MARKET STREET EAST HOMEOWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS EXECUTIVE MEETING MINUTES

Date	June 13, 2026
Time	Called to order at approximately 10:05 a.m.; adjourned at approximately 11:55 a.m. Mountain Time
Location	Zoom videoconference
Board Present	Cindy Holland, President; Charlotte Salisbury, Vice President; Rebecca "Becca" Toal, Secretary/Treasurer
Management Present	M. Vaneza Alvarado / Design HOA

1. Call to Order and Quorum

Call to Order. The meeting was called to order at approximately 10:05 a.m. by/at the direction of the President after initial Zoom setup and confirmation of the agenda display.

Quorum. All three current Board members were present. Management confirmed that a Board quorum was established and the meeting could proceed.

2. Meeting Notice and Management Expectations

Meeting notice. Management stated that homeowner notice of the Board meeting was provided at least 24 hours in advance and noted that one owner had asked why only 24-hour notice was provided.

Best-practice scheduling. Management recommended preparing Board meeting notices at least two weeks in advance when possible, and preparing annual/member/budget meeting materials approximately four weeks in advance due to mailing, agenda, ballot/proxy, and homeowner-notice requirements. Management also requested 2–4 business days for routine administrative work, with additional time for more complex legal, financial, vendor, notice, or governing-document tasks.

3. Prior Meeting Minutes / Prior Board Actions

Prior actions reviewed. Management summarized prior Board actions and records, including: retention of Design HOA management services in June 2025; an October 2025 movement of funds from operating to reserves; a November 2025 bylaw/annual-meeting-date discussion; the December 9, 2025 budget ratification/draft Board meeting materials; and the December 15, 2025 addition of an authorized bank signer.

December 9, 2025 minutes. Management noted that draft minutes for the December 9, 2025 meeting had been provided to the Board the morning of this meeting and had not yet been fully

reviewed. The Board did not approve those minutes during this meeting. Review and approval were tabled for later Board action.

4. Financial Review

Financial packet. Management presented financial information as of May 31, 2026, and noted that 2026 records had been reviewed against bank reconciliation work, while some 2025 PayHOA items remained under further review due to prior reconciliations being disturbed in PayHOA.

Item	Summary
Total bank accounts	Approximately $13,189 total.
Operating account	Approximately $13,000.
Reserve account	Approximately $125; management noted reserve funding should be reviewed.
Accounts receivable	Approximately $1,200, primarily reflecting billed assessments or charges not yet fully paid, including monthly-payment timing.
Funds in transit	Approximately $150, representing payments received but not yet processed/reconciled.
Prepaid owner balances	Approximately $300, representing amounts paid in advance to be applied to future assessments/charges.
Year-to-date income	Approximately $12,400 through May 31, 2026.
Year-to-date expenses	Approximately $4,500 through May 31, 2026.
Net position for period	Positive by approximately just under $8,000, with management noting that expenses are expected to increase as seasonal/vendor work proceeds.
2026 budget	Budgeted income approximately $30,600; budgeted expenses approximately $28,981.

Delinquency report. Management reported one owner account with an outstanding balance and stated that overall delinquency is low. Management reminded the Board that specific owner-identifying delinquency details should not be discussed in open session and that any homeowner-facing financial report should omit private delinquency details.

Management fees. Management explained that the Profit & Loss showed $1,775 in year-to-date management fees, including a $275 January payment related to December 2025 services. Management stated that 2026 full-management payments reflected four payments of $375, totaling $1,500 for January through April 2026 services.

Reserve contribution. Management asked for clarification on the timing of the $5,000 reserve contribution plan. The Board did not have a final answer during the meeting. Management stated it would research prior records and table the reserve contribution timing for verification at a later meeting or before year-end close.

Assessment timing. The Board asked when dues become late. Management reviewed an invoice and stated that assessments are due on the first of the month and considered late if not received by the first day of the following month.

5. Vendor Invoice / Sales Tax Question

Allscapers/Devin invoices. The Board discussed whether landscaping/snow/maintenance invoices from Devin/Allscapers improperly included sales tax, or whether any tax related to materials. Management stated it had already sent Devin a follow-up request seeking clarification and/or corrected invoicing for the invoices at issue. The Board noted it was waiting on Devin's response. Management stated one payment had already been issued after approval before the tax question was raised, and that two Devin invoices had been addressed in the follow-up request.

6. Board Nominations and Election Planning

Potential vacancies. The Board discussed anticipated vacancies for the President and Vice President positions. Board members discussed prior resignation concerns and the need to keep a functioning Board in place until replacement directors/officers can be elected or appointed.

Motion. A motion was made for management to prepare Board nomination requests and annual meeting election materials for the anticipated President and Vice President vacancies. The motion was approved by the Board without recorded opposition.

Owner interest. Phil Grignon was asked whether he wished to participate in Board activity at this time; he declined for now.

7. Annual Meeting Planning

Annual meeting timing. Management noted that the Association's annual meeting is normally required in May under the Bylaws, but that the 2026 annual meeting had not yet occurred. Management stated the meeting should be scheduled as soon as reasonably possible and recommended that annual meeting materials be prepared with sufficient lead time for mailed and emailed notice.

Motion. A motion was made and seconded to direct management to prepare the annual meeting notice, agenda, and related materials for Board review. The motion was approved by the Board without recorded opposition.

Target date. The Board discussed and selected a target annual meeting date of Monday, July 27, 2026, at 5:30 p.m. by Zoom, subject to management preparing and issuing the required notice and materials.

Annual meeting content. The Board identified Board elections/nominations as an annual meeting agenda item. Management also noted that the Lots 1 and 15 tax/classification issue may need to be included if legal counsel recommends owner action, budget action, or governing-document amendment language.

8. Common Area / Lots 1 and 15 Tax Classification Issue

Issue discussed. The Board discussed the County/City position that Lots 1 and 15 remain taxable/buildable lots because they were originally platted as building lots. Board members stated their position that the lots should not be treated as buildable due to HOA irrigation/sprinkler systems and related equipment located on or through the lots.

Motion. A motion was made and seconded to direct management to prepare a summary for Altitude Community Law and request a cost proposal regarding options for the tax classification/common-area issue for Lots 1 and 15, including whether covenant amendment language or owner approval may be required. The motion was approved by the Board without recorded opposition.

Scope of legal request. Management stated that the legal review should help the Board compare the cost of pursuing a formal change or challenge against the cost of continuing to pay taxes as currently assessed.

9. Management Services Contract and Expectations

Full-management status. Management explained that there had been a temporary misunderstanding about whether the Association was under accounting-only or full-management services. Management stated that, based on the Board's January direction and subsequent service/payment history, the Association has been receiving full-management services since January 2026.

Board concern. The Board expressed concern that, if the Association was receiving full management, management should have provided more proactive reminders or guidance about the annual meeting deadline. Management acknowledged a misalignment of expectations and stated that a clearer full-management contract and recurring annual calendar should help align expectations going forward.

Follow-up. Management will prepare a new full-management contract for Board review and approval, including clearer expectations about management responsibilities, Board responsibilities, meeting/calendar reminders, and additional-charge items when work exceeds the scope of standard management.

10. Maintenance, Irrigation, and Owner Maintenance Responsibilities

Landscaping and invoice status. The Board's landscaping/vendor concerns were addressed in part through the ongoing Allscapers/Devin invoice tax clarification request.

Irrigation leaks and water use. The Board discussed potential irrigation leaks on the north and east sides of the community, including a known issue near the northeast corner and another near a Board member's property. The Board also discussed a line through Lot 15 that was identified during backflow work and capped after water flow was observed. The Board discussed whether watering could be reduced now that landscaping on the north and east sides is established.

Water billing. Management noted that the financial report did not yet show expenses against the $4,000 irrigation water budget line and committed to research City of Montrose water accounts, billing, autopay/payment status, and backflow inspection documentation.

Possible vendor inspection. The Board discussed whether Morris Plumbing or another vendor could evaluate the HOA irrigation lines on the north and east sides. No final vendor proposal was approved during the meeting; management will research and prioritize next steps.

Property line / weed maintenance education. Board members discussed that some owners may not understand their property-line and maintenance responsibilities for areas beyond rear fencing, particularly along Niagara/the north side. Management reviewed a plat example during the meeting and stated that the Board should develop its understanding of the responsibility issue, management should verify against the plat/governing documents/easements, and then an owner education notice can be prepared if supported by the records.

11. Old Business

Annual meeting month. The Board discussed whether to amend the Bylaws regarding the annual meeting month. The Board expressed consensus not to pursue an amendment and to keep the annual meeting timing in May.

Other old business. No additional old business was identified beyond items already discussed.

12. New Business

Items covered. The Board and management noted that the updated management contract, expectation realignment, financial follow-up, annual meeting planning, and maintenance/vendor issues had been addressed in earlier agenda sections. No additional new business was identified before owner comment.

13. Owner Comment Period

Owner comments. Phil and Joyce Grignon passed on making substantive comments and thanked the Board for its service. Kylie Davis asked whether the $150 monthly dues are expected to remain the same or whether dues might be reduced in the future. Management responded that dues should be evaluated through the annual/budget process and that there was no current indication from management that dues would increase or decrease at this time. Management also noted that vendor, insurance, and similar costs have increased for many associations.

Board response. The Board did not take formal action in response to owner comments during the meeting

14. Executive Session

The Board entered executive session to discuss matters permitted under C.R.S. § 38-33.3-308, including management/contract matters, owner-specific matters, and/or matters involving confidential Association business. No rules or regulations were adopted during the executive session. Any action requiring open-session approval will be taken in open session or documented separately as appropriate.

Meeting Adjourned: 11:33AM