

# *Townes at Kettle Creek Owners Association, Inc.*

[Darren@zandrmgmt.com](mailto:Darren@zandrmgmt.com) / [www.Townesatkettlecreek.com](http://www.Townesatkettlecreek.com)

October 11, 2019

Dear Townes at Kettle Creek Homeowner:

Perhaps the singular most important aspect to running a homeowners' association is participation by you, the homeowner. This participation encourages a sense of community and cooperation between all the residents and keeps your Association strong. This is the key to maintaining your assets properly and protecting the rights and property values of every homeowner.

Your best chance to participate in the Townes at Kettle Creek Owners Association is at the general membership meeting, which is held annually. Your Annual Meeting is scheduled for:

**Wednesday, October 23, 2019**

**6:00 p.m.**

**Falcon Division Police Station**

**7850 Goddard Street, Colorado Springs, CO 80920**

Your attendance is important for several reasons. First and foremost, you get to meet your neighbors and be informed as to how the Association runs. Second, you help create a quorum of voting members so that the decisions made (i.e. budget ratification) at the meeting are official. This year, the 7% increase along with budgeted reductions in operating costs is going to increase the budget for reserve allocations above what the reserve study recommends for the first time ever! This will help the Association to keep gaining on the recommended figure for where we should be compared to where we are.

Finally, you get to participate in the democratic process by choosing which candidate(s) is going to fill the vacating position(s) on the Board of Directors. ***If you are interested in serving on the Board, please submit your name in writing (email is preferred) to my attention no later than October 22, 2019, and I'll make sure you get on the ballot.*** Nominations from the floor will also be accepted.

If you cannot attend, please fill out and return the attached proxy to Z&R prior to the meeting. To reduce copying and mailing costs and encourage a "greener" operation, this year's notice is this cover letter, the agenda, the 2020 budget and your proxy. The "FULL" version of this notice will be emailed and also posted on the website at [www.townesatkettlecreek.com](http://www.townesatkettlecreek.com). If you haven't subscribed there to receive emails, please do!

If you have any questions about the meeting or other Association matters, please feel free to call our office and we'll do our best to help you out. We hope to see you at the annual meeting!

Sincerely,



Darren H. Burns  
Property Manager

Professionally Managed by:



6015 Lehman Drive, Suite 205, Colorado Springs, CO 80918  
Phone (719) 594-0506 • Fax (719) 594-0473



# Townes at Kettle Creek OA ANNUAL MEMBERSHIP MEETING

October 23, 2019  
6:00 p.m.  
Falcon Police Station

**Type of meeting:**

*ANNUAL MEMBERSHIP MEETING*

## *Agenda Topics*

### **A. CALL TO ORDER**

1. Roll Call (Completed at Door)
2. Certification of Proxies (Completed at Door)
3. Proof or Waiver of Notice (Quorum = 20%)
4. Previous Year's Meeting Minutes

### **A. B. REPORTS**

1. President's Report
2. Financial Report (Annual Budget)

### **C. NEW BUSINESS**

1. Introduction of Candidates
2. Nominations from Floor  
Voting for Board Members

### **D. ANNOUNCEMENTS**

### **E. ADJOURNMENT**

# *The Townes at Kettle Creek Owners Association, Inc.*

## **Annual Membership Meeting Minutes**

**October 23, 2018**

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The Townes at Kettle Creek Annual Membership Meeting was held at Academy Christian Church. The meeting was called to order by Rhonda Martin at 6:08 p.m. Present were:

Rhonda Martin	President
Lou Yoo	Secretary
David Kuiper	Treasurer
Chris Schade	Property Manager

A total of 12 homes were represented with 10 in person and 2 by proxy. Roll call was conducted at the door by Chris along with certification of any proxies that had not been submitted in advance of the meeting. A quorum was not present, so the proof of notice was provided by the members present. Those present elected to cancel the formal meeting

**Board Report** (presented by Lou): A number of landscaping improvements were done during the course of the summer. He also explained that contracts specific requirements were being developed and new bids would be sought. He also reviewed the financials and explained that there would be a \$10.00 increase in dues based on Reserve Study Analysis.

**NEW BUSINESS:** As there was not a quorum for an official election, and Rhonda and David's terms expiring, the Board needed to select two people to fill the positions. Rhonda was interested as well as Dana Deem and David Kuiper. An informal vote was taken, Dana and David received the majority of votes. The Board was appointed as follows with the following term expirations:

		<b><u>Term</u></b>
Lou Yoo	President	2019
David Kuiper	Secretary	2020
Dana Deem	Director at Large	2020

The meeting was adjourned at 7:30 p.m.

Chris Schade  
Property Manager

Lou Yoo  
Secretary

# Townes at Kettle Creek

## Balance Sheet

09/30/2019

### Assets

Owner Receivables	985.15
Other Receivables	7,136.09
Cash Operating - First Bank	28,977.21
Reserves	
Reserve - First Bank	37,990.55
Reserve - RBC Wealth	111,170.10
RBC CD 2/14/20 2.45%	35,000.00
RBC CD 5/28/20 2.45%	40,000.00
<b>TOTAL Reserves</b>	<b>224,160.65</b>

### Total Assets

**261,259.10**

### Liabilities

Owners Receivable Over Collected	7,325.35
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### Total Liabilities

**7,325.35**

### Net Worth

Reserve Funds	
Reserve Interest Earned	2,865.69
Reserve-Consolidated	226,974.22
Reserve Expense-Consolidated	(5,679.26)
<b>TOTAL Reserve Funds</b>	<b>224,160.65</b>
Prior Retained Earnings	1,326.00
Retained Earnings	35,829.10
Net Income	(7,382.00)

### Total Net Worth

**253,933.75**

### Total Net Worth and Liabilities

**261,259.10**

# Townes at Kettle Creek

## Income and Expense Comparative Statement

From 09/01/2019 to 09/30/2019

	<u>September 2019</u>		<u>January to September</u>			<u>Yearly Budgets</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Var. \$</u>	<u>Current</u>	<u>Last Year</u>
<b>Revenues</b>							
Monthly Dues	17,630	17,630	158,670	158,670		211,560	201,720
Late fee-Nsf Charges	75	83	227	747	(520)	1,000	1,800
Returned Check Charges			40		40		
<b>Total Revenues</b>	<b>17,705</b>	<b>17,713</b>	<b>158,937</b>	<b>159,417</b>	<b>(480)</b>	<b>212,560</b>	<b>203,520</b>
<b>Expenses</b>							
<b>Operating Expenses</b>							
Accounting Fees			325	500	175	500	1,350
Administration Costs	137	217	2,054	1,953	(101)	2,600	2,300
Bad Debt		833		7,497	7,497	10,000	10,000
Electric	18	23	173	207	34	280	280
General Mx and Repair	715	167	1,030	1,503	473	2,000	2,500
Gutter Repair			50		(50)		
Insurance Property/Liability	3,136	3,583	38,136	32,247	(5,889)	43,000	39,000
Landscaping		125	900	1,125	225	1,500	4,000
Legal Expense	90	112	1,686	1,008	(678)	1,350	1,350
**Legal Reimb	(145)	(83)	(1,504)	(747)	757	(1,000)	(1,000)
Lawn Contract	1,710	1,458	14,571	13,122	(1,449)	17,500	16,000
Light (Electric) Maint/Repair	290	208	1,862	1,872	10	2,500	2,500
Management Fees	1,230	1,230	11,070	11,070		14,760	14,760
Pest Control		61		549	549	730	1,250
Pond Maintenance				500	500	500	500
Plumbing		42		378	378	500	750
Roof Repair	1,753	417	3,465	3,753	288	5,000	6,000
Siding/Stucco Repair			450		(450)		
Snow Removal			25,875	17,000	(8,875)	20,000	23,500
Sprinkler Repair		550	1,119	3,120	2,001	3,500	3,130
Street Repair/Sweep		25		225	225	300	
Storm Water Fee	132		1,323		(1,323)		
Trash	770	767	6,851	6,903	52	9,200	9,000
Tree Maintenance		458	1,942	4,122	2,180	5,500	5,700
Water	4,377	2,000	16,061	18,570	2,509	20,500	19,500
<b>TOTAL Operating Expenses</b>	<b>14,213</b>	<b>12,193</b>	<b>127,439</b>	<b>126,477</b>	<b>(962)</b>	<b>160,720</b>	<b>162,370</b>

<u>September 2019</u>		<u>January to September</u>			<u>Yearly Budgets</u>	
<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Var. \$</u>	<u>Current</u>	<u>Last Year</u>

**Reserve Funding**

Reserve Allocation Consolidated	4,320	4,320	38,880	38,880		51,840	41,150
<b>TOTAL Reserve Funding</b>	4,320	4,320	38,880	38,880	0	51,840	41,150

<b>Total Expenses</b>	18,533	16,513	166,319	165,357	(962)	212,560	203,520
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<b>Net Income</b>	(828)	1,200	(7,382)	(5,940)	(1,442)	0	0
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## Townes at Kettle Creek Budget for 2020

Revenues	2016	2017	2018	2019	2020	Delta	Comments
Monthly Dues \$230 per month	182,040	191,880	201,720	211,560	226,320	14,760	\$15 Increase - 7%
Interest Income (Not Reserves)	10	10	0	0	0	0	Checking Acct. not Reserves
Late fee-Nsf Charges	1,200	1,200	1,800	1,000	500	(500)	Based on Actuals
<b>Total Revenue</b>	<b>\$183,250</b>	<b>\$193,090</b>	<b>\$203,520</b>	<b>\$212,560</b>	<b>\$226,820</b>	14,260	
<b>Expenses</b>							
Accounting Fees	1,350	350	1,350	500	325	(175)	Tax Return Only
Administration Costs	2,250	2,000	2,300	2,600	2,600	0	Need more EFT!! - Bank Fees!!
Bad Debt	0	0	10,000	10,000	0	(10,000)	Not Actual Expense - Accrued over years
Electric	280	280	280	280	280	0	
General Mx and Repair	3,500	2,500	2,500	2,000	1,500	(500)	Catch all account - multiple items
Insurance Property/Liability	32,000	35,000	39,000	43,000	45,000	2,000	Market-wide losses again in 2019
Landscaping	2,000	3,000	4,000	1,500	1,500	0	Large Projects to Reserves
Legal Expense	4,000	4,000	1,350	1,350	1,350	0	
**Legal Reimb	(2,500)	(2,500)	(1,000)	(1,000)	(1,000)	0	Collections offset to indiv. owner accounts
Lawn Contract	15,480	16,000	16,000	17,500	20,520	3,020	New Contractor
Light (Electric) Maint/Repair	2,500	2,500	2,500	2,500	2,500	0	Monthly sweeps plus fixtures
Management Fees	14,760	14,760	14,760	14,760	15,990	1,230	1st Inc in 5yrs - 1.7% per year
Pest Control	250	250	1,250	730	500	(230)	Lighter year
Pond Maintenance	0	500	500	500	500	0	Hydrojet Drainage Pipes
Plumbing	500	750	750	500	500	0	Boulders have prevented lots of damage
Roof Repair	3,500	3,500	6,000	5,000	3,000	(2,000)	Aging, but holding up for now
Snow Removal	17,000	22,000	23,500	20,000	22,500	2,500	Mult. Trips for ice - zero tolerance areas
Street Repair/Sweep	250	270	0	300	300	0	1 Sweep
Sprinkler Repair	2,250	2,750	3,130	3,500	2,000	(1,500)	Large Repairs to Reserves
Trash	8,880	8,880	9,000	9,200	9,240	40	Includes recycling
Tree & Shrub Maintenance	4,500	4,500	5,700	5,500	2,500	(3,000)	Bug Sprays / Winter Water Trees + Shrubs x 3
Water	17,000	18,000	19,500	20,500	22,000	1,500	Storm Water Included
<b>Total Operating Expenses</b>	<b>\$129,750</b>	<b>\$139,290</b>	<b>\$162,370</b>	<b>\$160,720</b>	<b>\$153,605</b>	<b>(7,115)</b>	
Reserve Allocation Consolidated	\$53,000	\$54,800	\$41,150	\$51,840	\$73,215	21,375	Res. Study = \$66k for 2020 and \$64k behind schedule
<b>Total Budget Requirement</b>	<b>\$182,750</b>	<b>\$194,090</b>	<b>\$203,520</b>	<b>\$212,560</b>	<b>\$226,820</b>	14,260	
<b>Surplus (Shortage)</b>	\$500	(\$1,000)	\$0	\$0	\$0		
<b>Per Unit</b>	\$0.51	(\$1.02)	\$0.00	\$0.00	\$0.00		

# 30-Year Reserve Plan Summary

24561-1  
WSV

Fiscal Year Start: 2019

Interest:

1.25 %

Inflation:

3.00 %

Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	% Increase		Loan or Special Assmts	Interest Income	Reserve Expenses
					In Annual Reserve Contribs.	Reserve Contribs.			
2019	\$236,650	\$881,117	26.9 %	High	45.82 %	\$60,000	\$0	\$3,352	\$0
2020	\$300,002	\$1,008,603	29.7 %	High	10.00 %	\$66,000	\$0	\$3,926	\$41,509
2021	\$328,419	\$1,100,191	29.9 %	High	10.00 %	\$72,600	\$0	\$4,575	\$1,697
2022	\$403,896	\$1,238,655	32.6 %	Medium	10.00 %	\$79,860	\$0	\$3,739	\$292,796
2023	\$194,699	\$1,084,657	18.0 %	High	10.00 %	\$87,846	\$0	\$3,000	\$0
2024	\$285,545	\$1,230,933	23.2 %	High	10.00 %	\$96,631	\$0	\$4,197	\$0
2025	\$386,373	\$1,385,008	27.9 %	High	10.00 %	\$106,294	\$0	\$5,223	\$48,120
2026	\$449,769	\$1,497,657	30.0 %	Medium	10.00 %	\$116,923	\$0	\$6,154	\$37,450
2027	\$535,397	\$1,628,295	32.9 %	Medium	10.00 %	\$128,615	\$0	\$7,452	\$13,934
2028	\$657,529	\$1,790,802	36.7 %	Medium	10.00 %	\$141,477	\$0	\$9,156	\$0
2029	\$808,162	\$1,976,377	40.9 %	Medium	10.00 %	\$155,625	\$0	\$9,926	\$192,919
2030	\$780,793	\$1,972,767	39.6 %	Medium	10.00 %	\$171,187	\$0	\$10,306	\$93,159
2031	\$869,127	\$2,075,877	41.9 %	Medium	10.00 %	\$188,306	\$0	\$6,788	\$846,759
2032	\$217,461	\$1,410,068	15.4 %	High	10.00 %	\$207,136	\$0	\$3,824	\$33,776
2033	\$394,645	\$1,565,980	25.2 %	High	10.00 %	\$227,850	\$0	\$6,394	\$0
2034	\$628,888	\$1,765,810	35.6 %	Medium	10.00 %	\$250,635	\$0	\$8,489	\$157,978
2035	\$730,034	\$1,813,504	40.3 %	Medium	3.00 %	\$258,154	\$0	\$10,394	\$64,670
2036	\$933,912	\$1,963,459	47.6 %	Medium	3.00 %	\$265,899	\$0	\$7,589	\$926,421
2037	\$280,979	\$1,235,174	22.7 %	High	3.00 %	\$273,876	\$0	\$5,136	\$18,727
2038	\$541,264	\$1,424,976	38.0 %	Medium	3.00 %	\$282,092	\$0	\$8,280	\$47,345
2039	\$784,291	\$1,596,156	49.1 %	Medium	3.00 %	\$290,555	\$0	\$11,686	\$0
2040	\$1,086,532	\$1,826,553	59.5 %	Medium	3.00 %	\$299,271	\$0	\$15,070	\$74,970
2041	\$1,325,903	\$1,992,118	66.6 %	Medium	3.00 %	\$308,249	\$0	\$18,607	\$0
2042	\$1,652,759	\$2,245,509	73.6 %	Low	3.00 %	\$317,497	\$0	\$22,154	\$98,679
2043	\$1,893,731	\$2,410,671	78.6 %	Low	3.00 %	\$327,022	\$0	\$24,029	\$291,808
2044	\$1,952,974	\$2,387,848	81.8 %	Low	3.00 %	\$336,832	\$0	\$26,670	\$0
2045	\$2,316,476	\$2,671,065	86.7 %	Low	3.00 %	\$346,937	\$0	\$30,757	\$86,911
2046	\$2,607,259	\$2,879,608	90.5 %	Low	3.00 %	\$357,345	\$0	\$33,560	\$232,902
2047	\$2,765,263	\$2,950,574	93.7 %	Low	3.00 %	\$368,066	\$0	\$36,920	\$25,167
2048	\$3,145,082	\$3,244,370	96.9 %	Low	3.00 %	\$379,108	\$0	\$41,923	\$0



# TOWNES AT KETTLE CREEK DUES HISTORY

<b>Year</b>	<b>Dues</b>	<b>% Increase</b>	<b>Total % Increase</b>	<b>Avg Per Year</b>
2006	\$145.00	0.00%	0.00%	0.00%
2007	\$145.00	0.00%	0.00%	0.00%
2008	\$145.00	0.00%	0.00%	0.00%
2009	\$145.00	0.00%	0.00%	0.00%
2010	\$145.00	0.00%	0.00%	0.00%
2011	\$145.00	0.00%	0.00%	0.00%
2012	\$145.00	0.00%	0.00%	0.00%
2013	\$160.00	10.34%	10.34%	1.29%
2014	\$160.00	0.00%	10.34%	1.15%
2015	\$170.00	6.25%	16.59%	1.66%
2016	\$185.00	8.82%	25.42%	2.31%
2017	\$195.00	5.41%	30.82%	2.57%
2018	\$205.00	5.13%	35.95%	2.77%
2019	\$215.00	4.88%	40.83%	2.92%

# TOWNES AT KETTLE CREEK OWNERS ASSOCIATION

## ANNUAL MEMBERSHIP MEETING

### OFFICIAL PROXY

I hereby certify that I own, via recorded Deed, the following described property:

\_\_\_\_\_  
(TOWNES AT KETTLE CREEK ADDRESS)

I hereby appoint as my official Proxy, \_\_\_\_\_ to exercise my vote on any and all agenda matters and subjects that may come to the attention of the Membership of the Townes at Kettle Creek Owners Association at, and only at, the meeting of that body to be held on October 23, 2019. Blank proxies will be assigned to the Board President.

Name: \_\_\_\_\_  
(PLEASE PRINT)

Signed: \_\_\_\_\_ (Required to be valid)

Date: \_\_\_\_\_

*Please give to your designated proxy or forward to Darren Burns, Managing Agent, Z&R Property Management, 6015 Lehman Drive, Suite 205, Colorado Springs, CO 80918, Fax (719) 594-0473 or email to [Darren@zandrmgmt.com](mailto:Darren@zandrmgmt.com).*