

The Townes at Kettle Creek Owners Association, Inc.
Annual Membership Meeting Minutes
November 3, 2014

The Townes at Kettle Creek Annual Membership Meeting was held at Pine Creek High School. The meeting was called to order by Darren Burns at 6:04 p.m. Present were:

Arlene Chumley	Vice President / Treasurer
Konrad Kahle	Secretary
Darren Burns	Property Manager

A total of 22 homes were represented in person or by proxy. Roll call was conducted at the door by Darren 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.

Darren introduced himself and the rest of the Board of Directors. The Board currently has a vacancy due to the resignation of Kathy Dolan upon selling her home. Darren asked those present to consider service on the Board. Dan Chumley moved to approve the 2013 minutes as submitted and the motion carried unanimously.

President's Report (presented by Darren):

1. **Asphalt Crack Fill and Seal Coat Completed** – \$6672. Helps to prolong life of asphalt and keep water from getting under asphalt and causing it to heave. Also included repainting of all existing parking stripes and speed bumps.
2. **Vandalism Repair** – \$2715.48. Had to excavate a cleanout pipe to remove rocks from broken off cap at 3306 Ironton Creek.
3. **Step Replacement** – \$1395. 3096 Ironton Creek. Condition of contract, stoop had settled and was in violation of code.
4. **Community Wide Sod Replacement** – \$4764. Walks with landscapers identified problems throughout Community and had replaced to beautify community.
5. **New Landscapers** – Valleycrest Landscaping. Still working to find solid contractor. Same contractor that does Pine Creek. Saved money by doing "snow removal only contract" through March and then full maintenance contract beginning in April.
6. **New Rules Adopted** – More uniform and flexible rules, also more correct concerning discrimination statutes and such. After review by an Ad Hoc Committee and the Board and legal counsel, the draft Rules were published to the Owners and only 3 comments were received and only one of those comments recommended changes.
7. **Clearing of Largest Bad Debt Account** – Approx. \$12,000 to bad debt, but not ALL hard costs.

Future Challenges & Projects:

1. The retaining walls along the eastern perimeter (Powers) still appear to be in good shape, but Sunwest Construction did bring some concerns to light. Basically, there are trees planted very close to these walls in a number of areas. In the coming years, these trees will grow very large and could compromise the walls.
While this is not an immediate threat, the Board is aware of it and will be examining options for preventing the trees from damaging these very large and very expensive walls.

Financial Report:

Darren presented September 2014 financial statements and the 2015 budget in detail. There was a Q&A period the budget approval process was explained. An assessment increase of \$10 per month (6%) will take effect on January 1, 2015. From inception in 2006 through 2015, the average per year increase to the assessments is only 1.84% with only 2 increases in 10 years.

The allocation to reserves exceeds the reserve study recommendation, but the starting balance of the reserves for 1/1/2015 is also lower than the study recommends, so the reserves are being funded more aggressively. The large majority of the new revenue is earmarked for the reserves.

Darren explained the need for Owners to acquire "loss assessment" coverage for their homes on their individual policies as a result of the Association's wind and hail deductible.

Announcements: There was general discussion on the new construction to the west of the Community. 50 single family homes are being built.

NEW BUSINESS:

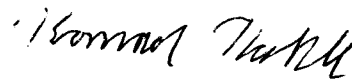
Arlene Chumley volunteered to serve another term on the Board of Directors. Darren opened the floor for other volunteers to be nominated to serve on the Board and there were none. Brett Roth moved to elect Arlene by acclamation and the motion carried unanimously. Officers were elected as follows and Board term expirations are also listed:

		<u>Term</u>
Arlene Chumley	President/Treasurer	2016
Konrad Kahle	Secretary	2015
Vacant	Director at Large	2016

The meeting was adjourned at 6:59 p.m.



Darren H. Burns
Property Manager



Konrad Kahle
Secretary