

Kettle Creek Homeowners Association, Inc.

Darren@zandrmgmt.com / www.kettlecreekhoa.com

October 27, 2017

Dear Kettle Creek Homeowner,

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

Your best chance to participate in the Kettle Creek Homeowners Association is at the Annual Membership meeting, which is held annually. Your Annual Membership meeting is scheduled for:

**November 6, 2017
6:00 p.m.
Challenger Middle School
Multi-Purpose Room
10215 Lexington Drive, 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 is run. Second, you help create a quorum of voting members so that the decisions made at the meeting are official. Finally, you get to participate in the democratic process by choosing which candidates are going to serve on the Board of Directors. If you wish to serve on the Board, please contact me in writing so your name can be added to the ballot. This year, two director positions are up for election to 3 year terms.

If you cannot attend, please fill out the attached proxy that applies to you. This proxy will designate the person of your choice to cast your vote at the meeting. All proxies should be received by Z&R at the above addresses (email, fax or regular mail) the day prior to the meeting.

The Board is responsible for deciding all the financial and contractual matters of the Association, so your vote is very important.

Enclosed with this letter are the Agenda, last year's meeting minutes, the most recent financial reports, the 2018 budget and a proxy form. 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 Burns
Property Manager

Professionally Managed by:

Z&R PROPERTY
MANAGEMENT

6015 Lehman Drive, Suite 205, Colorado Springs, CO 80918
Phone (719) 594-0506 • Fax (719) 884-4496



KETTLE CREEK HOA GENERAL MEMBERSHIP MEETING

November 6, 2017
6:00 p.m.
Challenger Middle School
10215 Lexington Drive

Type of meeting:

GENERAL MEMBERSHIP MEETING

Agenda Topics

A. CALL TO ORDER

1. Roll Call
2. Certification of Proxies
3. Proof or Waiver of Notice, Quorum = 10%
4. Approval of Previous Year's Annual Minutes

B. REPORTS

1. President's Report
2. Financial Report – 2018 Budget

C. NEW BUSINESS

1. Introduction of Candidates
2. Nominations
3. Voting For Board Members

D. ANNOUNCEMENTS

E. ADJOURNMENT

Kettle Creek Homeowners Association

General Membership Meeting Minutes

November 7, 2016

The General Membership meeting of the Kettle Creek Homeowners Association, Inc. was held at Library 21C. The meeting was called to order by Mr. Burns at 6:02 p.m. Present were:

Brenda Anderson	President
David Joyal	Treasurer
Candace Thompson	Director at Large
Darren Burns	Property Manager

<i>Absent : Angela Jones</i>	<i>Vice President</i>
<i>Vacant</i>	<i>Secretary</i>

There were 14 owners represented in person or by proxy for a total of 14.9%, so the required quorum was present to conduct business.

Call to Order: Mr. Burns conducted roll call and certification of the proxies at the door. The 2015 General Membership meeting minutes were reviewed and unanimously approved on a motion from Mr. Michael Linn.

President's Report: Mr. Burns updated the Owners on the boring damage to the Association's sod and sprinklers done by TRAX Construction at the direction of the City. After months of pushing for reimbursement, the Association accepted a settlement of \$2,000 of the total \$3,000 in damages.

Financial Report: Mr. Joyal gave a presentation of the current and forecasted 2016 expenses and the 2017 budget. The landscaping line item is over budget but approx. \$5,000 of new improvements were approved. Those overages were offset by Mr. Joyal working closely with the landscapers to control water usage and the installation of new rain sensors. Overall, the Association is in good financial shape and will not require an increase to the annual assessment for 2017. An increase is a possibility for 2018.

New Business: There was one Board position up for election to a 3-year term. Mrs. Anderson was the only volunteer who responded to the Annual Meeting notice. Mr. Burns opened the floor for additional nominations and there were none, so nominations from the floor were closed. Mr. Linn made a motion to elect Mrs. Anderson by acclamation and the motion carried unanimously.

Adjournment: The Annual Meeting was adjourned at 6:24 p.m. An organizational Board meeting was convened at 6:40 p.m. for the purpose of electing officers. Officers were elected and Board term expirations are as follows:

		<u>Board Term Expires</u>
Brenda Anderson	President	2019
Candace Thompson	Vice President	2017
Angela Jones	Secretary	2018
David Joyal	Treasurer	2018
<i>Vacant</i>	<i>Director at Large</i>	<i>2017</i>

The meeting was adjourned at 6:45 p.m.

Angela Jones
Secretary

Darren H. Burns
Property Manager

Kettle Creek Homeowners Association, Inc.

Balance Sheet

09/30/2017

Assets

Accounts Receivable	126.00
Cash Accounts	
Cash Operating - First Bank	21,501.94
TOTAL Cash Accounts	<u>21,501.94</u>
Reserve Accounts	
Reserve - First Bank	4,465.66
Ent Business Savings	1,495.14
Ent CD 1/4/18 .90%	9,418.77
Ent CD 6/6/18 .90%	7,661.47
Ent CD 10/8/17 .90%	5,044.32
TOTAL Reserve Accounts	<u>28,085.36</u>
Total Assets	<u><u>49,713.30</u></u>

Liabilities

Prepaid Dues	1,955.45
Total Liabilities	<u>1,955.45</u>

Net Worth

Reserves	
Reserve Interest Earned	160.82
Reserve-Consolidated	27,924.54
TOTAL Reserves	<u>28,085.36</u>
Working Capital	12,408.00
Retained Earnings	(12,364.78)
Net Income	19,629.27
Total Net Worth	<u><u>47,757.85</u></u>
Total Net Worth and Liabilities	<u><u>49,713.30</u></u>

Kettle Creek Homeowners Association, Inc.

Income and Expense Comparative Statement

From 09/01/2017 to 09/30/2017

	<u>September 2017</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>
Revenues							
Monthly Dues		3,486	41,830	31,374	10,456	41,830	41,830
Townes Master Dues		779	9,348	7,011	2,337	9,348	9,348
Interest Income		3		27	(27)	41	41
Late fee-Nsf Charges		27	434	243	191	320	320
Misc Income		157	25	1,413	(1,388)	1,884	924
Total Revenues	0	4,452	51,637	40,068	11,569	53,423	52,463

Expenses

Operating Expenses

Accounting Fees		27	325	243	(82)	325	325
Administration Costs	29	91	513	819	306	1,095	1,095
Electric	40	39	314	351	37	468	420
General Mx and Repair		17		153	153	200	200
Insurance Property/Liability		200	(180)	1,800	1,980	2,400	2,455
Landscaping		458	273	4,122	3,849	5,500	5,000
Legal Expense		24	918	216	(702)	285	285
**Legal Reimb			(729)		729		
Lawn Contract	833	718	6,205	6,462	257	8,616	8,364
Light (Electric) Maint/Repair		17		153	153	200	200
Management Fees	799	799	7,191	7,191		9,588	9,588
Professional (Website)		19	225	171	(54)	225	225
Snow Removal		62	75	558	483	750	750
Sprinkler Repair	366	83	3,051	747	(2,304)	1,000	1,000
Trash	1,041	983	8,738	8,847	109	11,791	11,791
Tree Maintenance		67	90	603	513	800	400
Water	508	533	4,998	4,797	(201)	6,400	7,000
TOTAL Operating Expenses	3,616	4,137	32,007	37,233	5,226	49,643	49,098

Reserve Funding

Reserve Allocation Consolidated		267		2,403	2,403	3,200	3,200
TOTAL Reserve Funding	0	267	0	2,403	2,403	3,200	3,200

	<u>September 2017</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>
Total Expenses	3,616	4,404	32,007	39,636	7,629	52,843	52,298

Net Income	(3,616)	48	19,630	432	19,198	580	165
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Kettle Creek HOA 2018 Operating Budget

Income	ACTUALS 2017	BUDGET 2018	
Bison Ridge at Kettle Creek Annual Dues	\$ 445	\$ 460	↑ 3.37%
Number of lots in the HOA	94	94	
Total Bison Ridge at Kettle Creek Dues	<u>\$ 41,830</u>	<u>\$ 43,240</u>	
The Townes at Kettle Creek Annuals Dues	\$ 114	\$ 116	↑ 1.75%
Number of lots in the OA	82	82	
Townes at Kettle Creek Assessment	<u>\$ 9,348</u>	<u>\$ 9,512</u>	
Total Income from Dues	<u><u>\$ 51,178</u></u>	<u><u>\$ 52,752</u></u>	
Other Income			
Late Fees/Interest Penalties/Returned Check Fees	\$ 434	\$ 320	
Interest on short-term investments (CDs)	<u>\$ 13</u>	<u>\$ 41</u>	
Total Income	<u><u>\$ 51,625</u></u>	<u><u>\$ 53,113</u></u>	
Beginning Cash Balance	<u>\$ 889</u>	<u>\$ 4,748</u>	
Total Available Cash	<u><u>\$ 52,514</u></u>	<u><u>\$ 57,861</u></u>	
Expenses			
Accounting Fees	\$ 325	\$ 325	
Administration	\$ 1,196	\$ 1,235	
Bad Debt Expense	\$ -	\$ -	
Management Fees	\$ 9,588	\$ 9,588	
General Maintenance/Repair	\$ -	\$ 200	
Insurance Property/Liability	\$ 1,884	\$ 1,884	
Water	\$ 6,792	\$ 7,500	
Electric	\$ 438	\$ 500	
Landscaping (Materials and Installation)	\$ 531	\$ 8,000	
Lawn Contract (Grounds Maintenance)	\$ 8,705	\$ 10,000	
Legal Expense	\$ 9	\$ 285	
Professional Expense (Website)	\$ 225	\$ 225	
Snow Removal	\$ 175	\$ 750	
Trash	\$ 11,421	\$ 11,791	
Tree Maintenance	\$ -	\$ 600	
Sprinkler Maintenance	\$ 3,277	\$ 1,500	
Light/Electric/Sign Maintenance	\$ -	\$ -	
Total Expenses	<u><u>\$ 44,566</u></u>	<u><u>\$ 54,383</u></u>	
Contribution to Reserves	<u>\$ 3,200</u>	<u>\$ 3,200</u>	
Total Use of Cash	<u><u>\$ 47,766</u></u>	<u><u>\$ 57,583</u></u>	
Ending Cash Balance (Operating) (net of Prepaid Dues)	\$ 4,748	\$ 278	

KETTLE CREEK HOMEOWNERS ASSOCIATION, INC.
ANNUAL MEETING

OFFICIAL PROXY

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

(ADDRESS)

B. I hereby appoint as my official Proxy, _____ to exercise my vote on any and all matters and subjects that may come to the attention of the Membership of the Kettle Creek Homeowners Association at, and only at, the meeting of that body to be held on November 6, 2017. Blank proxies will be assigned to the Board President. Unsigned proxies are invalid.

Name: _____
(PRINT)

Signature: _____ (Required to be valid)

Date: _____

Voting Instructions (if any) for designated Proxy:

Please give this form to your designated proxy or forward to: Z & R Property Management, 6015 Lehman Drive, Suite 205, Colorado Springs, CO 80918. Faxed and emailed proxies are also acceptable: Darren@zandrmgmt.com; Fax numbers (719) 884-4496 or (719) 594-0506.