

**CINNAMON RIDGE III CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS' MEETING MINUTES
April 8, 2026**

I. CALL TO ORDER

The meeting was called to order at 2:00 pm.

Board members present were Michael Black, Kevin Donofrio, Fred Davison, Andrew Vest, and Mike Pedersen attended via zoom conference. A quorum was present. Kevin Lovett and Kathrine Johnson were present on behalf of Summit Resort Group.

II. OWNERS FORUM

Notice of the meeting and meeting agenda were posted on the website. There were no owners present.

III. APPROVE PREVIOUS MEETING MINUTES

The minutes from January 10, 2026 BOD meeting, and the minutes from November 13, 2025 Budget Ratification meeting were reviewed.

Fred motioned to approve the January 10, 2026 minutes, Mike Pederson seconded the motion. All in favor, and the motion carried.

Fred motioned to approve the November 13, 2025 Budget Ratification minutes, Mike Pederson seconded the motion. All in favor, and the motion carried.

IV. RATIFY BOARD ACTIONS VIA EMAIL

Andrew moved to approve the following actions previously taken via email. Fred seconded the motion. All in favor, and the motion carried.

- a. 03/24/20026 Mamich Insurance policy renewal, approved
- b. 03/02/2026 Executive Meeting Minutes, approved
- c. 03/02/2026 Building B Sprinkler Head Replacement, approved
- d. 03/02/2026 Annual Sprinkler Inspection – 5-year contract, approved
- e. 03/02/2026 20-year Fire Sprinkler Head Inspections Building C & D
- f. approved
- g. 02/18/2026 Executive Meeting Minutes, approved
- h. 02/17/2026 2025 Tax Return, approved
- i. 01/28/2026 Building D, Unit D124 no claim on HOA policy, approved

V. FINANCIAL REVIEW

Financials were reported as follows:

December 31, 2025 Year End

December 31, 2025 close financial balance sheet reports \$8,809 in the operating account, \$21,058 in the Money Market reserve account and \$82,316 in the Alpine Bank reserve account.

December 31, 2025, close Operating Profit & Loss reports for the end of the year is \$312,614 of actual expenditures vs. \$313,008 of budgeted expenditures resulting in a (\$394) positive variance, under budget.

Operating Expenditure Variances - Year End

- Annual Meeting Expense \$350 negative variance
- Legal Fees \$431 negative variance
- Postage / Copies/ Fax/ Supplies \$322 negative variance
- Other Expense \$400 negative variance
- Common Area Electric (\$1,594) positive variance
- Spa Electric \$603 negative variance
- Gas (\$3,310) positive variance
- Spa Gas (\$1,395) positive variance
- Contingency (\$960) positive variance
- Firewood (\$1,000) positive variance
- Snow Removal \$1,019 negative variance
- Trash Removal \$2,590 negative variance
- Water \$1,182 negative variance
- Window Washing (\$1,500) positive variance
- Fireplace & Dryer Vent \$1,925 negative variance
- Repair & Maintenance (\$2,544) positive variance
- Annual Inspections (\$830) positive variance
- Spa Supplies \$910 negative variance
- Upper/ Lower Spa R&M (\$700) positive variance
- Insurance \$4,830 negative variance

February 28, 2026 YTD

February 28, 2026 close financial balance sheet reports \$10,260 in the operating account, \$21,107 in the Money Market reserve account and \$68,231 in the Alpine Bank reserve account.

February 28, 2026 close Operating Profit & Loss reports is \$63,519 of actual expenditures vs. \$60,134 of budgeted expenditures resulting in a \$3,385 negative to date. The projection for end-of-year performance continues to be a positive number.

Operating Expenditure Variances - YTD

- Accounting Fees (\$491) positive variance
- Audit & Tax \$465 negative variance
- Legal Fees \$1,412 negative variance
- Common Area Electric \$850 negative variance
- Spa Gas (\$443) positive variance
- Firewood (\$400) positive variance
- Trash Removal \$331 negative variance
- Water \$377 negative variance
- Repair & Maintenance \$761 negative variance
- Annual Inspections \$570 negative variance

Capital Reserve Plan review:

The Capital Reserve plan was shared by Michael and reviewed in detail. Items in the discussion include 2025 actual expenditures and 2026 anticipated expenses, including, but not limited to, the dumpster enclosure special assessment and contingency, Building B fire sprinkler head replacement, spa cover replacement, and other miscellaneous projects. The budget entries for the dumpster enclosure project include contingencies for field construction exposure, indirect exposures and unallocated contingency. A portion of the unallocated contingency, in the spirit of optimism, could be projected as not being spent, but Andrew suggested that the contingency funds remain to be projected to be spent until the final close of the dumpster enclosure project. Additional adjustments were made to the forecasted costs for the following years out to 2036. Andrew noted that since the Building B recirculation pump was replaced, his unit has been experiencing inconsistent hot water service. *Action Item: SRG will investigate the issue and contact Premier Plumbing on their install.*

Reserve Funding:

The Reserve Funding was shared by Michael and reviewed in detail. Discussions included the BOD approval of the Dumpster Project Special Assessment. Owners were notified, and assessments are due for April 30, 2026. Additionally, there is a potential grant from the Town of Keystone for a portion of the Special Assessment project. Other reserve funding comes from the budgeted replacement assessment of \$6,936 per month and other miscellaneous interest from the reserve bank accounts.

VI. MANAGING AGENT'S REPORT

The following manager's report was presented:

- a. Purchased two (2) new RemoteLock safe lock sets for attic stock
- b. Unit Modification Form revisions drafted.
- c. Unit D124 Gas fireplace maintenance
- d. Turner Morris temporary repair to Building D icicle formation issue performed.
- e. Bromine dispenser replaced on upper spa
- f. Fire extinguisher covers installed
- g. Sprinkler head replacement project, Building B, completed.

VII. OLD BUSINESS

The following Old Business items were discussed:

- A. Dumpster Enclosure –
 - i. The Special Assessment was previously approved, and each homeowner was sent a notice for their pro-rata share with a due date of April 30, 2026. SRG noted that most of the owners have confirmed their payment by check or their existing ACH form on file. *Action Item: SRG will continue to monitor collections.*
 - ii. Frost Fire Approval – Frost Fire owns the property that the existing dumpster enclosure is located on. CR III has an easement for access and use of that property. Frost Fire was advised of the dumpster enclosure replacement project, and its Board gave its approval of the project.

Please refer to the attached email document dated Thursday, March 27, 2026 at 9:28 am.

- iii. Project Status of the Dumpster Enclosure project – DCPS was awarded the job, and their team is set to obtain city and county permits in May 2026, with work beginning in early June 2026. Once permits are obtained, DCPS can provide a more precise timeline of construction and completion.

- B. Unit B201 Sprinkler Head Incident – Event caused by owner’s contractor hitting a sprinkler head (HOA insurance claim filed
Discussed in Executive Session
 - i. Total cost \$18,101.35 (No payment from vendors insurance company to date)
 - ii. BOD previously approved to run this through the HOA insurance company, claim #5041905649-1. It was noted that the claim will impact Associations loss-ratio and thereby increase the insurance premium probably starting in 2027 and typically running for three years.

- C. Unit B201 Sprinkler Head Incident glycol damage (note: both Unit B201 sprinkler damage conditions are from the same sprinkler head discharge event)
 - i. *Discussed in Executive Session*
 - ii. Letters to owner from HOA
 - iii. Altitude Law

- D. Unit D124 Sprinkler Head Incident - Event caused by an apparent self-failure of the heads glass bulb. (No HOA insurance claim)
 - i. Total cost \$19,630.89. SRG is processing those associated invoices through the reserve account as they become due.
 - ii. The association’s insurance agent provided an analysis of the impact a claim would have on the loss-ratio and the resulting increase in premium. Based on that provided analysis and the concern of an unfavorable loss-ratio history given the exposures of getting palatable insurance premiums in the current insurance market, the majority of the board elected to self-insure the amount in excess of the \$10,000 deductible for the D124 event.

- E. Unit Modification Request –
The BOD has discussed proposed revisions to include educating owners to provide fire sprinkler head covers for activities that may impact the condition of the sprinkler heads. Consideration for head protection was driven by the recent requirement to replace the sprinkler heads throughout building B. Most of the deficient heads were a result of ‘loading’ from dust or overspray. Such temporary head protection is standard best practices for construction projects. By providing such intermittent and temporary protection during various operations, this will help keep dust and debris from loading the sprinkler heads; and mitigate the possibility of them failing during future annual fire sprinkler inspections. Particularly it is prudent to protect the newly installed

Building B heads. The covers are quite inexpensive and a readily available on-line or from the association's fire sprinkler company. Kevin D. recommended giving the Owners a cover, but that might make the HOA responsible if the cover failed. Andrew commented that he agrees to provide the Owner with more guidance on where to obtain the required fire head covers. Additionally, the BOD has added a line for a "Unit Pre-inspection" before construction is approved, so existing conditions can be considered as part of the HOA BOD unit modification approval process. Fred motioned to approve the form, but the motion died. *Action item: SRG will contact our fire vendor, Western States Fire Protection, for more guidance on what should be used. An adjusted proposed Unit Modification Request will be further reviewed by the BOD.*

VIII. NEW BUSINESS

- A. Insurance Renewal changes to the policy –
During this year's annual insurance policy renewal, it was decided to keep the same \$10k policy deductible. However, after reviewing the cost of Wind/Hail deductibles, the BOD chose to increase it from 2% to 5%, effective June 1, 2026. The umbrella limit of \$15M remains the same, and the building limit was increased from \$403 per sf to \$450 per sf. Notices were sent to all homeowners, advising them to contact their personal carrier to adjust their HO6 policy coverages so they align with the policy changes.
- B. Ascent Tree Services - This year, Ascent Tree services will apply treatment and fertilizer to Spruces, Aspens and Pine trees.
- C. Review of Cinnamon Ridge III maintenance of Frost Fires' property immediately adjacent to the South side of the Building D –
 - i. Discussion included the history that Frost Fire hadn't been maintaining the area to the level that their other landscaping areas have been maintained, nor to the level that CR III maintains its own adjacent areas. Years ago, in a handshake agreement, CR III began watering and mowing the grass in the referenced area because it is significantly within CR III's viewshed and improves CR III's visual area. The work effort is a very minimal extension of the same operation CR III performs on its adjacent landscaping. Frost Fire has recently indicated that CR III may need to do a bit more maintenance in that area. SRG will set up a meeting with the Frost Fire HOA president to better understand their concerns. Until then, CR III's initial suggestion is to continue to water and cut the grass sod area, but not touch elements (bushes or trees) that touch or have an effect on Frost Fire's storage building. *Action Item: ARG to contact Frost Fire's*
- D. Capital Plan Projects List Updates –
Michael reported on the list of anticipated capital projects from now through 2050. An overview of those currently in process and those that the HOA should fiscally prepare, including a timeline for managing the projects. Those

projects include but are not limited to Building B hydronic polybutylene piping replacement in 2032, (likely Special Assessment); Hot Tub pathway area & sidewalk extension in 2028/2029, (likely a Special Assessment); New exterior siding (Hardie) at Hot Tub Building 2028/2029; Building boiler replacements for Building C & D, possibly in 2028/2029 (likely Special Assessment); Replace parking lot paving 2035 (likely Special Assessment), Roofing Replacement Building C & D, then B in 2040/2050. *Action Item: SRG to set up an on-site meeting with the BOD and Premier Plumbing to review the boilers and set up a plan for replacement.*

- E. Annual System Inspections – Inspections scheduled for the next several months include Mechanical (09/2026), Fireplace Wood/ Gas (06/2026), Fire Panels (08/2026) Fire Extinguishers (07/2026), Back Flow Prevention (10/2026) and Five-year Sprinkler Head Testing (08/2026).
- F. Recreation Pathway – The Town of Keystone is apparently considering sealcoating the rec path. SRG for informational purposes only, contacted Jet Black to obtain a bid for re-sealing the recreation pathway. The quote will also contain an itemized list of repairs found and the quote will be sent to Joshua with the Town of Keystone.

IX. NEXT MEETING DATE

The next meeting date will be Friday, June 19, 2026 at 2:00 pm for the semi-annual working session and site walk.

The Annual Homeowner Meeting date is Saturday, June 20, 2026 at 9:00 am. The annual meeting will be held at the Dillon Town Hall.

The following meeting date will be October 7, 2026 at 2:00 pm for the regular BOD meeting.

X. ADJOURNMENT

With no further business the meeting adjourned at 4:12 pm. The Executive Meeting begins.

Approved_____