



**THE BOUNDARY ASSOCIATION
MINUTES OF THE BOARD OF DIRECTORS' QUARTERLY MEETING**

A meeting of the Board of Directors of the Boundary Association was held on Thursday, April 16th, 2026, at 3:00 PM MDT at the River Valley Ranch Clubhouse and via Zoom Conferencing, Carbondale, Colorado, County of Garfield.

RECORD OF PROCEEDINGS

- I. **Call to Order / Establish Quorum:** The meeting was called to order by President, Carl Hostetter, at 3:01 p.m. Board members present included Carl Hostetter, Elaine Grossman, Jay Cofield, and Cathy Cooney. Jim McAtavey was absent. Other homeowners present represented units 397, 423, 431, 465, and 475. Also present were Bill Crowley, Kari Crowley and Nick Cova from Silver Mountain Properties. Kari Crowley assumed the role of secretary to prepare a recording of the meeting.

- II. **Consent Agenda:**
 - a. **Minutes Approval:** With no changes requested, Cathy Cooney motioned to approve the meeting minutes from the previous board meeting held on January 15, 2026. Elaine Grossman seconded the motion, and all approved.
 - b. **Email Approvals:** The items below that were approved by the Board via email were officially ratified.
 - Approval to renew a \$50,000 CD at 3.50% for 5 months
 - Approval of contract with Mr. Vac for dryer vent cleaning (33 Units - \$1,980)

- III. **Public Comment:** N/A

- IV. **Financial Review**
 - a. **Fourth Quarter Financial Results:** Kari Crowley from SMP presented the first quarter 2026 financial report showing total assets of \$206,544, with operating funds at \$24,000 and reserve funds at \$182,287. The financial report revealed a net surplus of \$33,500 for the first quarter, with operating expenses of \$24,000 and reserve assessments of \$20,172. She shared the expense detail showing the Association is performing well in the first quarter, with only 11% of the repairs and maintenance budget utilized. Key upcoming expenses include landscaping costs and building exterior staining scheduled for May. The Board found the financials to be in good standing.

V. Old Business

- a. **Gutter Replacements:** Nick Cova from SMP reported on the gutter replacement estimate for full replacement of gutters and downspouts on building 8 for \$6,650. The Board will continue to review options before scheduling this work for completion.

VI. New Business

- a. **Capital Reserve Contribution at Transfer:** President, Carl Hostetter began this presentation with a brief history of financial challenges in the Association, including issues that arose when a developer went bankrupt, leading to unpaid assessments and a subsequent lawsuit settlement for \$25,000. Carl explained the current reserve funding situation, noting they have \$161,839 in reserves but will go negative by 2054 under the current plan. Carl presented a proposal to implement a Capital Reserve Contribution (CRC) through an amendment, which would add a 0.5% fee on property sales, generating approximately \$10,000 annually to help address future reserve shortfalls. He also shared the potential to adjust the current annual reserve funding structure from 8% stepping down to 3% in 2036 to level increases of 6%. Some comments from the homeowners in attendance centered around advocating for a higher percentage than the current 0.5% proposal, suggesting 1-3% range to better address future reserve needs. Jay Cofield expressed concerns about rushing the vote before July and emphasized the need for better communication with homeowners, while others noted that similar proposals have struggled to pass in other communities. The Board concluded that there is a need for more education about the proposal's impact on both buyers and sellers and also discussed strategies for gauging neighbor feedback through one-on-one conversations or a Special Board Meeting before holding a formal Board vote to move forward with the Amendment.

- VII. Executive Session:** The Board entered executive session at 4:17pm to discuss matters pertaining to a recorded exterior maintenance agreement. The executive session ended at 4:56pm

- VIII. Adjournment:** With nothing further to discuss, Cathy Cooney motioned to adjourn the meeting at 4:57pm, Jay Cofield seconded.

Respectfully submitted,

/s/ Kari Crowley

Secretary to the Meeting

/s/ Carl Hostetter

President