AMERICAN VILLAGE SUBDIVISION
PROPERTY OWNERS ASSOCIATION, INC.

MINUTES OF THE 2026 ANNUAL MEETING OF THE MEMBERSHIP
AND 2027 BUDGET RATIFICATION MEETING

Wednesday, October 14, 2026 · DRAFT — FOR BOARD REVIEW

MEETING	Annual meeting of the membership and meeting to consider ratification of the 2027 budget, held in person with a Zoom option
PLACE	Chipeta Room, Ute Indian Museum, 17253 Chipeta Road, Montrose, Colorado, and by Zoom
DATE AND TIME	Wednesday, October 14, 2026, 5:30–6:24 p.m. MT
DIRECTORS PRESENT	Doug Hollister, President (presiding); Michael Gabrielli, Vice President; Joyce Synnestvedt, Secretary and Treasurer; Amber Wagner, Member at Large
DIRECTORS ABSENT	None
ALSO PRESENT	M. Vaneza Alvarado, Design HOA, managing agent (facilitator and recording secretary)
OWNERS REPRESENTED	12 lots in person and 25 by proxy, as announced at the meeting. No owner attended by Zoom.
QUORUM	Present. Required: 20% of the votes, at least 25 of 121 lots, in person or by proxy (Bylaws, Meetings of Members § 4(a)).
RECORDING	The meeting was recorded by Zoom for minute-taking purposes.

1. CALL TO ORDER AND DETERMINATION OF QUORUM

The President called the 2026 annual meeting of the members of American Village Subdivision Property Owners Association, Inc. to order at 5:30 p.m. Mountain Time and stated that the meeting was being recorded for the minutes. The President introduced the other directors present, Vice President Michael Gabrielli, Secretary and Treasurer Joyce Synnestvedt and Member at Large Amber Wagner, and the managing agent, M. Vaneza Alvarado of Design HOA, who facilitated the meeting. A Zoom option was available, and no owner joined by Zoom at any point during the meeting.

Proxies. The managing agent read the proxies into the record. Twenty designated the President: 2332 Election Way; 1832, 2218, 2229, 2235, 2300, 2301, 2331 and 2356 American Way; 2217, 2241, 2308 and 2341 Mead Lane; and 2225, 2232, 2233, 2300, 2301, 2308 and 2311 Freedom Way. Four designated the Vice President: 2140, 2141 and 2148 Patriot Court and 2316 Mead Lane. One, for 2121 Patriot Court, designated Deanne Brown, who was present. The chair accepted all signed proxies received before the meeting was called to order, and the managing agent announced a total of 25 proxies.

Quorum. The managing agent called the lots present in person from the sign-in sheet and reported 12 lots present in person and 25 represented by proxy, against a requirement of 20 percent of the votes, at least 25 of 121 lots, under Bylaws (Meetings of Members) § 4(a). The chair announced 36 lots represented and declared a quorum present.

2. PROOF OF NOTICE

The managing agent reported that notice of the meeting, with the meeting packet, was mailed first class to the owners of all 121 lots on September 22, 2026 through PayHOA, within the period required by the Bylaws (Meetings of Members § 3) and C.R.S. §§ 38-33.3-303(4) and 38-33.3-308, and that email reminders were sent on October 7 and October 13, 2026.

3. APPROVAL OF THE MINUTES OF THE 2025 ANNUAL MEETING

The President presented the draft minutes of the October 8, 2025 annual meeting, which were included in the packet, with extra copies available at the meeting. No corrections were offered.

Motion: Approve the minutes of the October 8, 2025 annual meeting as presented. Moved by Alex Schroeder; seconded from the floor. Motion carried by voice vote, none opposed.

4. REPORT OF THE PRESIDENT

The President thanked owners for attending and stated that, beyond the standard business, he wished to discuss setting the community up for long-term success. He reported that last year's effort to amend the Declaration and

other governing documents did not pass because too few owners voted; about 40 owners participated. He stated that several provisions of the current documents conflict with current Colorado statute, including regulation of parking on public streets maintained by the City of Montrose, collections and enforcement provisions such as late fees, and declarant language from the original developer, which is no longer needed because no buildable lots remain. He stated that the prior proposal likely confused owners because it differed so much from the existing documents.

The President will work with the Board on a revised amendment that shows the original language, the proposed language and the reason for each change. The draft will be circulated in advance, discussed at owner meetings, and open for feedback through the owner portal.

The President referred to 61 votes as the number needed to amend. An owner questioned the required percentage. The managing agent stated that the Declaration requires approval of not less than two-thirds of the lots, which is within the 67 percent maximum permitted under C.R.S. § 38-33.3-217(1)(a). The President stated that he will verify the requirement before the next amendment effort. In discussion, the managing agent noted that the Board must follow the governing documents, and that provisions in conflict with statute leave the Association in a less defensible position to enforce them. The President described the Board's goal as reasonable, consistent standards that keep the neighborhood desirable and protect property values.

5. MANAGEMENT AND FINANCIAL REPORT

The managing agent reported that the September financials were delivered to the Board earlier that day and presented the Association's financial position at September 30, 2026:

Financial item	Amount	Note
Operating account	$11,491.79	Reconciled to the bank statement
Reserve account	$27,263.19	Reconciled to the bank statement
Total cash	$38,754.98	About 1.4 years of projected operating costs
2026 receipts to date	$19,738.04	
2026 expenses to date	$18,179.03	
Accounts receivable	Just over $1,200	One account in collection; $36.96 in certified-mail charges

Receipts of $19,738.04 against expenses of $18,179.03 leave a surplus of $1,559.01 for the year to date. Apart from $36.96, the receivables are one delinquent account in the collection process; the $36.96 is four certified-mailing charges billed at the actual cost of $9.24 each. 120 of 121 lots are current on assessments. Water (City of Montrose) came in at $4,946.25 against $3,600.00 budgeted, and further increases are anticipated; electric (DMEA) at $356.38 against $400.00; weed management at $1,107.00 against $2,000.00; and lawn maintenance at $3,702.00 against $4,807.00. The Board had no questions, and no vote was taken.

6. RESERVE ACCOUNT AND OPEN SPACE

The President stated that reserves are held to cover unknown and unbudgeted repairs and should be kept at the minimum reasonably needed. The Association's infrastructure is the open-space irrigation system and two entry signs; it owns no buildings or recreation facilities. His preliminary materials-only estimate for replacing the irrigation system exceeded $27,000, based on about 20 zones with six heads per zone, the associated valves and backflow preventers, and about 4,000 feet of pipe. A contractor preparing a budgetary estimate requested the system schematic, which the President received that day and will forward. Because a failure of the whole system at once is unlikely, the President proposed setting the reserve target as a percentage of full replacement cost, to be identified before the next annual meeting.

An owner questioned the cost of maintaining irrigated turf in a drought-prone area, estimating about $15,400 a year for water, mowing, fertilizing and maintenance, and urged a different approach. Other owners stated that the open space adds value and appeal to the community. The chair reminded attendees that owner comments are limited to about three minutes and that the Board welcomes suggestions.

In response to an owner question, the Board stated that fewer than ten sprinkler heads are replaced a year and that one valve has been replaced in about ten years; the system is more than 20 years old. The owner suggested that actual repair history inform the reserve target. Owners suggested a long-term, staged conversion of portions of the open space to drought-tolerant turf, such as buffalo grass, or to xeriscape, and an owner recommended the Colorado State University Extension Master Gardener program as a free resource. The President stated that the Board will explore a staged approach, including whether contractors impose project minimums. He also identified several open-space areas that function as stormwater drainage and will ask the City of Montrose to clarify the

Association's maintenance responsibility. The managing agent noted that until any change is approved, the Board's obligation is to maintain the common area as it currently exists.

7. RATIFICATION OF THE 2027 BUDGET

The President reported that the Board adopted the 2027 budget on September 10, 2026, with an annual assessment of $250.00 per lot, an increase of $37.00, about $3.08 a month, and the first increase in three years. He attributed the increase mainly to Project 7 water pass-through costs billed through the City of Montrose, including increases in the minimum charge and the per-gallon rate, and to a DMEA electric rate increase of about 7.5 percent. He stated that the Board is open to reducing assessments in future years once a reserve target is set.

The managing agent reviewed the principal line changes: water from $3,600 in 2026 to $7,500 in 2027, against 2025 actual water costs of $6,640, reflecting a Project 7 increase of about 3 percent plus $0.25 per 1,000 gallons; electric (DMEA) from $400 to $500 for the 7.5 percent rate increase; fertilizer and weed control from $2,000 to $2,500, to add five rock drainage-easement and walkway areas to the contractor's treatment scope; and the maintenance facilitator line from $1,200 to $0, because it was never used, with $500 of it moved to weed control. An owner noted that herbicide applicators must be licensed and that some lawn-only contractors are not. An owner stated that the City of Montrose expects water rate increases of about 7 percent a year for at least five years to fund Project 7 treatment-plant costs; the Board responded that it considered these increases in setting the 2027 water line. The managing agent noted that management had recommended an assessment above $250.00 and that the Board revised line items to hold it at $250.00.

Owners were advised that under C.R.S. § 38-33.3-303(4) the budget is ratified unless owners of a majority of all lots, 61 of 121, vote to reject it, whether or not a quorum is present, and owners voting to reject were asked to raise their hands. No lot voted to reject, and no owner was present by Zoom. With no lots voting to reject, fewer than the 61 required, the 2027 budget and the $250.00 per-lot annual assessment were declared ratified.

The managing agent stated that 2027 assessments will be invoiced through PayHOA, with email notice, before January 1, 2027, and will be due January 31, 2027.

8. ELECTION OF DIRECTORS

The managing agent stated that under the Bylaws every director serves a one-year term and all seats are elected at each annual meeting (Bylaws Art. IV § 2), and that nominations are made from the floor (Bylaws Art. V § 1). The President reported that Secretary and Treasurer Joyce Synnestvedt was not standing for re-election, and that he, Vice President Michael Gabrielli and Member at Large Amber Wagner were standing for re-election. The chair invited nominations from the floor, and none were made. The managing agent confirmed that no nominations had been received by email from owners not in attendance, and nominations were closed. The candidates spoke briefly about their service, including monitoring soil moisture and adjusting the irrigation schedule to limit water use.

The President and the managing agent encouraged owners to consider serving. The managing agent explained that Board work is mainly answering email and reviewing invoices; that management handles day-to-day business and owner inquiries and helps keep the Association in a statutorily defensible position; and that management acts at the direction of the Board and cannot make Board decisions. The President invited any owner interested in serving to contact the Board for discussion at a future Board meeting.

With three nominees, the election was uncontested. A motion was made and seconded from the floor to elect the three nominees by a single ballot, and the vote was taken by voice. There was no opposition, and Doug Hollister, Michael Gabrielli and Amber Wagner were declared elected to the Board for one-year terms. Written ballots were not distributed or counted.

The Board and the managing agent thanked Joyce Synnestvedt for her service as Secretary and Treasurer.

9. OWNER COMMENT

The chair opened the owner forum, explaining that comments are limited to about three minutes, that the Board may not act at this meeting on items not on the agenda, and that questions about individual accounts or enforcement against specific properties cannot be handled in open forum. No owner comments were offered, and no owner was present by Zoom. Owner questions were also taken during the reports and before the budget vote, as recorded above.

10. ADJOURNMENT

There being no further business, the President thanked owners for attending and declared the meeting adjourned

at 6:24 p.m. Mountain Time.

Respectfully submitted by M. Vaneza Alvarado, Design HOA, managing agent and recording secretary.

Approved by the members on:	**Secretary:**
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