

| | | | |
|-----------------------------------|--|---------------|---------------------|
| Operating Account (#487-3) | | | |
| Beginning Balance | | | \$147,588.49 |
| Deposits | | \$149,007.00 | |
| Checks | | -\$118,114.87 | |
| Debits | | -\$8,193.41 | |
| Ending Balance | | | \$170,287.21 |

Reserve Account (#486-5)

| | | | |
|--------------------------|--|-------------|--------------------|
| Beginning Balance | | | \$26,224.44 |
| Deposits | | \$16,800.00 | |
| Checks | | \$0.00 | |
| Debits | | \$0.00 | |
| Ending Balance | | | \$43,024.44 |

Petty Cash Account (#204-4)

| | | | |
|--------------------------|--|-------------|-------------------|
| Beginning Balance | | | \$4,795.41 |
| Deposits | | -\$1,365.00 | |
| Checks | | \$0.00 | |
| Debits | | -\$3.00 | |
| Ending Balance | | | \$3,427.41 |

Expenses At-a-Glance

| | Mthly Expense | YTD Expense | YTD Budget |
|---|---------------------|-----------------------|-----------------------|
| Operating Expenses | | | |
| Utilities (Oil, Electric, Water, Cable) | \$16,434.00 | \$187,171.00 | \$212,300.00 |
| Payroll (FT/PT, Tax, Worker Comp) | \$13,385.00 | \$155,947.00 | \$151,944.00 |
| Operation (Clean, Trash, Snow, Pest) | \$32,379.00 | \$312,549.00 | \$316,101.00 |
| Maintenance (Repair, Supplies) | \$17,245.00 | \$130,375.00 | \$119,050.00 |
| Insurance (Package, Umbrella, Auto) | \$5,147.00 | \$99,516.00 | \$92,650.00 |
| Admin (Office, Phone, Consultant) | \$3,405.00 | \$40,170.00 | \$41,120.00 |
| Other (Taxes, Bad Debt) | \$0.00 | \$601.00 | \$900.00 |
| Reserve | \$16,800.00 | \$201,600.00 | \$201,600.00 |
| Total Operating Expenses | \$104,795.00 | \$1,127,929.00 | \$1,135,665.00 |
| Other Expenses (Golf) | | | |
| Groundskeeper | \$0.00 | \$202,759.00 | \$199,445.00 |
| Golf Pro (Contract, Commission) | \$2,700.00 | \$40,475.00 | \$39,800.00 |
| Golf Equip. (Lease, Repair) | \$2,308.00 | \$55,682.00 | \$80,792.00 |
| Other (Ferr, Aerate, Irrig, Sup, Tax) | \$934.00 | \$56,949.00 | \$51,200.00 |
| Total Other Expenses (Golf) | \$5,942.00 | \$355,865.00 | \$371,257.00 |
| Total Expenses | \$110,737.00 | \$1,483,794.00 | \$1,506,902.00 |

Reserve Activity At-a-Glance

| | | | |
|-----------------------------|--|--|-----------------------|
| Reserve Activity | | | December, 2021 |
| Beginning Balance | | | \$255,921.79 |
| Add: Reserve Fees Collected | | | \$201,600.00 |
| Add: Interest Earned | | | \$325.41 |
| Less: Expenditures | | | -\$257,458.16 |
| Ending Balance | | | \$200,389.04 |

BrooklineBank Account

| | | | |
|--------------------------|--|---------|---------------------|
| Beginning Balance | | | \$200,618.04 |
| Deposits | | \$0.00 | |
| Checks | | \$0.00 | |
| Maintenance Fee | | \$0.00 | |
| Interest Paid | | \$25.56 | |
| Ending Balance | | | \$200,643.60 |

PROPOSED 2022 BUDGET

| INCOME | | 2021 | 2022 | |
|---------------------|------------------|------------------|------------------|---|
| 7-55-6110 | ANNUAL DUES | 1,437,120 | 1,521,120 | Includes avg \$1000/year increase for 168 units for 6 months=\$84,000 |
| | CLUB RENTAL FEES | 2,675 | 3,600 | |
| | POOL FEES | 90 | 120 | |
| | FINES | 0 | 0 | |
| | INTEREST INCOME | 0 | 0 | |
| 7-55-6190 | MISC | 200 | 200 | |
| TOTAL INCOME | | 1,440,085 | 1,525,040 | |

| EXPENSES | | | | | |
|--|------------------------|----------------|----------------|--|------------------------------------|
| <u>UTILITIES</u> | | | | <u>ADMINISTRATIVE</u> | |
| 7-55-7110 | OIL | 4,000 | 3,600 | | |
| 7-55-7140 | ELECTRICITY | 102,500 | 90,000 | 7-55-7615 | POSTAGE 1,800 1,500 |
| 7-55-7150 | WATER/SEWER | 105,000 | 100,000 | 7-55-7620 | LEGAL FEES 1,250 2,000 |
| 7-55-7170 | CABLE TV FEES | 800 | 800 | 7-55-7625 | ACCOUNTING FEES 3,000 1,750 |
| TOTAL UTILITIES | | 212,300 | 194,400 | 7-55-7630 | BANK/CHECK CHARGES 100 36 |
| <u>SALARIES/WAGES</u> | | | | 7-55-7640 | DUES/SUPSCRIPTIONS 200 100 |
| 7-55-7215 | OFFICE SALARIES | 60,320 | 62,130 | 7-55-7650 | MEETING EXPENSE 200 100 |
| 7-55-7225 | MAINT SALARIES | 58,800 | 53,820 | 7-55-7655 | OFFICE SUPPLIES 3,500 3,000 |
| 7-55-7240 | POOL SALARIES | 11,800 | 12,800 | 7-55-7660 | PAYROLL ADMIN 7,300 7,300 |
| 7-55-7245 | PART TIME HELP | 5,400 | 17,120 | 7-55-7685 | DEVELOPMENT 300 300 |
| TOTAL SALARIES | | 136,320 | 145,870 | 7-55-7670 | TELEPHONE 3,720 5,000 |
| 7-55-7280 | PAYROLL TAXES | 11,200 | 12,000 | 7-55-7675 | ANSWERING SERVICE 1,750 3,500 |
| 7-55-7285 | FRINGE BENEFITS | 0 | 0 | 7-55-7680 | OFFICE EQUIPMENT 3,500 3,500 |
| TOTAL FRINGE | | 11,200 | 12,000 | 7-55-7710 | MANAGEMENT FEE 14,500 14,500 |
| TOTAL | | 147,520 | 157,870 | TOTAL ADMINISTRATIVE 41,120 42,586 | |
| <u>OPERATING SERVICE</u> | | | | <u>OTHER</u> | |
| 7-55-7310 | CLEANING SERVICES | 27,500 | 27,500 | 7-55-7820 | REAL ESTATE TAXES 200 200 |
| 7-55-7330 | RUBBISH | 39,000 | 39,000 | 7-55-7832 | PERS PROPERTY TAXES 700 500 |
| 7-55-7340 | SNOW REMOVAL | 81,981 | 124,000 | 7-55-7845 | DEPRECIATION 0 0 |
| 7-55-7345 | LANDSCAPING | 113,500 | 117,000 | 7-55-7870 | LOANS AND INTEREST 0 0 |
| 7-55-7346 | LANDSCAPE OTHER | 24,720 | 16,000 | 7-55-7880 | INTEREST - INSURANCE 0 0 |
| 7-55-7350 | EXTERMINATION | 5,500 | 2,000 | TOTAL OTHER 900 700 | |
| 7-55-7355 | RUGS/WINDOWS | 8,200 | 2,000 | <u>RESERVE CONTRIB.</u> | |
| 7-55-7360 | UNIFORMS | 900 | 400 | 7-55-7910 | RESERVES 201,600 325,600 |
| 7-55-7375 | PICKUP TRUCKS | 2,500 | 2,400 | TOTAL RESERVES 201,600 325,600 | |
| TOTAL SERVICES | | 303,801 | 330,300 | TOTAL EXPENSE 1,129,096 1,240,068 | |
| 2022 Snow includes \$42K surplus from 2021 | | | | NET CONDO OPERATION 310,989 284,972 | |
| <u>MAINTENANCE</u> | | | | <u>GOLF INCOME</u> | |
| 7-55-7410 | SUPPLIES/COMMON | 21,500 | 18,000 | 7-55-9010 | GOLF COURSE FEES 65,000 70,000 |
| 7-55-7415 | REPAIRS - COMMON | 500 | 500 | 7-55-9020 | OTHER 0 0 |
| 7-55-7425 | REPAIRS - ELECTRICAL | 16,200 | 15,000 | TOTAL GOLF INCOME 65,000 70,000 | |
| 7-55-7430 | REPAIRS - PLUMBING | 10,500 | 3,000 | 7-55-9210 | GREENSKEEPER CNTCT 201,439 205,422 |
| 7-55-7431 | REPAIRS - PUMP SYSTEMS | 300 | 312 | 7-55-9220 | FERTILIZER 31,000 40,000 |
| 7-55-7440 | REPAIRS - POOL | 3,750 | 5,000 | 7-55-9225 | COURSE SPRAYING 4,800 2,000 |
| 7-55-7445 | REPAIRS - EQUIPMENT | 2,500 | 5,000 | 7-55-9240 | EQUIPMENT REPAIRS 18,400 18,000 |
| 7-55-7446 | REPAIRS - VEHICLES | 500 | 400 | 7-55-9242 | AERATION/DRAINAGE 2,400 3,500 |
| 7-55-7465 | REPAIRS - BUILDINGS | 4,000 | 4,000 | 7-55-9245 | EQUIPMENT LEASE 42,000 10,000 |
| 7-55-7470 | REPAIRS - ROADWAYS | 2,700 | 1,200 | 7-55-9250 | IRRIGATION 9,000 12,000 |
| 7-55-7480 | REPAIRS - SEWER | 2,000 | 300 | 7-55-9310 | PRO CONTRACT 32,000 32,400 |
| 7-55-7420 | REPAIRS - FIRE/SEC | 12,000 | 15,000 | 7-55-9320 | PRO COMMISSIONS 7,400 4,050 |
| 7-55-7485 | REPAIRS - PAINTING | 42,500 | 12,000 | 7-55-9325 | GOLF SUPPLIES 3,000 250 |
| 7-55-7490 | REPAIRS - LOCKS | 100 | 100 | 7-55-9330 | CART REPAIRS 2,000 1,200 |
| TOTAL MAINTENANCE | | 119,050 | 79,812 | 7-55-9335 | GOLF CARTS LEASE 16,750 15,600 |
| 2022 Fire/Sec includes \$7k to install camera system | | | | 7-55-9340 | SALES TAX CARTS 1,000 750 |
| <u>INSURANCE</u> | | | | 7-55-9390 | OTHER 4,800 4,800 |
| 7-55-7510 | INSURANCE PACKAGE | 88,045 | 93,000 | 7-55-9395 | GEESE POLICE 5,000 |
| 7-55-7520 | INSURANCE UMBRELLA | 4,782 | 4,800 | TOTAL GOLF EXPENSE 375,989 354,972 | |
| 7-55-7540 | INSURANCE VEHICLE | 2,119 | 2,200 | NET GOLF OPERATIONS (310,989) (284,972) | |
| 7-55-7590 | INSURANCE EQUIPMENT | 3,529 | 3,600 | | |
| 7-55-7290 | WORKMANS COMP | 4,159 | 5,000 | | |
| | CERTIFICATE FEE | 171 | 200 | | |
| TOTAL INSURANCE | | 102,805 | 108,800 | | |

| NET TOTAL | | 2021 | 2022 |
|------------------|--|------------|----------|
| NET TOTAL | | (0) | 0 |

NOTE: Amounts shown in red have been discussed/verified with Tom and Carl.
 NOTE: The "Net Totals" should equal zero, signifying that total income equals total expenses.
 NOTE: 2022 Budget amounts shown in blue are based on actual expenditures in 2021 or have been adjusted to get to \$0 balance.
 NOTE: 2022 Reserves include:

| | | |
|--------|-----------|--------------|
| Paint | Landscape | Fee Increase |
| 24,000 | 16,000 | 84,000 |

Royal Crest Country Club
Reserve Fund Analysis

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------|---------|---------|---------|---------|---------|---------|---------|
| Beginning Balance | 269,289 | 302,892 | 428,697 | 255,921 | 200,389 | 234,639 | 267,389 |
| Reserve Fee 3 year | 439,200 | 504,024 | 201,600 | 201,600 | 241,600 | 168,000 | 168,000 |
| Addition from Fees | 2,587 | 350 | 218 | 326 | 300 | 225,600 | 225,600 |
| Interest | 441,787 | 504,374 | 201,818 | 201,926 | 325,900 | 393,900 | 393,900 |

Ongoing Building

| | | | | | | | |
|----------|---------|---------|---------|---------|---------|---------|---------|
| External | 289,079 | 340,452 | 220,315 | 111,200 | 124,500 | 168,000 | 155,000 |
| Internal | 24,352 | 8,064 | 22,562 | 24,988 | 43,150 | 43,150 | 43,150 |
| Tot | 313,431 | 348,516 | 242,877 | 136,188 | 167,650 | 211,150 | 198,150 |

Community :

| | | | | | | | |
|------------------------|--------|--------|---|--------|---------|---------|---------|
| Stone Wall / Hill #17 | 5,150 | | | | 100,000 | | |
| Golf Barn | | | | | | | 250,000 |
| Landscaping | 41,590 | | | 31,800 | 16,000 | | |
| Road Pave | | | | | | 150,000 | |
| Tot Budgeted Community | 0 | 46,740 | 0 | 31,800 | 116,000 | 150,000 | 250,000 |

Non Budgeted Items :

| | | | | | | | |
|------------------------|--------|--------|---------|--------|--------|---|---|
| Signes | | | 4,611 | | | | |
| Carts & J P Equipment | | | 8,413 | | | | |
| Hdcp Ramp | 0 | | | 31,156 | | | |
| Chem Storage | | | | 22,558 | | | |
| Hole Drainage | | | 17,721 | | 30,756 | | |
| MA Save Insulation | | 10,472 | 8,970 | | | | |
| Pool & Fence | | | 19,100 | | | | |
| Other | 94,753 | | 65,102 | | 8,000 | | |
| Catch Basins 2,4,23 | | | 7,800 | | 5,000 | | |
| Tot Non Budgeted Items | 94,753 | 10,472 | 131,717 | 89,470 | 8,000 | 0 | 0 |

| | | | | | | | |
|----------------|---------|---------|---------|---------|---------|---------|---------|
| Ending Balance | 302,892 | 428,697 | 255,921 | 200,389 | 234,639 | 267,389 | 213,139 |
|----------------|---------|---------|---------|---------|---------|---------|---------|

Notes:
 2018 to 2019 Reserved was above \$300,000 ; because of additional unforeseen projects reserve slipped to \$200,000 by the end of 2021.
 There are three major projects and many smaller projects, yet to go . Erosion on hill for #17; Paving; and the golf barn
 The additional contribution of \$1000 per year (average) per condo will allow us to maintain the quality of our property.

Part time payment in Nov of \$11,279
 Fifth in 2020, fourth in 2021
 Pool pump
 Water Main in Feb 2022

May be delayed if other projects arise.
 Includes Trees (\$15,570) & Pool landscaping (\$16,230), 2022 2nd half

Additional Capital Projects fee of \$3,000 / \$1,000 per year
 2022 Reflects budget move of painting of \$24K from operation to Reserve .