



CENTENNIAL
GLEN

CENTENNIAL GLEN HOA

2016 ANNUAL MEETING
NOVEMBER 2, 2016

AGENDA

- ❖ **Neighborhood Watch**
- ❖ **Election of 2017 Board of Directors**
- ❖ **Current Board and Architectural Committee**
- ❖ **2016 Accomplishments**
- ❖ **Reserve Study**
- ❖ **2016 Financial Results**
- ❖ **2017 Goals/Projects**
- ❖ **Major Expenses/2017 Budget & Annual Dues**
- ❖ **Other/Q&A**
- ❖ **Election Results/Adjournment**

2016 Accomplishments

- ❖ **Revised Covenants/Bylaws - Approved by Homeowners and filed with El Paso County**
- ❖ **Reserve Study finalized**
- ❖ **All Required Policies & Procedures – completed and approved by the Board**
- ❖ **Neighborhood Directory Updated**
- ❖ **Continued Neighborhood Watch program**
- ❖ **Street issues – City Street Department inspected Centennial Glen Drive - gave it a low priority**

Reserve Study Results

❖ Purpose

- ✓ The purpose of a Reserve Analysis is to provide a guideline (educated estimate) to the Board as to what the Reserve Allocation needs to be in the future to replace the Physical Assets in the Common Areas of the Association as they deteriorate and need replacement.
- ✓ The Reserve Study also provides estimated annual Reserve funding requirements (in addition to Operating Costs) needed to meet the estimates provided in the Study to cover the costs of replacing these assets.
- ✓ The intent is to avoid special Homeowner Assessments to cover the costs to replace these assets.

❖ Physical Asset Inventory

Ironwork Fencing on exterior of Association
Centennial Glen Monument at upper entrance
Six Stone Columns located along the exterior fence
Retaining Wall along Centennial Boulevard
Exterior Lighting – 65 lights & 3 Transformers
Three Mail boxes in neighborhood
Irrigation System – drip & lawn
Two RainMaster Controllers – timers for sprinkler/drip
Two Febeo Blackflow Devices – valves for sprinkler system
Painting of Ironwork Fencing on exterior of Association
Landscaping in Common Areas

Useful Life	Remaining Life	Estimated Cost		Estimated Replacement	
		Best	Worst		
28	16	\$ 94,725	\$ 105,250		
25	12	\$ 30,000	\$ 35,000		
16	8	\$ 1,800	\$ 2,100		
NA					
12	7	\$ 2,750	\$ 3,000		
20	7	\$ 4,950	\$ 5,700		
NA					
15	5	\$ 8,000	\$ 9,500		
NA					
4	0	\$ 14,750	\$ 16,325		
NA					

Reserve Study Results (continued)

❖ Financial Analysis

- ✓ Status as of 1/1/2016

Reserve Balance as of January 1, 2016	\$51,851
Ideal Reserve Balance as January 1, 2016	\$86,757
Percent Funded as of January 1, 2016	60% - This is considered to be in the “fair” financial position
Recommended Funding level for 2016	\$13,800 to \$14,400

- ✓ Percent Funded as of January 1, 2017 based on \$14,400 funding at end of 2016
79% (Reserve Study assumed \$15K was spent on painting of fence in 2016 – this project was not completed)
If we spent the \$15k on painting we would be in the 60% range
- ✓ Actual 2016 Funding - Board will review Operating Cash position at end of year and will move up to \$14k depending on available Operating Cash at the end of year

Reserve Study Results (continued)

- ✓ **2017 Recommended Annual Reserve Contribution - \$14,832 or \$1,236 per month**
- ✓ **2017 Reserve Contribution will be accomplished by using Operating Cash combined with 2017 Budgeted Net Income of \$8071 to meet the recommended Reserve contribution amount of \$14,832 - Could be tough to meet.**
- ✓ **Recommended Reserve Contributions per Reserve Study:**

Amount: Percent Funded:

2018 - \$15,277	68%
2019 - \$15,735	73%
2020 - \$16,207	77%
2021 - \$16,694	77%
2022 - \$17,194	79%

- ✓ **Future Reserve Contributions will be met from Operating Cash (via reduced expenses) or a possible increase in monthly dues in the future**

2016 Financial Results

Centennial Glen HOA

Balance Sheet

As of September 30, 2016

	<u>Amounts</u>
ASSETS	
Current Assets	
General Operating Account	\$ 34,664
Capital Reserve Account	
Savings	31,815
CDs	<u>20,119</u>
Total Capital Reserves	<u>\$ 51,934</u>
Total Checking and Capital Reseve	\$ 86,598
Accounts Receivable	<u>320</u>
TOTAL ASSETS	<u><u>\$ 86,918</u></u>
LIABILITIES & EQUITY	
Current Liabilities	
Prepaid HOA Dues	\$ 3,180
Total Liabilities	<u>\$ 3,180</u>
EQUITY	
Retained Earnings	\$ 70,110
Net Income	<u>13,628</u>
Total Equity	<u>83,738</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 86,918</u></u>

Centennial Glen HOA
Profit & Loss Budget vs. Actual
January through September 2016

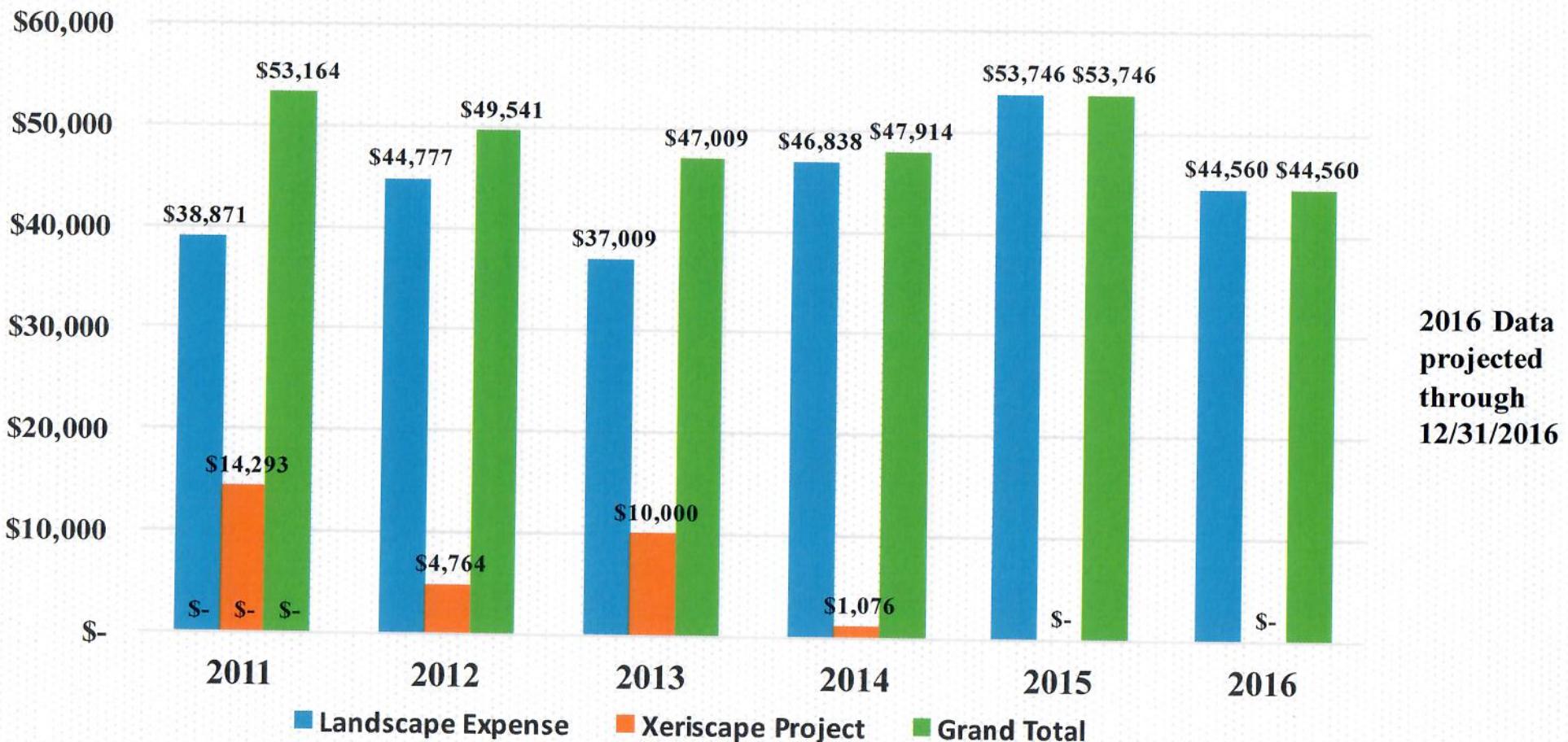
Ordinary Income/Expense	<u>Jan - Sep 16</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
Homeowner Dues	66,600	66,600	0
Interest Income	83	43	41
Total Income	66,683	66,643	41
Expense			
Accounting	435	450	-15
Bank Service Charges	30	18	12
Fees & Licenses	0	10	-10
Insurance	0	625	-625
Landscaping	23,768	36,000	-12,232
Legal Fees	5,767	5,000	767
P. O. Box Rent	0	130	-130
Postage	146	90	56
Security	0	452	-452
Supplies	215	90	125
Tax Preparation	500	500	0
Trash Service	6,322	6,000	322
Utilities			
Electric	1,005	990	15
Water	14,867	14,000	867
Total Utilities	15,872	14,990	882
Total Expense	53,055	64,355	-11,300
Net Ordinary Income	13,628	2,288	11,340
Net Income	13,628	2,288	11,340

2017 Goals/Projects

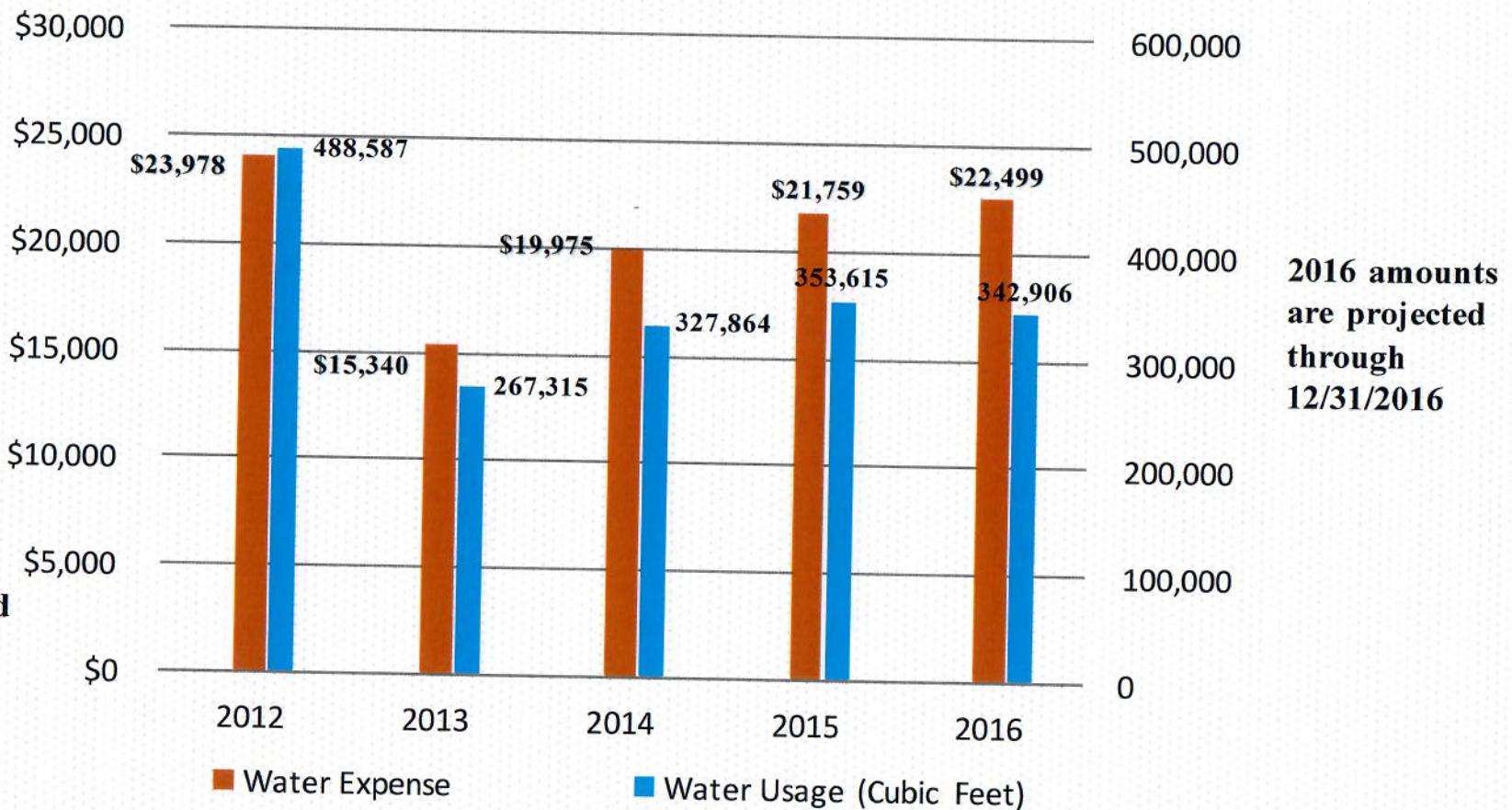
- ❖ **Complete 2016 Projects**
 - ✓ **Update Neighborhood Directory**
 - ✓ **Investigate measures for further water conservation**
- ❖ **Review Reserve Study funding options for 2017 & future years**
- ❖ **Review HOA Records for compliance with record retention policy**
- ❖ **Work with Colorado Springs Street Department on issues with street**
- ❖ **Review expenses for possible cost saving -trash removal, etc.**

MAJOR EXPENSES, 2017 BUDGET & DUES

Robertson's Landscaping Expense Comparison 2011-2016



Colorado Springs Utilities Water Expense and Usage (Cubic Feet)



Centennial Glen HOA

2017 Budget

Ordinary Income/Expense	2016 Budget	Jan-Sep 16 Actuals	Oct-Dec 16 Projected	Projected 2016 Actuals	2017 Budget	
					Income	Expense
Homeowner Dues	\$ 88,800	\$ 66,600	\$ 22,200	\$ 88,800	\$ 88,800	/1
Interest Income	63	83	28	111		
Total Income	\$ 88,863	\$ 66,683	\$ 22,228	\$ 88,911		
Expense						
Accounting	\$ 625	\$ 435	\$ 145	\$ 580	\$ 700	
Bank Service Charges	30	30	10	40	40	
Block Party	100	-	-	-	100	
Fees & Licenses	10	-	10	10	10	
Insurance	625	-	-	-	625	
Landscaping/Snow Removal	47,000	23,768	20,794	44,562	45,000	
Legal Fees	5,000	5,767	-	5,767	-	
P. O. Box Rent	130		130	130	130	
Postage & Copies	100	146	-	146	75	
Reserve Study	775	-	-	775	-	
Security	1,000	-	-	-	1,000	
Supplies	130	215	72	287	300	
Tax Preparation	500	500	-	500	500	
Trash Service	8,400	6,322	2,107	8,429	8,429	
Utilities						
Electric	1,560	1,005	335	1,340	1,407	
Water	22,324	14,867	7,632	22,499	22,499	
Total Utilities	\$ 23,884	\$ 15,872	\$ 7,967	\$ 23,839		
Web Site Renewal	\$ 25	\$ -	\$ 25	\$ 25	\$ 25	
Total Expense	\$ 88,334	\$ 53,055	\$ 31,260	\$ 85,090		
Net Ordinary Income	\$ 529	\$ 13,628	\$ (9,032)	\$ 3,820		

/1 Revenues are based on dues level of \$160 per month. Same as 2016

/2 Any net income will be transferred to the Capital Reserve Fund

Other

❖ Covenants – Issues

- Exterior maintenance on houses – exterior of homes needs to maintained in good condition – includes exterior surfaces, stucco, decks, walks and driveways
- Trash receptacles – Should not be left out over night – should only be out on pickup day which is Wednesday
- Garage doors being left open – for security purposes they should not be left open for extended period of times
- Gardening tools, bags of fertilizer and top soil being stored outside – these items need to be stored inside when not being used

❖ Any changes to the exterior of your house or yard should be approved by the Architectural Committee

❖ Please water on warm winter days – this will maintain the health and prevent winter kill due to sunny dry winter weather - we currently are watering one day a week.

❖ Questions???

❖ Election Results

❖ Adjournment



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