

MINUTES OF THE ANNUAL MEETING
OF THE MEMBERS OF EAGLE RANCH ASSOCIATION

A Meeting of the Members of Eagle Ranch Association (the "Association") was held beginning at 5:00 p.m. on December 8, 2003, at the Brush Creek Pavilion, Eagle Ranch, in Eagle, Colorado.

The following owners (listed alphabetically) were represented in person* or by proxy:

James Adams*	Lot 46, Filing 8, 0591 Hernage Creek Rd.
Donald Armstrong	D201
Susan Baker*	625 Haystacker
John Baty	42, Block 10, No. 8
Joan Beach	B202, 0029 Pearch St.
Bryan Bill	Lot 2, 0165 Fourth of July
Marsha and Sig* Bjornson	Lot 17, Tract P, 254 Robins Egg Ln.
Ed Borasio*	Lot Q3, 0049 Iris Pl.
Jeff Boyer*	Lot 62, Filing 2, 80 Beecher St.
J.R. (Rancy) Brooks	Lot 29, Filing 1 011 Haystacker Dr.
Mary Patricia Kelly Brown	Filing 1, Lot 29,
Rex Brown	2 Block 4, Lot 5, 0105 Mayer St.
Casey Bullock	H-12 0060 East Double Hitch
Farley Bullwell	Area 8 Lot 14, Bunkhouse Place
David Burns	Lot 4, Filing 8, 109 N. Callie Clark Court
Jennifer Cockrell	Filing 1, Lot 4, Block 3, 95 Double Hitch Rd.
John Cortez	35-1, 0152 Lime Park Dr.
Brian Coulter*	94 Harrier
Gregory N. Daly	33, 0702 Founders Ave.
Peter Dann	L2 - 43
Diamond Capital	Lot 32, 33
Michael Dunlevie*	148 W. Foxglove
Daniel Eastman	P-5, Robin's Egg
Kim & Victor Galko	Lot 1, 0015 Robins Egg Lane
Gerald Gavenda	Lot 40
Delores Gleason*	0050 Macdonald St., H-8 Double Hitch
B.A. Goodman	Lot 6, Filing 36 31 E. Dewey Park
Ted Gould	Lot 7, Block 11, Filing 8, 0674 Hernage Creek Rd.
Ora Layne Guice*	0750 Founders Ave.
David B. and Colleen M. Hanson	Lot 34, Filing 8, Tract "L", 0432 Harrier Circle
Mark Heinbaugh*	Representing Donald Armstrong, Owner D-201
Elizabeth Himmes	Filing 4, Blk 6, Lot 39, 2009 Eagle Ranch Rd.
Ibrahim Ibrahim	L1
Susan Ingram	D101 Founders Place Condo.
Robert* and Karen* Jackson	Lot 29, Filing 1, 260 Abrams Creek Rd.
Robert D. Kreidler	Lot 37, Block 10, Filing 8, 0402 Harrier Circle
John Krueger	
Elizabeth Lambert*	R34, Filing 1, 127 Haystacker Drive
Ruth B. Lenz	0530 Founders / B-103

Peter Lombardi*	Lot 3, Harrier Circle
R.J. Mahoney	530 Founders C-10
John G. Maren	Lot 8, Block 7 -4, 0131 Foxglove Lane
Gary Martinez*	Lot 15, Filing 4, 090 West Foxglove Lane
Tom McCord*	51 Silver Spur
Kimberly McGhee*	Lot 5, Filing 8, 0255 Fourth of July Rd.
Catherine Miskell	Filing 6, Block 10, Lot 11, 15 Eagle Ranch Rd.
John Miskell*	45 Mayer Street
Marka Moser	Lot 19
Mary Murphy	13, 297 Haystacker
Robert Navratil	R-19, 131 Sawmill Circle
Ken Neubecker*	Lot 11, Block 5, Filing 3, 16 E. Foxglove Lane
Holly Nielsen	H3
Ronald Niemeyer*	L8, B2, Haystacker
John Nilsson*	Lot 10, 255 Lime Park Drive
Devon Obenauer	A101 West Village Condos
Bud O'Halloran	120 Lime Park Drive
Kathy & Jamy* Patterson	H13, 0088 E. Double Hitch Dr.
Houston Perkins*	Lot 5, Block 10, 15 Left Lady Bell Place
Eric Petersen	Lot 51, 39 Lone Spur
Everett L. Pfeiff	Lot 9, Block 5, 0070 E. Foxglove Lane
Steven Post*	80 Eagle Ranch Rd.
Henry Reed*	Representing Eagle Ranch Village
Kent Rose*	Lot 21, Filing 4, 172 Bunkhouse
Gail Scoby*	Lot 52, 2044 Eagle Ranch Rd.
Jack Skjonsby*	Lot 13, Block 7, 238 W. Foxglove
Brock Sloan	C201, 0530 Founders Pl.
Julie Thurston	44 Lone Spur
Scott Turnipseed/K&E Homes	7 E. Fox Glove Lane
Marne Tutt	P-2-36, 1935 Eagle Ranch Rd.
Martin Vandeven	16, Block 6, Filing #3, 286 Robins Egg Lane
Drew Werner	0085 West Foxglove
Gary Wicklund	Lot R-10
Glen E. Wood- Canwest Ventures	Lot 30, 202 Sawmill Circle
Jan Zogg	C-203 0029 Peach St.

Others present in person were:

Carol Glasson, Representing Eagle Ranch Village LLC
 Cara Jones-Readle, Association Accountant, East West Resorts ("EWR")
 Dean Kerkling, Eagle Ranch Design Review Board Staff
 Jennifer Kuechenmeister, Admin. and Assoc. Assistant EWR
 Greg Perkins, Association Attorney, Wear, Travers, Krueger & Perkins
 Jill Walter, Association Accountant EWR

The order of business was as follows:

1. Call to Order. Mr. Martinez, President, called the meeting to order. Mr. Greg Perkins verified that proper notice of the meeting was given, and acknowledged that a quorum was present. Copies of proxies and ballots are attached hereto as Exhibit A and

incorporated herein by this reference. Ms. Kuechenmeister was appointed to act as recording secretary.

2. Reading of Minutes. Upon motion duly made (Mr. Patterson) and seconded (Mr. Post), reading of the minutes of the Members' meeting held on April 10, 2003 was waived and they were unanimously approved with the following amendments:
 - Henry Reed represents *Eagle Ranch Village LLC*,
 - Jill Walters should be changed to Jill *Walter*,
 - 2.b. Jim Martin should be changed to *John Martin*,
 - 2.c. Should be changed to read "downlighting the intersection of Sylvan Lake Road and Highway 6 would be . . ."

3. 2004 Approved Budget.
 - a. A copy of the approved Budget Plan for 2004, attached hereto as Exhibit B, was distributed to all members along with the notice of this meeting. There being no votes to reject the Budget, the Budget was deemed ratified in accordance with Colorado Common Interest Ownership Act (the "Act").
 - b. Mr. Houston Perkins reviewed the 2004 Budget and any noteworthy variances between the 2003 Approved Budget and the Projected 2003 year-end financials. He explained that Revenues were projected at a positive \$35,000 variance for year-end. More lots were sold than anticipated, resulting in additional Transfer Fees.
 - c. Owner Assessments. Mr. Houston Perkins noted there would be no increase in the Owners' Assessments this year.
 - d. Maintenance Expenses. Mr. Martinez explained that 2003 Maintenance Expenses had been budgeted for very conservatively, resulting in a \$12,000 projected positive variance. He mentioned the addition of new paths, pocket parks, and a lot mowing maintenance program have resulted in the need for a greater maintenance expense budget for 2004.
 - i. Snowplowing. There was some discussion about snowplowing of pedestrian paths and the frequency of snowplowing. Mr. Kerkling reported that school routes are maintained and are plowed when two inches or more snow has fallen. Additional routes were considered for regular snowplowing and the Board was allowed leniency with the 2004 Budget "Snowplowing" line item.
 - ii. Irrigation of Pocket Parks. Mr. Martinez explained that the Eagle Ranch Association had not been charged by the Town of Eagle for water used to irrigate pocket parks throughout the community. It was reported that the Town may consider billing for the year 2003, but will not pursue further reimbursement from the Association retroactively. The cost of irrigating for 2004 was also included in the Budget under Maintenance Expenses.

4. Capital Replacement /Wildlife Improvement Funds. Upon motion duly made, (Mr. Dunlevie) and seconded (Ms. Guice) the following resolution was unanimously approved by the members:

Whereas, the Eagle Ranch Association is a Colorado corporation duly organized and existing under the laws of the State of Colorado, and

Whereas the Members desire that the Association shall act in full accordance with the rulings and regulations of the Internal Revenue Service, now therefore the Members hereby adopt the following resolutions by and on behalf of the Association:

Resolved that the amount collected by or paid to the Association for Capital Replacement or wildlife improvements during the year ended December 31, 2003, shall be set aside for future major repairs, replacements and wildlife improvements and allocated to capital components as provided by the guidelines established by IRC Section 118 and Revenues Rulings 75-370 and 75-371. Such amounts shall be deposited into a separate account. Any amounts so added to replacement funds shall be allocated to the various components at the discretion of the Board of Directors; and

Be it further resolved that interest earned on the Replacement Reserve funds be deposited in the Replacement Reserve Fund and interest earned on Wildlife Fund shall be deposited in the Wildlife Fund; and

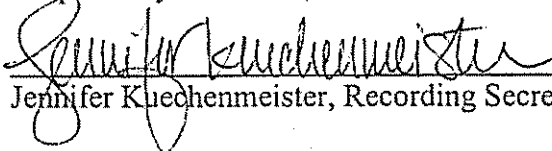
Be it further resolved, that excess membership income over membership expense collected by or paid to the Association for the year ended December 31, 2003, shall not be directly refunded to Members, but shall be applied against subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

5. Community Update. Mr. Martinez and Mr. Reed reviewed a number of projects within the community and issues affecting Eagle Ranch Homeowners.
- a. Sales /Developer Offices were relocated to a more permanent location on Capitol St. across from the Theatre.
 - b. Entry Improvements. Mr. Martinez commented that both the Capitol and Highway 6 entry landscapes were improved in 2003. A roundabout is planned for the Highway 6/Sylvan Lake entry. However, a right-of-way issue must be resolved prior to this improvement commencing.
 - c. Wildlife Committee. Mr. Martinez informed the membership that a committee was formed in accordance with the annexation agreement to address the allocation of the wildlife enhancement fund. Members include: Kent Rose, Dean Kerkling, JT Romansky, Bill Heicher (representing the Town of Eagle), and John Martin (golf course Superintendent). The committee is working to award a contract for the maintenance of stream banks and to provide habitat enhancements along Brush Creek.
 - d. Path Surfacing. Many foot /bike path surfacing improvements were completed through the Eagle Ranch community in 2003.
 - e. Tract A / Medical Campus. Conceptual DRB approval has been given for a 175,000 square foot medical facility. There was some discussion about the types of medical services that would be offered at this facility.

- f. Tract Infrastructure. The Developer continues to complete the Tract O, C, and G infrastructure.
 - g. Restaurant Space. Mr. Reed indicated that he foresees a restaurant opening in the Castle Peak Building in late summer 2004.
 - h. Liquor Store. Mr. Reed circulated a petition to indicate homeowner support of a potential Liquor/Wine shop in one of the commercial spaces.
 - i. Other Commercial. Mr. Reed also discussed the potential for a General Store with Post Office boxes, and the possibility of a Sports Bar opening in 2005.
6. Election of Director. Mr. Perkins thanked those who expressed an interest in serving on the Association Board of Directors. After tallying the votes cast, he reported that Mr. Jamy Patterson was elected to a three-year term. The Directors will meet briefly at the conclusion of the Members' meeting to elect officers.
7. New Business.
- a. Construction Debris. There was some concern from homeowners regarding the impact of construction debris to surrounding lots. Mr. Kerkling agreed to use his best efforts to monitor these projects and clean-up debris.
 - b. Spraying of Weeds /Insecticide. There was some discussion regarding the spraying of weeds and spraying of insecticide throughout the community. Community members were concerned about keeping mosquitoes and noxious weeds to a minimum. Mr. Martinez reported that once the open space areas were dedicated to the Town of Eagle, maintenance for those areas, with the exception of the actual trails, and footpaths, was the responsibility of the Town. On behalf of the Association, the Board of Directors will author and send a letter to the Town regarding the maintenance of these spaces, specifically requesting clarification about the Town's plans for mosquito spraying.
 - c. Street Lights. It was mentioned that streetlights on MacDonald Street were not activated. Mr. Martinez was directed to follow-up on this issue and get them activated.

There being no further business, upon motion duly made (Ms. Gleason) and seconded (Ms. Guice), the meeting was closed at approximately 6:20 p.m.

Respectfully submitted,

 12/15/2004
Jennifer Kuechenmeister, Recording Secretary