

Strawberry Fields Condominium Owners Association, Inc.

www.strawberrycoa.com / Darren@zandrmgmt.com

October 14, 2016

Dear Strawberry Fields Homeowners,

Pursuant to Owner inputs since the last meeting, our Annual Meeting this year will be held:

**Thursday, October 27, 2016 at 6:00 p.m. at the
STRAWBERRY FIELDS CLUBHOUSE!!**

Included in the agenda will be the opportunity to vote to fill the vacating positions on the Board of Directors. To establish a quorum, we need approx. 77 units (33%) of the units represented in person or by proxy. A quorum has been difficult to achieve in the past, so please send in your proxy if you can't attend the meeting. Emailed or faxed proxies are preferred, but will be accepted via snail mail and at the door as well.

If any homeowner is interested in serving on the Board, please submit your name to Darren Burns at Darren@zandrmgmt.com so he can add your name to the ballot. The term is for 3 years. The 2017 Board Meeting schedule will be set by the Board after the annual meeting and then published. In addition to any names on the ballot, nominations will be taken from the floor the evening of the meeting.

Due to significant hail damage from the July 28, 2016 storm, all reserve projects were stopped midsummer pending an insurance claim. The claim has now been settled and we hope work can commence again very shortly. The good news is the hail storm means no increase in the dues this year. The bad news is that, due to the wind and hail deductible and other factors, the insurance proceeds will not cover the repairs. More good news, however, is that once the Special Loss Assessment is covered and the work is done, the entire Community will have a brand new face lift and the project will lower future maintenance costs.

More on this upcoming project later on in this packet.

We encourage all homeowners to join us at the Annual Meeting on October 27th.

Thank you,
The Strawberry Fields COA Board of Directors
(Ben, Scott, William, Daniel and Jerry)

Professionally Managed by:



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



STRAWBERRY FIELDS COA GENERAL MEMBERSHIP MEETING

October 27, 2016
6:00 p.m.
Strawberry Clubhouse

Website: www.strawberrycoa.com

Type of meeting:

GENERAL MEMBERSHIP MEETING

Agenda Topics

A. CALL TO ORDER

1. Roll Call
2. Certifying of Proxies
3. Proof or Waiver of Notice – Quorum = 33%
4. Approval of Previous Year's Minutes

B. REPORTS

1. President's Report
2. Financial Report/ 2017 Budget
3. 2016 Hail Damage Project and SLA

C. NEW BUSINESS

1. Introduction of Candidate(s)
2. Nomination(s) from Floor
3. Voting for Board Members

D. COMMUNITY FORUM

E. ADJOURNMENT

STRAWBERRY FIELDS
CONDOMINIUM OWNER'S ASSOCIATION, INC.
General Membership Meeting
October 22, 2015

Vice President Ben Smith called the meeting to order at 6:11 p.m.

Board Members present:	Ben Smith	Vice President
	JR Jones	Secretary

Management present:	Darren Burns	Property Manager
	Jared Krumanocker	Property Manager

Guests:	Ken Sexton	Greener Grass Landscaping
	Anthony Sexton	Greener Grass Landscaping

Mr. Burns and Mr. Krumanocker conducted roll call at the door and certification of proxies. 58 homes were represented with 20 in person and 38 by proxy. The required 33% quorum was not present. Owners present provided proof of notice of the meeting.

The meeting handouts included the minutes of the 2014 general membership meeting, the September financials, the 2016 Budget and the 2015 – 18 reserve expenditures budget.

The previous year's minutes were reviewed and unanimously approved on a motion from Ben.

Darren presented the President's report and summarized the contents of the handout and the accomplishments in the past year. He apologized on behalf of Mr. James who had to leave town on short notice for a family emergency. 10 buildings received stucco repairs and full paint on the stucco and trim. Concrete was replaced throughout the Community, drainage improvements on a number of buildings were completed, large amounts of asphalt and drain pans were replaced, automatic closers were installed on the pedestrian gates, the final 200+ concrete steps were replaced to finish the cycle, 3 more buildings had roofs replaced, two major stairwell repairs were conducted and the "X" braces on all of the stairways were replaced with solid steel braces. A large number of original light fixtures were also replaced with new LED fixtures and the cycle will continue.

Anne Parker was thanked for helping to finalize the new building numbers which have now all been installed and Kay C. Mast was thanked for her newsletter contributions.

Darren presented the financial report and the 2016 budget and the reserve expenditures budget through 2018. 20 more buildings are scheduled to have stucco repair and paint, all of the fencing and railings and carports and garages will be completed, more asphalt, more concrete and more roofs as well (2 buildings per year).

Nearly \$311,000 was expended from the reserves in 2015 and the Association is more than \$60,000 over budget particularly due to drainage issues and leaks caused by the multiple torrential rains in May – July.

The monthly assessments for 2016 will increase by an average of 6% with garages increase by 6.5%. Of the \$37,000 of new revenue, \$27,000 is being budgeted towards increased reserve funding.

William was the only candidate placed on the ballot in response to the call for volunteers in the annual meeting notice. Darren opened the floor for additional nominations and Joyce Johnson nominated herself. Joyce spoke to the Owners present about why she wished to serve.

Since a quorum was not present, an election could not be held, but to honor the owners who did participate, Dean Kelsey and Susan Brock collected ballots in order to have the Board appoint the highest vote getter to a 3 year term. Dean and Susan counted the ballots with Darren tabulating and William received the highest number of votes. Darren announced that the results would have been the same had proxy votes not been counted.

General discussion followed on multiple topics. Ken and Anthony gave a presentation on the terms of the landscaping contract and snow removal procedures.

The annual meeting will be moved to the clubhouse for 2016.

There being no further business, the meeting was adjourned at 8:14 p.m.

Officers were elected as follows:

		<u>Board Term Expiration</u>
William James	President	2018
Ben Smith	Vice President	2016
J.R. Jones	Secretary	2017
Scott Gadd	Treasurer	2017
Andrew Stephenson	Director at Large	2016

Ben Smith
Vice President

Darren H. Burns
Property Manager

Strawberry Fields Condominium Owners Association, Inc.

Balance Sheet

09/30/2016

Assets

Owner Receivables	27,476.84
Other Receivables	8,286.54
Cash Operating - First Bank	53,302.72
Reserve Funds	
Reserve - First Bank	101,305.55
Reserve - RBC Wealth Management	893.84
TOTAL Reserve Funds	<u>102,199.39</u>
Allowance for Bad Debt	(4,000.00)
<u>Total Assets</u>	<u>187,265.49</u>

Liabilities

Owners Receivable Over Collected	19,943.79
Insurance Proceeds	(710.00)
<u>Total Liabilities</u>	<u>19,233.79</u>

Net Worth

Reserve Funds	
Reserve Interest Earned	13.85
Reserve-Consolidated	161,063.95
Reserve Exp-Consolidated	(58,878.41)
TOTAL Reserve Funds	<u>102,199.39</u>
Retained Earnings	17,275.25
Net Income	48,557.06
<u>Total Net Worth</u>	<u>168,031.70</u>
<u>Total Net Worth and Liabilities</u>	<u>187,265.49</u>

Strawberry Fields Condominium Owners Association, Inc.

Income and Expense Comparative Statement

From 09/01/2016 to 09/30/2016

	<u>September 2016</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	51,032	51,032	459,288	459,288		612,384	576,960
Garage-Dues	1,680	1,693	15,120	15,237	(117)	20,320	19,080
Entrance/Gate Income			395		395		
Key and Card Fees	40	50	910	450	460	600	500
Interest Income		1		9	(9)	10	50
Rental-Storage Unit	75	125	911	1,125	(214)	1,500	1,500
Fines			1,744		1,744		
Late fee-Nsf Charges	280	229	3,175	2,061	1,114	2,750	2,500
Returned Check Charges			140		140		
Misc Income			46,400		46,400		
Garage Rental	115		1,035		1,035		
Total Revenues	53,222	53,130	529,118	478,170	50,948	637,564	600,590

Expenses

Operating Expenses

Accounting Fees			1,650	1,650		1,650	1,650
Administration Costs	422	667	4,604	6,003	1,399	8,000	7,800
Bad Debt		333		2,997	2,997	4,000	2,500
Cable/Satellite Dish	35	38	326	342	16	450	400
Carport Repair		83		747	747	1,000	3,000
Clubhouse Maint	236	188	1,815	1,692	(123)	2,250	2,500
Concrete Repair		62	390	558	168	750	1,000
Electric	1,509	1,575	11,867	14,175	2,308	18,900	18,000
Fence/Wall Repair	158	62	658	558	(100)	750	1,000
Gas	405	344	2,157	3,096	939	4,128	6,100
General Mx and Repair	2,039	958	7,754	8,622	868	11,500	10,000
Gutter Repair		250	1,740	2,250	510	3,000	1,500
Insurance Property/Liability	4,312	4,988	38,812	44,892	6,080	59,850	70,000
Janitorial	600	625	5,420	5,625	205	7,500	7,500
Landscaping	1,445	417	7,350	3,753	(3,597)	5,000	6,700
Legal Expense	580	417	7,013	3,753	(3,260)	5,000	5,000
**Legal Reimb	(490)	(292)	(6,367)	(2,628)	3,739	(3,500)	(2,500)
Lawn Contract	2,405	2,150	15,470	19,350	3,880	25,800	25,800

	<u>September 2016</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>
Light (Electric) Maint/Repair	90	500	376	4,500	4,124	6,000	6,500
Management Fees	3,364	3,364	30,276	30,276		40,368	36,192
Misc./Contingency			(188)		188		
Painting		42		378	378	500	500
Pest Control	280	104	1,600	936	(664)	1,250	1,000
Gate-Maintenance	1,220	250	8,611	2,250	(6,361)	3,000	1,500
Clubhouse Access	184	708	3,961	6,372	2,411	8,500	14,000
Pool/Jac Operations	2,075	667	7,789	6,003	(1,786)	8,000	8,000
Pool/Jac Repairs		62		558	558	750	1,000
Professional		125	1,900	1,125	(775)	1,500	3,000
Plumbing	2,980	250	5,045	2,250	(2,795)	3,000	2,000
Roof Repair	125	1,250	8,236	11,250	3,014	15,000	9,000
Sign Repair/Replacement		46	568	414	(154)	550	350
Siding/Stucco Rpr/Rpl		1,000	4,342	9,000	4,658	12,000	5,000
Snow Removal		1,500	29,020	13,500	(15,520)	18,000	14,500
Street Repair/Sweep		167	2,070	1,503	(567)	2,000	500
Sprinkler Repair		188	1,276	1,692	416	2,250	2,500
Supplies	15	25	201	225	24	300	325
Telephone	112	158	1,429	1,422	(7)	1,900	1,700
Trash	1,707	1,475	13,527	13,275	(252)	17,700	17,000
Tree Maintenance	3,325	125	3,675	1,125	(2,550)	1,500	2,000
Water	14,743	10,062	97,871	90,558	(7,313)	120,750	121,000
Wastewater Cleanout		375		3,375	3,375	4,500	
TOTAL Operating Expenses	43,876	35,308	322,244	319,422	(2,822)	425,346	415,517
Reserve Funding							
Reserve Allocation Consolidated	17,500	17,500	157,500	157,500		210,000	182,961
TOTAL Reserve Funding	17,500	17,500	157,500	157,500	0	210,000	182,961
Sump Pump			816		(816)		
Total Expenses	61,376	52,808	480,560	476,922	(3,638)	635,346	598,478
Net Income	(8,154)	322	48,558	1,248	47,310	2,218	2,112

STRAWBERRY FIELDS CONDOMINIUMS OWNERS ASSOCIATION, INC.

2017 BUDGET

Effective January 1, 2017

<u>INCOME:</u>	<u>MONTHLY DUES</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Delta</u>	<u>Comments</u>	
	2 Bedroom Small	\$199	198,528	210,144	210,144	0	No Increase
	2 Bedroom Large	\$225	223,872	237,600	237,600	0	No Increase
	3 Bedroom	\$245	154,560	164,640	164,640	0	No Increase
<u>TOTAL BASE DUES:</u>		\$576,960	\$612,384	\$612,384	\$0		No Increase
<u>OTHER OPER. INCOME:</u>							
	GARAGE DUES	\$16	19,080	20,320	20,320	0	No Increase
	INTEREST INCOME		50	10	10	0	
	KEY/CARD FEES		500	600	600	0	
	LATE FEE-NSF		2,500	2,750	2,750	0	Based on Actuals
	STORAGE UNITS		1,500	1,500	1,500	0	
<u>GARAGE/MISC INCOME:</u>		\$23,630	\$25,180	\$25,180	\$0		
<u>TOTAL INCOME:</u>		\$600,590	\$637,564	\$637,564	\$0		
<u>OPERATING EXPENSES:</u>							
	Accounting Fees		1,650	1,650	375	(1,275)	Tax Return Only
	Administration Costs		7,800	8,000	6,950	(1,050)	More emails, etc.
	Bad Debt		2,500	4,000	4,000	0	Best Guess
	Cable		400	450	431	(19)	Based on Actuals
	Carport Repair		3,000	1,000	500	(500)	New Carports 2016
	Clubhouse Maint		2,500	2,250	2,750	500	
	Concrete Repair		1,000	750	750	0	Includes small step repl.
	Electric		18,000	18,900	18,900	0	
	Fence/Wall Repair		1,000	750	750	0	
	Gas		6,100	4,128	4,000	(128)	
	Gate Maintenance		1,500	3,000	5,500	2,500	New Keypad, old gates
	General Mx and Repair		10,000	11,500	8,000	(3,500)	New paint/stucco, etc. 2016
	Gutter Repair		1,500	3,000	1,500	(1,500)	New Gutters 2016
	Insurance		70,000	59,850	70,000	10,150	Definite premium increase
	Janitorial		7,500	7,500	7,200	(300)	Based on actuals
	Landscaping		6,700	5,000	5,000	0	Dog pickup, misc. projects
	Lawn Contract		25,800	25,800	28,200	2,400	Actuals + extras
	Legal Expense		5,000	5,000	7,000	2,000	Non collections
	**Legal Reimb		(2,500)	(3,500)	(5,000)	(1,500)	Collection reimbursements
	Light Maint/Repair		6,500	6,000	3,500	(2,500)	Mult New LED Fixtures
	Management Fees		36,192	40,368	40,368	0	
	Painting		500	500	500	0	Touchups only
	Pest Control		1,000	1,250	1,800	550	Cats, Raccoons, Wasps
	Plumbing		2,000	3,000	5,500	2,500	Pressure Regulator Valves
	Pool/Spa Operations		8,000	8,000	8,000	0	Based on actuals
	Pool/Spa Repairs		1,000	750	1,000	250	
	Professional		3,000	1,500	1,500	0	Engineering Inspections
	Roof Repairs		9,000	15,000	0	(15,000)	New roofs 2016
	Clubhse/Pool Access		14,000	8,500	3,500	(5,000)	Key Cards / Pool Attendant
	Siding/Stucco Repair		5,000	12,000	1,000	(11,000)	New paint and stucco rprs 2016
	Signs Repairs/Repl		350	550	550	0	
	Snow Removal		14,500	18,000	25,000	7,000	Multiple trips each storm
	Sprinkler Repair		2,500	2,250	2,250	0	Based on actuals
	Street Repair/Sweep		500	2,000	2,500	500	1 Sweep + pot holes
	Supplies		325	300	290	(10)	Based on actuals
	Telephone		1,700	1,900	3,000	1,100	Internet and Wifi in Lodge?
	Trash		17,000	17,700	18,000	300	Contract + extra pickups
	Tree Maintenance		2,000	1,500	1,500	0	
	Waste Water Cleanout		0	4,500	4,000	(500)	2nd Half 2017
	Water/Sewer		121,000	120,750	137,000	16,250	Based on Actuals
<u>TOTAL OPER. EXPENSES:</u>		\$415,517	\$425,346	\$427,564	\$2,218		.5% Increase
<u>RESERVE ALLOCATIONS:</u>		\$182,961	\$210,000	\$210,000	\$0		No Increase
<u>TOTAL BUDGET:</u>		\$598,478	\$635,346	\$637,564	\$2,218		
Surplus (Shortage)		2,112	2,218	0			

<u>Unit</u>	<u># of Units</u>	<u>Owner %</u>	<u>Dues-2016</u>	<u>Dues - 2017</u>	<u>Delta</u>
2 SMALL	88	0.0039	\$199	\$199	\$0
2 LRG	88	0.0044	\$225	\$225	\$0
3	56	0.0048	\$245	\$245	\$0
		<u>100%</u>			

Strawberry Fields Condominium Owners Association, Inc.

2016 SPECIAL "LOSS" ASSESSMENT NOTICE

October 14, 2016

Dear Strawberry Fields Owner,

If you were not aware, the Association's aging roofs were damaged beyond repair from a hail storm on July 28, 2016. After filing a claim with American Family Insurance, the claim adjustment showed the insurance proceeds would be insufficient to pay for the replacement of the roofs. In addition to all new roofs, the claim also allowed for the replacement of all the gutters, the painting of all the buildings and the replacement of all the carport roofs and trim. We anticipated this eventuality, which is why the Association has been sending out numerous newsletters encouraging owners to increase their individual policy limits.

The Board of Directors, as required and authorized by the Article XV, Section 15.3, of the Declaration of Covenants, Conditions and Restrictions for the Strawberry Fields COA, has adopted a Special "Loss" Assessment (SLA) to be effective for all homes on October 15, 2016.

The attached spreadsheet contains the calculations for the SLA distributed by your proportionate interest as required by the Covenants. **This SLA is due immediately, but no interest or late fees will be applicable until after November 30, 2016.** This should provide your insurance carrier plenty of time to settle your individual claim.

In order to assist uninsured Owners or hardship cases, the Association is seeking a bridge loan to fund the project up front so all of the work can be completed in a timely manner while Owners have a longer term over which to pay. After the late date of November 30, 2016, six month payment plan letters will be issued to all Owners who have not paid the balance. Longer term plans will be considered if financing is obtained.

In the meantime, **please forward a copy of this letter to your individual insurance agent** and have it processed as a claim on your individual HO-6 policy. In the event there are surplus funds after the final costs have been determined, the surplus funds shall be deposited into the Association's reserve account. Any shortages will also be taken from the reserves.

In the meantime, the efforts at replacing the roofs, carports and gutters will commence shortly, weather permitting, and five buildings have been painted and will progress provided enough funds are collected or financing can be obtained. I know this can be a confusing topic, so if you have questions I'll do my best to assist you and keep you updated on any current events. Thank you.

At the Direction of the Board of Directors,
Strawberry Fields COA



Darren H. Burns
Property Manager

Professionally Managed by:



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

STRAWBERRY FIELDS CONDOMINIUMS OWNERS ASSOCIATION, INC.

2016 October Special "Loss" Assessment Calculations

Effective October 15, 2016

Special "Loss" Assessment Incom	Individual	Total	Comments
2 Bedroom Small	\$5,522	\$485,950.61	
2 Bedroom Large	\$6,230	\$548,251.97	
3 Bedroom	\$6,797	\$380,604.67	
Insurance Proceeds		\$0	
Surplus (Shortage)		(\$1,414,807.25)	
Total Assessment		\$1,414,807	

Expenses	Individual Cost	Running Total	
Reroof 30 Buildings + Garages	\$741,000.00	\$741,000.00	
All New Carport roofs and trim	\$175,000.00	\$916,000.00	
General Contractor Fee 2%	\$27,940.00	\$943,940.00	
Paint 30 Buildings, Trim and Stucco	\$300,000.00	\$1,243,940.00	
All New Gutters	\$135,000.00	\$1,378,940.00	Pull before painting
New Security Lights	\$12,000.00	\$1,390,940.00	
Contingency (Rotted wood, etc.)	\$25,000.00	\$1,415,940.00	After gutters removed
TOTAL SLA BUDGET:		\$1,415,940.00	
Surplus (Shortage)		(\$1,132.75)	Shortage from reserves

Unit	# of Units	Owner %	Loss Assessment
2 SMALL	88	0.0039	\$5,522
2 LRG	88	0.0044	\$6,230
3	56	0.0048	\$6,797
	232	100%	

Strawberry Fields Condominium Owners Association, Inc.

SB-100/89 DISCLOSURE STATEMENT

Dear Strawberry Fields Condominium Owner:

Pursuant to the requirements of SB-100/89 (Senate Bill), the Association hereby discloses the following information:

Association Name: Strawberry Fields Condominium Owners Association, Inc.

Association Management Company: Z&R Property Management

Management Co. Physical Address: 6015 Lehman Drive, Suite 205
Colorado Springs, CO 80918
(719) 594-0506

Association Physical Address: Strawberry Fields Grove and Penny Point,
80906

Association Phone Number: (719) 594-0506

Name of Community: Strawberry Fields Condominiums

Initial Recording Date of Declaration: December 16, 1997

Declaration Recording Information: El Paso County Clerk and Recorder
097147668

STRAWBERRY FIELDS CONDOMINIUM
OWNERS ASSOCIATION

GENERAL MEMBERSHIP MEETING OFFICIAL PROXY

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

(UNIT ADDRESS)

B. I hereby appoint as my official proxy (please circle one or fill in the blank below. If nothing is circled or filled in the proxy will be assigned to the Association President):

Scott Gadd (Vice President),

William James (Secretary), or

_____ to exercise my vote on any and all matters and that may properly come to the attention of the membership of Strawberry Fields Condominium Owners Association at, and only at, the annual meeting of that body to be held on October 27, 2016, or at any adjournments thereof.

Name: _____
(PRINT)

Signed: _____ *(Required to be Valid)*

Date: _____

*Please do your best to return this proxy, **in advance of the meeting**, to: Darren Burns, Property Manager, Z & R Property Management, 6015 Lehman Dr. #205, Colorado Springs, CO 80918. Faxed or emailed proxies are welcome: Fax (719) 884-4496 / (719) 594-0473 or Email: Darren@zandrmgmt.com. Proxies will be accepted at the door as well.*