

# Hillsboro Condominium Owners Association, Inc.

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

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October 8, 2019

Dear Hillsboro Homeowner,

Another year has almost passed and your participation in your annual meeting is requested. This participation encourages a sense of community and cooperation and keeps your Association strong. This is key to maintaining your property's assets and protecting the rights and property values of every homeowner. Please join your neighbors at the General Membership Meeting, which is held annually. Your General Membership Meeting is scheduled for:

**Tuesday, October 29, 2019 at 6:00 p.m.**

**Stetson Hills Police Station at 4110 Tutt Blvd.**

Your attendance is important for several reasons. First and foremost, you get to meet your neighbors and be informed as to how the Association operates. Second, you help create a quorum of voting members so that official decisions can be made at the meeting.

Finally, you will get to participate in the democratic process by choosing which candidates are going to fill the vacating positions on the Board of Directors. Owners interested in serving their community can contact me between now and the date of the General Membership Meeting to be placed on the ballot or make nomination(s) from the floor during the meeting.

Enclosed you will find the agenda, last year's minutes, the current financial reports, next year's proposed budget and a proxy form. **If you cannot attend the meeting, please fill out and return the enclosed proxy form. It will designate the person of your choice to cast your vote at the meeting.**

The Board is responsible for deciding all the financial and contractual matters of the Association, so your vote is very important. Likewise, it is important that a quorum be present, so please ensure you return your proxy if you will be unable to attend. Thank you.

At the Direction of the Board of Directors,  
Hillsboro COA



Darren Burns  
Property Manager

Professionally Managed by:

**Z&B** PROPERTY  
MANAGEMENT

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# HILLSBORO COA GENERAL MEMBERSHIP MEETING

October 29, 2019  
6:00 p.m.  
Stetson Hills Police Station

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 = 33%)
4. Approval of Previous Year's Minutes

### **B. REPORTS**

1. President's Report
2. Treasurer's Report (Next Year's Budget)

### **C. NEW BUSINESS**

1. Introduction of Candidate(s)
2. Nomination(s) from Floor
3. Collection and Counting of Ballots

### **D. ANNOUNCEMENTS – OPEN FORUM**

### **E. ADJOURNMENT**

# HILLSBORO CONDOMINIUM OWNERS ASSOCIATION

## General Membership Meeting Minutes

October 17, 2018

The General Membership meeting of the Hillsboro Condominium Owners Association, Inc. was held at the Stetson Hills Police Station. The meeting was called to order by Mr. Schwartz at 6:03 p.m. Present were:

|                 |                   |
|-----------------|-------------------|
| Ulrich Schwartz | President         |
| Larry Groggel   | Vice President    |
| Dennis Clancy   | Secretary         |
| Deb Gabour      | Treasurer         |
| Yancey Day      | Director at Large |
| Chris Schade    | Property Manager  |

42 homes were represented (17% of the proportionate interests). A 33% quorum was not present.

**Call to Order:** Mr. Schade conducted roll call and certification of the proxies at the door. In lieu of a quorum, proof of notice was provided by the members present. The 2017 General Membership meeting minutes were reviewed and unanimously approved.

**President's Report:** Ulrich introduced the Board and Z&R and welcomed the newcomers to the Community. Ulrich gave a 2018 summary of projects. A new company for maintenance of our gates was contracted. A total revision of all mechanics will start in November 2018. American Overhead Doors will save us a considerable amount of money compared to previous estimates. We renewed a contract with Savatree for General Tree Care and Shrubs. We realize the importance of this service to take care of this important part of Hillsboro. Tiles for the Hot Tub were purchased. A complete renewal of the Hot Tub will be done before next pool season. Springs Security will change the owner. Z&R has been in touch with Smith Cia. to assure a transfer without obstructions. Ulrich gave a detailed presentation on Reserve Contributions including a projected amount to start 2019.

**Treasurer's Report:** Chris gave a presentation of the current expenses through 09/2018 and the proposed budget for 2019 and answered questions. After extensive review of the insurance and assessment expenses vs. recoverable depreciation, Darren had volunteered to hire, and pay, a 3<sup>rd</sup> party CPA to audit the actual insurance claim financial transactions. He held a special meeting with the Board and the results were that no additional depreciation was owed. The calculations on the assessment amount were a bit off due to multiple variances like the new fencing and pool fencing, but all the funds were reconciled. The Association has \$275,000 in reserves and is over budget year to date by 4% but the reserves have been overfunded by \$86,600. The 2019 budget includes an average 5% assessment increase and an increase of \$5 on garages. Reserve allocations will remain budgeted at \$180,000.

**New Business:** There was one Board position up for election to a 3-year term. Mr. Dennis Clancy was announced as the only volunteer who responded to the call for volunteers in the annual notice. Chris requested additional volunteers and there were none. Nominations from the floor were closed. Dennis was unanimously elected/appointed by acclamation to a 3-year term.

**Announcements:** There was general discussion about the pool, the pool season, covenant issues, future improvements, etc. The meeting was adjourned at 7:15 p.m. The Board convened at 7:17 p.m. to elect officers. Dennis was appointed for a 3-year term. Officers were elected and Board term expirations are as follows:

|                 |                   | <u>Board Term Expires</u> |
|-----------------|-------------------|---------------------------|
| Ulrich Schwartz | President         | 2020                      |
| Larry Groggel   | Vice President    | 2019                      |
| Dennis Clancy   | Secretary         | 2021                      |
| Deb Gabour      | Treasurer         | 2019                      |
| Yancey Day      | Director at Large | 2020                      |

The meeting was adjourned at 7:22 p.m.

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Dennis Clancy  
Secretary

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Chris Schade  
Property Manager

# Hillsboro Condominium Owners Association, Inc.

## Balance Sheet

09/30/2019

### Assets

|                             |                          |
|-----------------------------|--------------------------|
| Owner Receivables           | 12,948.30                |
| Cash Operating - First Bank | 52,404.95                |
| Reserve Funds               |                          |
| Reserve - First Bank        | 29,531.31                |
| RBC Wealth Management       | 29,616.87                |
| RBC CD 10/23/2019 2.45%     | 50,000.00                |
| RBC CD 01/23/2020 2.55%     | 50,000.00                |
| RBC CD 05/28/2020 2.45%     | 70,000.00                |
| RBC CD 07/20/2020 2.7%      | 50,000.00                |
| RBC CD 09/08/2020 2.5%      | 25,000.00                |
| <b>TOTAL Reserve Funds</b>  | <b>304,148.18</b>        |
| <b><u>Total Assets</u></b>  | <b><u>369,501.43</u></b> |

### Liabilities

|                                  |                         |
|----------------------------------|-------------------------|
| Owners Receivable Over Collected | 17,475.81               |
| <b><u>Total Liabilities</u></b>  | <b><u>17,475.81</u></b> |

### Net Worth

|   |                          |
|---|--------------------------|
| Reserve Funds                                 |                          |
| Reserve Interest Earned                       | 1,836.72                 |
| Reserve-Consolidated                          | 429,931.02               |
| Reserve Exp-Consolidated                      | (127,619.56)             |
| <b>TOTAL Reserve Funds</b>                    | <b>304,148.18</b>        |
| <b>Retained Earnings</b>                      | <b>36,377.82</b>         |
| <b>Net Income</b>                             | <b>11,499.62</b>         |
| <b><u>Total Net Worth</u></b>                 | <b><u>352,025.62</u></b> |
| <b><u>Total Net Worth and Liabilities</u></b> | <b><u>369,501.43</u></b> |

# Hillsboro Condominium Owners Association, Inc.

## 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           | 52,200                | 52,200        | 469,800                     | 469,800        |                | 626,400               | 593,280          |
| Garage-Dues            | 2,250                 | 2,310         | 20,730                      | 20,790         | (60)           | 27,720                | 23,100           |
| Key and Card Fees      | 90                    | 67            | 1,155                       | 603            | 552            | 800                   | 800              |
| Late fee-Nsf Charges   | 220                   | 333           | 2,961                       | 2,997          | (36)           | 4,000                 | 400              |
| Returned Check Charges | 20                    |               | 140                         |                | 140            |                       |                  |
| Garage Rental          | 70                    | 70            | 630                         | 630            |                | 840                   | 840              |
| Clubhouse Fees         | 25                    |               | 496                         |                | 496            |                       |                  |
| <b>Total Revenues</b>  | <b>54,875</b>         | <b>54,980</b> | <b>495,912</b>              | <b>494,820</b> | <b>1,092</b>   | <b>659,760</b>        | <b>618,420</b>   |

### Expenses

#### **Operating Expenses**

|                               |        |       |         |         |          |         |         |
|-------------------------------|--------|-------|---------|---------|----------|---------|---------|
| Accounting Fees               |        | 125   | 2,100   | 1,125   | (975)    | 1,500   | 1,500   |
| Administration Costs          | 487    | 642   | 6,235   | 5,778   | (457)    | 7,700   | 7,700   |
| Dues-Springs Ranch            | 580    | 193   | 2,320   | 1,737   | (583)    | 2,320   | 2,320   |
| Bad Debt                      |        |       | 11,784  |         | (11,784) |         | 2,500   |
| Carport Repair                |        | 42    |         | 378     | 378      | 500     | 500     |
| Clubhouse Maint               | 288    | 167   | 3,979   | 1,503   | (2,476)  | 2,000   | 3,000   |
| Electric                      | 1,371  | 1,250 | 10,606  | 11,250  | 644      | 15,000  | 15,000  |
| Fence/Wall Repair             |        | 42    | 950     | 378     | (572)    | 500     | 500     |
| Gas                           | 355    | 333   | 2,827   | 2,997   | 170      | 4,000   | 4,000   |
| General Mx and Repair         | 294    | 458   | 5,426   | 4,122   | (1,304)  | 5,500   | 5,500   |
| Gate-Maintenance              | (101)  | 250   | 3,610   | 2,250   | (1,360)  | 3,000   | 5,500   |
| Gutter Repair                 |        |       | 510     |         | (510)    |         |         |
| Insurance Property/Liability  | 11,633 | 6,333 | 58,927  | 56,997  | (1,930)  | 76,000  | 73,000  |
| Janitorial                    | 225    | 333   | 2,850   | 2,997   | 147      | 4,000   | 4,000   |
| Landscaping                   | 335    | 583   | 11,055  | 5,247   | (5,808)  | 7,000   | 7,000   |
| Legal Expense                 | 202    | 667   | 5,217   | 6,003   | 786      | 8,000   | 6,000   |
| **Legal Reimb                 | (167)  | (375) | (4,950) | (3,375) | 1,575    | (4,500) | (4,500) |
| Lawn Contract                 | 2,440  | 2,917 | 25,735  | 26,253  | 518      | 35,000  | 33,000  |
| Light (Electric) Maint/Repair |        | 417   | 3,476   | 3,753   | 277      | 5,000   | 5,000   |
| Management Fees               | 3,364  | 3,364 | 30,276  | 30,276  |          | 40,368  | 40,368  |
| Pest Control                  |        | 188   | 745     | 1,692   | 947      | 2,250   | 2,250   |
| Clubhouse Access              | 2,366  | 542   | 10,550  | 4,878   | (5,672)  | 6,500   | 5,200   |

|                                 | <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> |
| Pool/Jac Operations             | 1,045                 | 500            | 5,395                       | 4,500          | (895)          | 6,000                 | 6,000            |
| Pool/Jac Repairs                | 165                   | 167            | 3,364                       | 1,503          | (1,861)        | 2,000                 | 2,000            |
| Roof Repair                     | 1,121                 | 208            | 2,051                       | 1,872          | (179)          | 2,500                 |                  |
| Sewer Cleanout                  |                       | 317            |                             | 2,853          | 2,853          | 3,800                 | 5,600            |
| Sign Repair/Replacement         |                       | 46             | 372                         | 414            | 42             | 550                   | 250              |
| Snow Removal                    |                       | 2,500          | 32,438                      | 22,500         | (9,938)        | 30,000                | 30,000           |
| Street Repair/Sweep             |                       | 208            |                             | 1,872          | 1,872          | 2,500                 | 3,500            |
| Sprinkler Repair                | 704                   | 500            | 4,225                       | 2,500          | (1,725)        | 3,500                 | 2,500            |
| Telephone                       | 373                   | 325            | 3,222                       | 2,925          | (297)          | 3,900                 | 3,588            |
| Trash                           | 1,572                 | 1,500          | 14,923                      | 13,500         | (1,423)        | 18,000                | 18,000           |
| Tree Maintenance                | 624                   | 292            | 1,872                       | 2,628          | 756            | 3,500                 | 3,500            |
| Water/Sewer                     | 17,314                | 20,000         | 102,321                     | 145,712        | 43,391         | 180,000               | 147,000          |
| <b>TOTAL Operating Expenses</b> | <b>46,590</b>         | <b>45,034</b>  | <b>364,411</b>              | <b>369,018</b> | <b>4,607</b>   | <b>477,888</b>        | <b>441,276</b>   |
| <b>Reserve Funding</b>          |                       |                |                             |                |                |                       |                  |
| Reserve Allocation Consolidated | 15,000                | 15,000         | 135,000                     | 135,000        |                | 180,000               | 180,000          |
| <b>TOTAL Reserve Funding</b>    | <b>15,000</b>         | <b>15,000</b>  | <b>135,000</b>              | <b>135,000</b> | <b>0</b>       | <b>180,000</b>        | <b>180,000</b>   |
| <b>Total Expenses</b>           | <b>61,590</b>         | <b>60,034</b>  | <b>499,411</b>              | <b>504,018</b> | <b>4,607</b>   | <b>657,888</b>        | <b>621,276</b>   |
| <b>Net Income</b>               | <b>(6,715)</b>        | <b>(5,054)</b> | <b>(3,499)</b>              | <b>(9,198)</b> | <b>5,699</b>   | <b>1,872</b>          | <b>(2,856)</b>   |

# HILLSBORO CONDOMINIUM OWNERS ASSOCIATION

## 2020 OPERATING BUDGET - 3.28% Increase

Effective January 1, 2020

| Operating Income                | DUES  | 2017             | 2018             | 2019             | 2020             | Delta   | Comments:                               |
|---------------------------------|-------|------------------|------------------|------------------|------------------|---------|---|
| MONTHLY DUES 2 BD. SML          | \$210 | 122,976          | 129,696          | 136,416          | 141,120          | 4,704   | 3.45%                                   |
| MONTHLY DUES 2 BD. LRG          | \$226 | 208,302          | 218,592          | 231,264          | 238,656          | 7,392   | 3.20%                                   |
| MONTHLY DUES 3 BD.              | \$253 | 233,376          | 244,992          | 258,720          | 267,168          | 8,448   | 3.27%                                   |
|                                 |       | <b>\$564,654</b> | <b>\$593,280</b> | <b>\$626,400</b> | <b>\$646,944</b> | 20,544  | <b>3.28%</b>                            |
| GARAGE DUES Per Garage          | \$30  | 21,252           | 23,100           | 27,720           | 27,720           | 0       | No Increase                             |
| KEY/CARD FEES                   |       | 800              | 800              | 800              | 1,000            | 200     | Based on Actuals                        |
| LATE FEE-NSF CHARGES            |       | 3,000            | 4,000            | 4,000            | 4,000            | 0       |   |
| GARAGE RENT                     |       | 840              | 840              | 840              | 840              | 0       |   |
|                                 |       | \$25,892         | \$28,740         | \$33,360         | \$33,560         | 200     |   |
| <b>Total Operating Income</b>   |       | <b>\$590,546</b> | <b>\$622,020</b> | <b>\$659,760</b> | <b>\$680,504</b> | 20,744  |   |
| <b>Operating Expenses</b>       |       |                  |                  |                  |                  |         |   |
| Accounting Fees                 |       | 1,500            | 1,500            | 1,500            | 2,100            | 600     | Full Audit Based on Actual Cost         |
| Administration Costs            |       | 7,500            | 7,700            | 7,700            | 8,200            | 500     | Increase walks, letters, etc.           |
| Bad Debt                        |       | 2,500            | 2,500            | 0                | 0                | 0       | Not actual expense                      |
| Carport Repair                  |       | 500              | 500              | 500              | 500              | 0       | All New Carports                        |
| Clubhouse / Pool Access         |       | 3,500            | 5,200            | 6,500            | 8,000            | 1,500   | Door Fobs/Pool Patrol                   |
| Clubhouse Janitorial            |       | 4,000            | 4,000            | 4,000            | 4,250            | 250     | Added pool chair wipe downs in season   |
| Clubhouse Maint                 |       | 3,000            | 3,000            | 2,000            | 2,500            | 500     | Large upgrades to reserves              |
| Dues-Springs Ranch              |       | 2,320            | 2,320            | 2,320            | 2,320            | 0       | Actuals                                 |
| Electric                        |       | 17,000           | 15,000           | 15,000           | 15,000           | 0       | Actuals                                 |
| Fence/Wall Repair               |       | 500              | 500              | 500              | 500              | 0       | All new perimeter fence                 |
| Gas                             |       | 4,800            | 4,000            | 4,000            | 4,000            | 0       | Actuals                                 |
| Gate-Maintenance                |       | 5,500            | 5,500            | 3,000            | 3,500            | 500     |   |
| General Mx and Repair           |       | 5,000            | 5,500            | 5,500            | 5,500            | 0       |   |
| Gutter Repair                   |       | 0                | 0                | 0                | 1,500            | 1,500   | Cleanout of lower gutters/garages       |
| Landscaping                     |       | 7,000            | 7,000            | 7,000            | 7,000            | 0       | Flowers, Poop, extra cleanup            |
| Lawn Contract                   |       | 33,000           | 33,000           | 35,000           | 35,000           | 0       | Minimum Wage Increases - State Law      |
| Legal Expense                   |       | 6,000            | 6,000            | 8,000            | 7,000            | (1,000) | \$3500 for General Legal - ESA DOGS     |
| Legal Reimb**                   |       | (3,500)          | (4,500)          | (4,500)          | (4,500)          | 0       | Collection Pass Thrus                   |
| Light (Electric) Maint/Repair   |       | 5,000            | 5,000            | 5,000            | 4,500            | (500)   | All new LED fixtures                    |
| Insurance Property/Liability    |       | 75,000           | 73,000           | 76,000           | 76,000           | 0       | 67K was 2019 Actual + 13%               |
| Management Fees                 |       | 40,368           | 40,368           | 40,368           | 40,368           | 0       | No increase in 5 years                  |
| Pest Control                    |       | 2,250            | 2,250            | 2,250            | 1,500            | (750)   | Various critters                        |
| Pool/Jac Operations             |       | 6,000            | 6,000            | 6,000            | 6,000            | 0       | Maintenance Only                        |
| Pool/Jac Repairs                |       | 1,250            | 2,000            | 2,000            | 2,800            | 800     | Based on Actuals                        |
| Roof Repair                     |       | 0                | 0                | 2,500            | 1,500            | (1,000) | Allowance for old leaks/chimneys        |
| Sewer Cleanout                  |       | 0                | 5,600            | 3,800            | 3,800            | 0       | 1/2 of community                        |
| Sign Repair/Replacement         |       | 250              | 250              | 550              | 400              | (150)   |   |
| Snow Removal                    |       | 30,000           | 30,000           | 30,000           | 30,000           | 0       |   |
| Sprinkler Repair                |       | 2,250            | 2,500            | 3,500            | 3,800            | 300     | Based on Actuals/aging system           |
| Street Repair/Sweep             |       | 1,600            | 3,500            | 2,500            | 1,000            | (1,500) | Large repairs from reserves             |
| Telephone                       |       | 3,188            | 3,588            | 3,900            | 4,100            | 200     | Alarm Internet in clubhouse             |
| Trash                           |       | 18,000           | 18,000           | 18,000           | 18,000           | 0       | Contract + xtra pickups                 |
| Tree Maintenance                |       | 3,500            | 3,500            | 3,500            | 2,500            | (1,000) | Large prune from reserves               |
| Water/Sewer                     |       | 145,000          | 147,000          | 180,000          | 180,000          | 0       | 2019 Projected Annual Exp is \$170,000  |
| <b>Total Operating Expenses</b> |       | <b>\$433,776</b> | <b>\$441,276</b> | <b>\$477,888</b> | <b>\$478,638</b> | 750     |   |
| <b>Reserve Contribution</b>     |       | 156,250          | 180,000          | 180,000          | 200,000          | 20,000  | Res. Study - \$836k + \$225k allocation |
| <b>Total Budget Requirement</b> |       | <b>\$590,026</b> | <b>\$621,276</b> | <b>\$657,888</b> | <b>\$678,638</b> | 20,750  |   |
| <b>Surplus (Shortage)</b>       |       | <b>\$520</b>     | <b>\$744</b>     | <b>\$1,872</b>   | <b>\$1,866</b>   |         |   |
| <b>Avg. Per Unit Per Month</b>  |       | <b>\$0</b>       | <b>\$0</b>       | <b>\$1</b>       | <b>\$1</b>       |         |   |





*HILLSBORO CONDOMINIUM  
OWNERS ASSOCIATION, INC.*

**GENERAL MEMBERSHIP MEETING**

**OFFICIAL PROXY**

**October 29, 2019**

A. I hereby certify that I/we own, via recorded deed in my/our name only, the following described property:

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*(HILLSBORO UNIT ADDRESS)*

B. I hereby appoint as my official proxy (please circle one choice below or fill in the blank with the name of the person you wish to appoint - Blank proxies will be assigned to the Association President):

Ulrich Schwartz (President) or

\_\_\_\_\_ to exercise my vote on any and all matters and subjects that may properly come to the attention of the membership of the Hillsboro Condominium Owners Association at, and only at, the annual meeting of that body to be held on October 29, 2019 or at any adjournments thereof.

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

Signed: \_\_\_\_\_ - *(Required to be Valid)*

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

*Please give to your designated proxy or forward to: Darren Burns, 6015 Lehman Dr., #205, Colo. Spgs., CO 80918 or [Darren@zandrmgmt.com](mailto:Darren@zandrmgmt.com) / fax # (719) 594-0473.*