MARKET STREET EAST HOMEOWNERS ASSOCIAT1ON

EXECUTIVE BOARD MEETING MINUTES

December 9th, 2025 at 5:00 PM MDT

Via Zoom

Call to Order & Determination of Quorum

Board members present were Charlotte Salisbury and Rebecca Toal. 7 homeowners were also present. RaeAnne Hadley and Vaneza Alvarado from Design HOA were also present. With two of the three board members present the quorum requirement was met. Rebecca called the meeting to order at 5:04 PM.

Approval of Minutes

RaeAnne explained that as this is the first official meeting of the HOA with Design HOA, this is where the meeting minutes will be reviewed and discussed if there are questions in the future.

Financial Reports Through November 2025

The financials were handed out prior to the meeting. RaeAnne went over the profit and loss, balance sheet and answered questions from homeowners. RaeAnne explained the usage differences between the operating account and the reserve account and what they can be used for.

Old Business

a. **No old business**

New Business

a) Amendment to the Bylaws for Annual Meeting Date

RaeAnne explained that the governing documents provided by an HOA law firm fulfil more of the needs of a larger HOA and not a smaller community. RaeAnne explained Design HOA and the Board discussed amending the Bylaws to create a friendlier volunteer scheduling time. RaeAnne discussed the annual meeting date requirements in the Bylaws to one specific day in May, which is not beneficial for Board members who may have plans. RaeAnne also explained that holding the annual meeting along with the budget ratification meeting is beneficial as it allows the community to review the business and financials at the end of the year, allow board elections for the next year and allows more freedom for scheduling. RaeAnne discussed the amendment allows for the annual meeting to be scheduled anytime in the 4th quarter of each year.

b) Design HOA to take over as full management in 2026

RaeAnne explained that after discussions with the Board regarding HOA management, the Board voted to transition Design HOA from accounting only management to full management beginning January 1, 2026.

c) Tax options for the common areas from the City of Montrose

RaeAnne explained she reviewed the governing documents and the amended plat that Rebecca was able to procure for the HOA and submitted the documents to the Assessor's office to remove the taxes linked to the two lots that are labeled Common Areas for the HOA. RaeAnne explained that the Assessor's office came back with three options of handling the common areas and discussed them with the homeowners. The email will be attached to these meeting minutes. RaeAnne discussed one of the options the HOA could use was to hire an HOA attorney to clarify that the governing documents specify the empty lots are common areas and not buildable lots and should not be taxed due to the HOA non-profit status of the community. Rebecca recommended that Design HOA obtains a copy of original plat and all the filings to compare. RaeAnne agreed and will have Jeannie see if they can access all of the plats available for review. George explained later in the budget ratification portion of the meeting that

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the irrigation lines transect in the vacant lot and cannot be built out due to the location being right in the middle of the plot, furthering the impossibility of building a residence on that lot.

d) New Landscape and Snow Vendor

RaeAnne explained that the HOA has a new vendor who will be handling landscaping and snow removal for the HOA. Deven with Allscapers services several HOAs within Montrose and RaeAnne explained he is very cognizant of the HOAs budget and prefers to be called when snow removal is needed. After discussion, it was decided that Deven will not need to be called out until there are 3" of snow to be removed. Elsie asked for clarification for the snow removal if it includes the walkways up to the front porch. RaeAnne explained she would have to review the governing documents, as she did not have the answer readily and will reach out to Deven regarding clearing the walkways if it is in the governing documents and the 3" snow limit for removal.

Owner Comments
There were no comments

Executive Session
There was no executive session

Next Meeting Date

Adjourn
The meeting was adjourned at 5:47 PM by Charlotte Salisbury

BUDGET RATIFICATION MEETING

The budget ratification meeting was immediately called to order following the adjournment of the Board of Directors meeting. RaeAnne reviewed the financials for 2025 and explained how the budget for 2026 was created. RaeAnne explained that there should not be an increase in insurance due to the increase the HOA already paid for in 2025. RaeAnne explained that the water for the HOA had exceeded the 2025 budget and was increased for 2026. George discussed that when the irrigation system was being blown out, he and the vendor found one of the zone pipes going behind Townsend property had completely collapsed and was allowing excessive leakage into the ground. George explained that the vendor killed the zone so that there would not be leakage for next season, and the HOA should see a decrease in the cost. RaeAnne thanked him for staying on top of the situation. RaeAnne discussed that the reserve contribution would be $5,000 to build up the reserve account for any future capital projects and even with the increase of management fees, the HOA did not need to increase the monthly assessment dues. RaeAnne asked for a motion to ratify the budget. All the homeowners present approved the 2026 budget. The 2026 budget passed unanimously and the budget was ratified.

The Budget Ratification Meeting was adjourned at 5:55 PM

RESPECTFULLY SUBMITTED by RaeAnne Hadley, Design HOA

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