

Hillsboro Condominium Owners Association, Inc.

www.hillsborocoa.com / Darren@zandrmgmt.com

2020 ANNUAL MEMBERSHIP MEETING NOTICE

October 19, 2020

Dear Hillsboro Owner:

Perhaps the most important aspect in any Owners' Association is participation by you. This participation encourages a sense of community and cooperation between all the Owners and keeps your Association strong. This is important for maintaining your assets and protecting the rights and property values of each homeowner in the Community.

Your best chance to participate in the Association is at the Annual Membership Meeting. Due to Covid-19 concerns, this year's meeting will be held virtually via Gotomeeting web service.

PURSUANT TO THE ASSOCIATION'S BYLAWS, NOTICE IS HEREBY GIVEN TO ALL PROPERTY OWNERS THAT THE ANNUAL MEETING IS SCHEDULED AS FOLLOWS:

DATE: Thursday, October 29, 2020

TIME: 5:30 p.m. (MDT)

LOCATION: Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/864358397>

You can also dial in using your phone. United States: +1 (646) 749-3122 / Access Code: 864-358-397

New to GoToMeeting? Get the app now: <https://global.gotomeeting.com/install/864358397>

Please help establish a quorum of voting members and participate in the democratic process by choosing which candidate(s) will fill the vacating Board position(s). If you desire to serve on the Board of Directors, please email me to be added to the ballot. You can also attend the meeting and be nominated from the "virtual" floor.

Included with this packet are the meeting agenda, the most recent financial reports, the 2021 draft budget, and a proxy form. If you cannot attend, please fill out the proxy and mail, email, or fax it back to our office. We need at least 33% of the Owners to be represented for an official quorum. Your proxy will help the Association establish a quorum so official business can be conducted.

If you cannot vote online, you can send a directed proxy which will direct how you wish to vote for the election. If you do want to vote online, please let me know your preferred email address for verification.

At the Direction of the Board of Directors,



Darren H. Burns (Darren@zandrmgmt.com)

Property Manager

Professionally Managed by:



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



HILLSBORO COA

General Membership Meeting

October 29, 2020
5:30 p.m.
Gotomeeting

Type of meeting:

Annual General Membership Meeting

Agenda Topics

A. Call to Order

- | | |
|-----------------------------|---------------------------|
| 1. Roll Call | Conducted Online |
| 2. Certification of Proxies | Conducted in Advance |
| 3. Establish Quorum = 33% | Quorum Established Online |

B. New Business

1. Introduction of Candidate(s)
2. Nominations From Floor
- 3. Opening of Online Voting**

C. Reports

1. President's Report
2. Financial Report (2021 Budget)

D. New Business

- 1. Closing of online voting**
2. Counting of Ballots
3. Announcement of Ballot Results

E. Open Forum

F. Adjournment

Hillsboro Condominium Owners Association, Inc.

Balance Sheet

09/30/2020

Assets

Owner Receivables	15,592.35
Cash Operating - First Bank	14,247.39
Reserve Funds	
Reserve - First Bank	63,843.31
RBC Wealth Management	7,808.95
RBC CD 02/01/21 1.65%	40,000.00
RBC CD 06/11/21 0.20%	90,000.00
RBC CD Las Vegas Nev 8/4/21 .2%	35,000.00
RBC FNMA 06/25/50 1.50%	34,107.31
TOTAL Reserve Funds	270,759.57
RBC SEC 9/25/50 1.0%	34,668.62
RBC CD 12/16/20 0.05%	40,000.00
<u>Total Assets</u>	<u>375,267.93</u>

Liabilities

Owners Receivable Over Collected	21,219.92
<u>Total Liabilities</u>	<u>21,219.92</u>

Net Worth

Reserve Funds	
Reserve Interest Earned	5,290.45
Reserve-Consolidated	464,826.93
Reserve Exp-Consolidated	(124,689.19)
TOTAL Reserve Funds	345,428.19
Retained Earnings	32,264.19
Net Income	(23,644.37)
<u>Total Net Worth</u>	<u>354,048.01</u>
<u>Total Net Worth and Liabilities</u>	<u>375,267.93</u>

Hillsboro Condominium Owners Association, Inc.

Income and Expense Comparative Statement

From 09/01/2020 to 09/30/2020

	<u>September 2020</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>
<u>Revenues</u>							
Monthly Dues	54,122	53,912	485,418	485,208	210	646,944	626,400
Clubhouse Fees			75		75		
Fines			400		400		
Garage-Dues	2,250	2,310	20,250	20,790	(540)	27,720	27,720
Garage Rental	70	70	700	630	70	840	840
Key and Card Fees	90	83	360	747	(387)	1,000	800
Late fee-Nsf Charges		333	1,228	2,997	(1,769)	4,000	4,000
Returned Check Charges			160		160		
Total Revenues	56,532	56,708	508,591	510,372	(1,781)	680,504	659,760

Expenses

Operating Expenses

Accounting Fees				2,100	2,100	2,100	1,500
Administration Costs	270	683	3,380	6,147	2,767	8,200	7,700
Dues-Springs Ranch	580	193	1,740	1,737	(3)	2,320	2,320
Carport Repair		42		378	378	500	500
Clubhouse Access	157	667	1,281	6,003	4,722	8,000	6,500
Clubhouse Maint	132	208	3,946	1,872	(2,074)	2,500	2,000
Electric	1,141	1,250	10,824	11,250	426	15,000	15,000
Fence/Wall Repair		42	300	378	78	500	500
Gas	36	333	1,410	2,997	1,587	4,000	4,000
Gate-Maintenance	110	292	6,494	2,628	(3,866)	3,500	3,000
General Mx and Repair	151	458	5,901	4,122	(1,779)	5,500	5,500
Gutter Repair		125	298	1,125	827	1,500	
Insurance Property/Liability	11,582	6,333	106,744	56,997	(49,747)	76,000	76,000
Janitorial	225	354	2,250	3,186	936	4,250	4,000
Landscaping	5,520	583	11,445	5,247	(6,198)	7,000	7,000
Lawn Contract	2,520	2,917	19,920	26,253	6,333	35,000	35,000
Legal Expense	990	583	3,815	5,247	1,432	7,000	8,000
**Legal Reimb		(375)	(3,485)	(3,375)	110	(4,500)	(4,500)
Light (Electric) Maint/Repair	150	375	2,710	3,375	665	4,500	5,000
Management Fees	3,364	3,364	30,276	30,276		40,368	40,368
Pest Control	140	125	630	1,125	495	1,500	2,250

	<u>September 2020</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		500	1,150	4,500	3,350	6,000	6,000
Pool/Jac Repairs		233	380	2,097	1,717	2,800	2,000
Roof Repair	785	125	3,505	1,125	(2,380)	1,500	2,500
Sewer Cleanout		317		2,853	2,853	3,800	3,800
Sign Repair/Replacement		33	221	297	76	400	550
Snow Removal		2,500	25,469	22,500	(2,969)	30,000	30,000
Sprinkler Repair	155	317	2,320	2,853	533	3,800	3,500
Street Repair/Sweep		83	280	747	467	1,000	2,500
Telephone	371	342	3,316	3,078	(238)	4,100	3,900
Trash	1,704	1,500	14,761	13,500	(1,261)	18,000	18,000
Tree Maintenance	600	208	3,397	1,872	(1,525)	2,500	3,500
Water/Sewer	17,160	20,000	117,564	145,712	28,148	180,000	180,000
TOTAL Operating Expenses	47,843	44,710	382,242	370,202	(12,040)	478,638	477,888
Reserve Funding							
Reserve Allocation Consolidated	16,666	16,667	149,994	150,003	9	200,000	200,000
TOTAL Reserve Funding	16,666	16,667	149,994	150,003	9	200,000	200,000
Total Expenses	64,509	61,377	532,236	520,205	(12,031)	678,638	677,888
Net Income	(7,977)	(4,669)	(23,645)	(9,833)	(13,812)	1,866	(18,128)

HILLSBORO CONDOMINIUM OWNERS ASSOCIATION

2021 OPERATING BUDGET

Effective January 1, 2021

Operating Income	DUES	2018	2019	2020	2021	Delta	Comments:
MONTHLY DUES 2 BD. SML	\$224	129,696	136,416	141,120	150,528	9,408	6.67%
MONTHLY DUES 2 BD. LRG	\$242	218,592	231,264	238,656	255,552	16,896	7.08%
MONTHLY DUES 3 BD.	\$270	244,992	258,720	267,168	285,120	17,952	6.72%
		\$593,280	\$626,400	\$646,944	\$691,200	44,256	6.84%
GARAGE DUES Per Garage	\$30	23,100	27,720	27,720	27,720	0	No Increase
KEY/CARD FEES		800	800	1,000	500	(500)	Based on Actuals
LATE FEE-NSF CHARGES		4,000	4,000	4,000	2,500	(1,500)	
GARAGE RENT		840	840	840	840	0	
		\$28,740	\$33,360	\$33,560	\$31,560	(2,000)	
Total Operating Income		\$622,020	\$659,760	\$680,504	\$722,760	42,256	
Operating Expenses							
Accounting Fees		1,500	1,500	2,100	2,100	0	Full Audit Based on Actual Cost
Administration Costs		7,700	7,700	8,200	7,800	(400)	Increase walks, letters, etc.
Bad Debt		2,500	0	0	0	0	Not actual expense
Carport Repair		500	500	500	500	0	All New Carports
Clubhouse / Pool Access		5,200	6,500	8,000	6,000	(2,000)	Door Fobs/Pool Patrol
Clubhouse Janitorial		4,000	4,000	4,250	4,250	0	Added pool chair wipe downs in season
Clubhouse Maint		3,000	2,000	2,500	4,200	1,700	Large upgrades to reserves
Dues-Springs Ranch		2,320	2,320	2,320	2,320	0	Actuals
Electric		15,000	15,000	15,000	15,000	0	Actuals
Fence/Wall Repair		500	500	500	500	0	All new perimeter fence
Gas		4,000	4,000	4,000	4,000	0	
Gate-Maintenance		5,500	3,000	3,500	2,000	(1,500)	New Keypads?
General Mx and Repair		5,500	5,500	5,500	6,000	500	
Gutter Repair		0	0	1,500	1,000	(500)	Cleanout of lower gutters/garages
Landscaping		7,000	7,000	7,000	7,000	0	Flowers, Poop, extra cleanup
Lawn Contract		33,000	35,000	35,000	35,000	0	
Legal Expense		1,500	3,500	2,500	2,500	0	\$3500 for General Legal - ESA DOGS
Light (Electric) Maint/Repair		5,000	5,000	4,500	4,500	0	All new LED fixtures
Insurance Property/Liability		73,000	76,000	76,000	130,000	54,000	Estimated 2020 Actuals \$125k
Management Fees		40,368	40,368	40,368	40,368	0	No increase in 6 years
Pest Control		2,250	2,250	1,500	1,500	0	Various critters
Pool/Jac Operations		6,000	6,000	6,000	6,000	0	Maintenance Only
Pool/Jac Repairs		2,000	2,000	2,800	2,800	0	Based on Actuals
Roof Repair		0	2,500	1,500	1,500	0	Allowance for old leaks/chimneys
Sewer Cleanout		5,600	3,800	3,800	4,000	200	1/2 of community
Sign Repair/Replacement		250	550	400	400	0	
Snow Removal		30,000	30,000	30,000	30,000	0	
Sprinkler Repair		2,500	3,500	3,800	3,800	0	Based on Actuals/aging system
Street Repair/Sweep		3,500	2,500	1,000	1,000	0	Large repairs from reserves
Telephone		3,588	3,900	4,100	4,350	250	Alarm Internet in clubhouse
Trash		18,000	18,000	18,000	19,000	1,000	Contract + xtra pickups
Tree Maintenance		3,500	3,500	2,500	2,500	0	Large prune from reserves
Water/Sewer		147,000	180,000	180,000	170,000	(10,000)	Water usage is down
Total Operating Expenses		\$441,276	\$477,888	\$478,638	\$521,888	43,250	
Reserve Contribution		180,000	180,000	200,000	200,000	0	Res. Study - \$993k + \$232k allocation
Total Budget Requirement		\$621,276	\$657,888	\$678,638	\$721,888	43,250	
Surplus (Shortage)		\$744	\$1,872	\$1,866	\$872		
Avg. Per Unit Per Month		\$0	\$1	\$1	\$0		

HILLSBORO CONDOMINIUM OWNERS ASSOCIATION, INC.

2020 ANNUAL MEMBERSHIP MEETING

OFFICIAL PROXY FORM

I (We) hereby certify that I (we) own, via recorded Deed, the following described property:

(ASSOCIATION UNIT ADDRESS)

PLEASE CHOOSE "OPTION 1" OR "OPTION 2" BELOW. **IF YOU CHOOSE OPTION 1, PLEASE SKIP OPTION 2 ENTIRELY.**

OPTION 1: ASSIGN SOMEONE TO VOTE ON YOUR BEHALF. (THEN SKIP TO SIGNATURES)

I (WE) hereby appoint (Fill in your proxy's name), _____
(in the absence of a written in name, my proxy will automatically be granted to the President of the Association or another officer in his/her absence), as my (our) official Proxy to exercise my (our) vote on any and all items that may come before the the Association on October 29, 2020.

OPTION 2: DIRECTED PROXY VOTE AND EMAIL, FAX, or MAIL IT IN.

I/We direct the proxy holder to vote on the following election of directors as indicated:
I (We) direct the proxy holder to vote as indicated for the **2021 Annual Budget:**

Approve Disapprove

I (We) vote as indicated below for the following individual to serve on the **Board of Directors:**

Please vote for no more than Two (2) Candidates

Ulrich Schwartz **Patricia Shackelford**

_____ (Write In)

Please forward this completed proxy to one of the addresses below by October 27, 2020.
UNSIGNED PROXIES ARE INVALID.

Via Email: Darren@zandrmgmt.com

Via Fax: (719) 594-0473

Via U.S. Mail: 6015 Lehman Drive, Suite 205, Colorado Springs, CO 80918

(PRINTED OWNER NAME) – ONLY 1 REQUIRED

(PRINTED OWNER NAME) – 2ND OPTIONAL

(OWNER SIGNATURE) – ONLY 1 REQUIRED (DATE)

(OWNER SIGNATURE) – 2ND OPTIONAL (DATE)