Association Management at PROPERTY PROFESSIONALS

# CASTLE VALLEY RANCH TOWNHOMES ASSOCIATION

**Board of Directors Meeting Minutes**

September 10, 2026 at 6:00 PM

Zoom

## 1 Call to Order

The meeting was called to order at 6:01 PM by Laura Brown. A quorum was verified, and the directors and management were introduced.

Board Members Present: Renee Miller, Ellen Sommers , and Allison Blazer

## 2 Approval of Prior Meeting Minutes

The Board reviewed the minutes of the June 23, 2026 Board meeting.

**Motion:** Renee moved to approve the June 23, 2026 Board meeting minutes as presented. Ellen seconded the motion. The motion passed unanimously.

## 3 Management Report and Community Updates

### Seasonal Contract Review

Management requested Board feedback regarding 2026 landscaping and irrigation performance as the Association prepares for the 2027 season. Because 2026 was the first year with the current landscape vendor, the Board discussed service quality, communication, work-order completion, and follow-through before considering a longer-term agreement.

- Ellen reported generally prompt work-order completion and satisfactory service.
- Renee reported concerns regarding communication and completion of certain requested items.
- Management advised that Moser is preparing 2027 recommendations, including suggested system improvements and capital needs, and will provide the winterization schedule.
- Management will confirm whether the current contract includes a second trimming of the rear ledge and fence berm and will coordinate with the vendor based on Board direction.

### Winterization and Fall Cleanup

The Board discussed fall cleanup and irrigation winterization. Management will obtain and distribute Moser's schedule and recommendations. Gopher was also identified during the discussion as a winterization resource for follow-up, as appropriate.

### 2027 Landscaping Contract Proposals

Moser requested the opportunity to submit a three- to five-year proposal for landscaping services. The Board did not approve a long-term contract at this meeting and will review the proposal and performance considerations before making a commitment.

### 2026 to 2027 Snow Removal Contract Proposals

The Board reviewed current snow-removal arrangements and costs. Approximately $3,005.60 had been spent through August 31, 2026, compared with a year-to-date budget of $12,000 and an

annual budget of $18,000. The Board discussed whether the service scope could be reduced, including the possibility of owners maintaining individual driveways, while recognizing the needs of retirees and residents with physical limitations.

Management explained that the current arrangement appears to operate as a seasonal or retainer-based contract rather than hourly service. The Board requested review of the proposal's scope, threshold, response expectations, and pricing. Management will circulate Moser's snow-removal proposal and seek additional bids if requested. No change to the Association's snow-removal responsibilities was approved.

### Maintenance and Projects

Management provided an update on 2026 work, including the declarant fencing project. The Board discussed outstanding and deferred maintenance and potential 2027 priorities, with particular attention to water-wise landscaping, weed control, drainage, and the berms along Castle Valley Boulevard and behind Foxwood Lane.

Dani and Sarah provided general recommendations concerning tree care, drainage, fire-conscious landscaping, and water conservation. Concepts discussed included phased conversion of turf areas to rock mulch near buildings and driveways, appropriate tree trimming, deep-root watering, and possible French-drain or other drainage solutions. The Board identified Lady Luck Designs and Colorado State University resources for additional planning or technical input. Renee will follow up with the Town's landscape engineer if a response is received.

## 4 Financial Review

### Financial Statements and Reserve Status

The Board reviewed the August 31, 2026 financial statements. Management reported total cash of $101,299.41, consisting of $41,858.46 in operating cash, $14,506.76 in reserve cash, and $44,934.19 in certificate-of-deposit cash. Prepaid assessments totaled $5,900.00. Year-to-date operating income was $132,580.68, operating expenses were $105,308.29, and net operating income was $27,272.39.

Management noted that the favorable year-to-date variance includes timing differences and lower-than-budgeted expenses in several categories and should not be interpreted as eliminating the Association's long-term reserve-funding needs.

### Reserve Study Overview

The Board reviewed the 2026 reserve study prepared for the 2027 fiscal year. The study evaluated 57 units and reported an estimated January 1, 2027 starting reserve balance of $82,614, a fully funded balance of $2,206,080, and a funded ratio of 3.7 percent. It characterized the reserve position as weak and the risk of a future special assessment as high. The study recommended a 2027 annual reserve contribution of $282,000, compared with the Association's most recent annual reserve-transfer rate of $23,130.

The Board discussed whether all listed components and cost assumptions accurately reflect the Association's legal responsibilities, local pricing, and actual conditions. Items discussed included fencing, mailbox kiosks, exterior electrical components, stucco and siding, roofing, gutters,

concrete, and landscaping improvements. The Board acknowledged that the study is a planning tool and agreed that its component assumptions and local costs should be reviewed before being incorporated into future budgets.

**Delinquency and Collections**

As of August 31, 2026, total owner receivables were $2,084.20, including $1,580.96 aged 0 to 30 days and $503.24 aged more than 30 days. Management will continue collection activity in accordance with the Association's governing documents and applicable law.

**2027 Draft Budget Review**

Management presented multiple 2027 budget scenarios intended to address rising operating costs, underfunded reserves, and anticipated capital needs, including future roof work and landscaping improvements. The scenarios discussed contemplated monthly assessments generally ranging from approximately $350 to $400.

Directors expressed concern regarding the effect of a substantial increase on owners, the cumulative increase in assessments since 2021, and whether owners perceive sufficient value from current services. The Board discussed a more gradual increase, possible changes to maintenance responsibilities, and the tradeoff between higher regular assessments and the risk of future special assessments.

No 2027 budget was approved. The Board directed management to revise Option D based on the discussion and circulate it for review before the next meeting. Any proposed change to owner or Association maintenance responsibilities would require further document review and, if applicable, a formal amendment process; no such responsibility change was adopted.

## 5 Annual Meeting Preparation

The Board scheduled a special Board meeting for Friday, October 30, 2026 at 4:00 PM via Zoom to continue budget review and consider approval of a proposed 2027 budget for presentation to the membership.

The 2026 annual ownership meeting was scheduled for the first week of December at 6:00 PM via Zoom. The annual meeting packet will include the proposed budget and ratification information, election and proxy materials, required disclosures and financial information, information regarding Board service, and a community survey concerning possible owner responsibility for selected services such as driveway snow removal and fencing. Management will distribute the reserve study to owners and new purchasers and provide timely meeting reminders and the complete annual packet.

## 6 Old Business

No additional old business was presented beyond the seasonal contracts, maintenance projects, reserve planning, and budget matters discussed above.

## 7 New Business

The Board confirmed the October 30 budget meeting and December 3 annual meeting. The Board also discussed gathering owner feedback through a survey before considering any future change to the allocation of maintenance responsibilities.

## 8 Community Comment Period

Homeowner Myrna thanked the Board for its open discussion of the Association's budget and future roof obligations and emphasized the importance of considering owners on fixed incomes. The Board acknowledged the concern and reiterated its intent to evaluate a financially responsible approach that balances affordability with the Association's long-term obligations.

## 9 Adjournment

**Motion:** Allison moved to adjourn the meeting. Ellen seconded the motion. The motion passed unanimously. The meeting adjourned at 6:58 PM.

**Drafted by:**

Laura Brown

Association Manager

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**Approved by Board of Directors on 10.30.26**