

The Townes at Kettle Creek Owners Association, Inc.
Annual Membership Meeting Minutes
November 7, 2011

The Townes at Kettle Creek Board Annual Membership Meeting was held at Pine Creek High School. The meeting was called to order by Kathy Dolan at 6:05 p.m. Present were:

Kathy Dolan	President
Arlene Chumley	Vice President / Treasurer
Konrad Kahle	Secretary
Darren Burns	Z&R Property Management
Mike Hearn	McKenzie, Rhody and Hearn

A total of 25 homes were represented in person or by proxy. Roll call was conducted at the door by Z&R along with certification of any proxies that had not been submitted in advance of the meeting. The notice requirement was waived due to the presence of a quorum.

Kathy Dolan introduced herself and asked everyone in the room to do the same. A motion was made to approve the 2010 minutes and the motion carried unanimously.

President's Report:

Kathy noted that parking continues to be a problem and the Board is doing everything it can to emphasize fair enforcement of the Covenants. The Association has retained a new landscaping company that has done very well this year. There is also a new tree care company that has greatly improved the health of the Association's "forest." The new trash company saved almost \$2000 for 2012 and collections have become more aggressive. Part of that process has included an agreement with the Master Association (Bison Ridge) to allow the Townes to pay off the debt of Townes Owners before the Master goes to collections. This will reduce legal fees and ensure the Townes has the priority lien. There was discussion on outside trespassers and skateboarders. Dan Mosqueda briefed those present on the "white van scam" that came through the neighborhood recently and encouraged everyone to be cautious and call the police in the event they see suspicious activity.

ATTORNEY Q&A:

Mike Hearn provided a brief synopsis of the case to date. His firm has been on the case for approximately one year now. They did an initial walk of the property and then a full presentation with the Board of Directors. After the Board retained the lawyers, a notice of claim was filed and then a tolling agreement was reached to ensure the statute of limitations would not pass.

On December 5th, a mediation is set up with a better than average chance of closing the case. If mediation does not work, then the case goes to litigation. Mike clarified that money from a settlement must be allocated for repairs and cannot be comingled.

FINANCIAL REPORT:

Darren presented the financial report and took questions from the audience. Jim Costello made everyone aware of the reserve study and explained that the Association should be doing moderate increases to reach the recommended funding levels to prevent special assessments. Darren agreed and explained that the only reason he did not recommend an increase for 2012 is because of the looming settlement with Ashton Woods. While the Association does not necessarily gain a cash surplus, the reserves are reimbursed for expenses already incurred and other reserve items are replaced entirely. This resets the expected life span of those items and lowers the required funding in the reserves. Darren recommended waiting to see if a settlement is reached, and if so, then repairs can be completed in 2012 and an updated reserve study can be commissioned once the repairs are finalized.

NEW BUSINESS:

Kathy introduced Konrad Kahle and thanked him for all his service during the past year. The floor was opened for additional volunteers and there were none. Jim Costello made a motion to nominate Konrad by acclamation and the motion carried unanimously.

ANNOUNCEMENTS:


A new link to springs.gov will be established on the website so Owners can track crime statistics in their neighborhood. There was discussion on possibly increasing the number of Board Members and it was explained that it would require an amendment to the bylaws. Darren will research the possibility of restricting the number of rentals allowed in the Community.

Darren provided an explanation of the Association's current 2% wind and hail deductible on the insurance and explained that each Owner should shop for and purchase Loss Assessment Coverage to protect against both loss assessments and special assessments. Officers were elected as follows:

		<u>Term</u>	<u>Address</u>
Kathy Dolan	President	2012	3096 Ironton
Arlene Chumley	Vice President/Treasurer	2012	10634 Silverton
Konrad Kahle	Secretary	2013	10836 Tincup

The meeting was adjourned at 7:40 p.m.


Darren H. Burns
Property Manager


Konrad Kahle
Secretary