MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
EAGLE RANCH ASSOCIATION

A Special Meeting of the Board of Directors of the Eagle Ranch Association (the "Association") was held on November 9, 2022, at the Eagle Ranch Office, 1143 Capitol Street, Eagle, CO 81631, or via video/teleconference.

Directors Present:

Liz Adams, Residential Director
Eric Eves, Residential Director
Jamie Harrison, Residential Director
Steve Lindstrom, Commercial Director
Kevin Sharkey, Residential Director
David Viele, Commercial Director

Others Present:

Dave Crawford, East West Hospitality ("EWH") Director of Operations
Greg Decent, EWH Association Accountant
Nicole Moore, EWH Association Controller
Nick Richards, Association Manager, Eagle Ranch
Emily Walz, EWH Director of Association Administration
Shelley Bellm, EWH Assistant Community Manager

The order of business was as follows:

1. Call to Order. The meeting was called to order at 3:00 p.m. MDT. A quorum of Directors was present.

2. Minutes Approval. Upon motion made and seconded, the Board approved the minutes of the Board Meeting held on October 6, 2022.

3. Financial Report.

    a. Investments. A summary of Association investment accounts were distributed for Board review. EWH Accounting will ensure summary of accounts are consistent with the Balance Sheet. Liz Adams asked for confirmation of coverage for accounts in excess of $250,000. Management clarified that excess funds in Alpine Bank are swept into an insured cash sweep ("ICS") account at the end of each business day. Similar coverage is in place for balances in excess of FDIC coverage at Pacific Western Bank. Management will clarify the mechanism that provides this coverage. Management highlighted that the Edward Jones certificates of deposit are each held at different banks and their FDIC insurance covers the entire balance.
    b. Balance Sheet. Nicole Moore reviewed the Balance Sheet as of September 30, 2022. Total Assets and Total Liabilities & Fund Balances of $4,561,673. It was clarified that interest on delinquent accounts is capped at 8% per Colorado law; the Board was encouraged to review the Collections Policy recently adopted in compliance with Colorado House Bill 22-1137.

The Board asked for clarification of various accounts. Ms. Moore clarified that the Allowance for Doubtful Accounts is comprised of a percentage of dues we may not be able to collect from delinquent owners. However, Management will actively work on collections in compliance with new state law and collections policy.

The Replacement Fund is used to maintain and replacement all physical elements the Association is responsible for maintaining, and funded based on the remaining useful life and project replacement costs of those elements. The Capital Improvement Fund consists of excess Reserve Funds that the Association uses for community improvements. Additionally, Working Capital is the amount charged to a buyer at closing to operate the Association; the seller's original contribution to Working Capital is returned to them upon the sale of their property.

c. 2022 Year-end. Mr. Crawford reviewed the 2022 Projected Year-end figures.
d. 2023 Proposed Budget. Mr. Crawford reviewed the 2023 Proposed Budget, highlighting areas of variance from the prior year, and there was specific discussion of various line items, including (but not limited to);
    i. Management Fees – it was noted that Management Fees were previously locked at the 2011 rate as a good faith gesture by EWH with consideration to the past Association subsidy of the Eagle Ranch Fitness Center. Now that the Fitness Center is no longer part of the Association, the Management Fees should be adjusted to reflect the terms of the Association Management Agreement with EWH. It was agreed that the Management Agreement should be amended to reflect the actual Management and Accounting Fees being charged to the Association.
    ii. Status Request Fees – Eric Eves requested a comparison of what other communities charge for status request fees. EWH Accounting charges $250 directly to the Owner for this work. This is not an Association expense.
    iii. Design Review Expenses – $10,000 was budgeted for DRB meetings.
    iv. Trees – Management was asked to ensure that this line item doesn't include tree replacement in the Commercial area, as those are budgeted in the Commercial District Infrastructure line item.
    v. Commercial District Infrastructure – budgeted at $45,000 based on Commercial Association Reserve needs and cash flow. Management will work directly with the Commercial Board on specific needs, then seek final approval from HOA Board for expenditures.
e. Budget Approval. Upon motion made and seconded, the Board approved the 2023 Budget with changes as discussed.
f. Account 2550. Mr. Crawford reviewed the Reserve Reconciliation as of September 30, 2022. Upon motion made and seconded, the Board approved (i) the 2022 Actual Reserve Expenses, and (ii) the transfer of the 2022 Actual Year-end Net Income to the Capital Improvement Fund.
g. Reserve. Mr. Crawford indicated that the third party Reserve Study completed by Advanced Reserve Solutions will be used to update the current Association Reserve Study in the EWH format. It was clarified that Management, and specifically Nick Richards, will present bids to the Board for significant Reserve expenses before proceeding with the expense.

4. Commercial Director Appointment. The Board discussed the three (3) candidate forms received for the open Commercial Director seat vacated by Scott Turnipseed. Upon motion made and seconded, the Board appointed Clark Gundlach to fill the remainder of Mr. Turnipseed's term

which ends at the 2024 Annual Meeting. *(Jamie Harrison abstained from the vote; the motion passed with remaining Directors in favor.)*

5. Introductions. Mr. Crawford introduced members of EWH Staff, including support teams such as Association Administration and Accounting.

6. New Business.

    a. Board Member Orientation. As part of new Board Member orientation, the governing documents and Board fiduciary reminders, will be sent to the newly appointed Commercial Director.

7. Annual Meeting. The Annual Members Meeting will be held December 7th, 2022 at 5:00 p.m. MST at the Eagle County Building at 500 Broadway. Agenda items to be covered were discussed, including; presentation of 2023 Budget, election of Directors, Commercial update, and any other business that may come before the Members.

8. Other Business.

    a. Jamie Harrison asked Management to look into the creation of Eagle Ranch social media accounts, including Facebook and Instagram, to communicate important community messages and events.
    b. The Board approved buying a $100 gift card for each Design Review Board Member to a local restaurant.
    c. Jamie Harrison said that the Association's Bylaws are now inconsistent with its newly-adopted Collections Policy. He requested that amendments to the Bylaws be drafted to make the Bylaws consistent with other policies.
    d. The Board asked for a "Manager's Report" to be added to meeting agendas going forward. This would include Accounts Receivable, enforcement, projects, and any other Association issues.
    e. Nick Richards will send a monthly report to the Board update them on operational items.
    f. Jamie Harrison raised the issue of wildlife issues, specifically at the dog park. Mr. Richards is in contact with Town of Eagle to potentially fence off a smaller portion of the dog park for winter wildlife. It was clarified that the Town of Eagle is responsible for enforcement of Town ordinances regarding dogs. The Board asked to communicate to owners that the Association is planning to make investments to improve dog and wildlife safety.
    g. It was suggested that the Board invite the Wildlife Committee to a future meeting to discuss opportunities in developing a partnership.

There being no further business to come before the Board, the meeting was adjourned at 5:25 p.m. MST.

Respectfully submitted,



Emily Walz, Secretary