

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 on December 6, 2007, at the Brush Creek Pavilion, Eagle Ranch, in Eagle, Colorado.

The following owners (listed alphabetically) were represented in person:

Jim and Elizabeth Adams, Owner 0096 Big Sage  
Ken Armstrong, Owner 0058 Robins Egg Lane  
Ed and Shannon Borasin, Owners 49 Iris Place  
Jeff Boyer, Owner 80 Beecher St.  
John and Joyce Chizmadia, Owners 119 Sawmill Circle  
Abby and Peter Dann, Owners 0002 Camp Fancy Spur  
Michael and Sheryl DeGenring, Owners 0390 Harrier  
Michael Dunlevie, Owner 148 Foxglove  
Carol Glasson, representing Eagle Ranch Village LLC and Commercial Director  
John and Katha Hartley, Owners 80 Palmer Loop  
Elizabeth Himmes, Owner 2009 Eagle Ranch Rd.  
John Hollis, Owner 53 Lone Spur  
Robert Jackson, Owner 0260 Abrams Creek Drive  
Dean Kerkling, Owner 2396 Eagle Ranch Road  
Doug and Therese Landin, Owner 9 Right Lady Belle Place  
Ruth Lenz, Owner 0530 Founders B103  
Pete Lombardo, Owner 0078 Harrier Circle  
Nancy and Richard Loth, Owners 317 Founders Ave.  
Walt Marquez, Owner 0317 Robins Egg Lane  
Kimberly and Richard McGhee, Owners 741 Hernage  
Mike McWilliam, Owner 42 MacDonald St.  
Bob and Ruth Moroney, Owners 0302 Lime Park Drive  
Jerri Niemeyer, Owner 206 Haystacker  
John Nillson, Owner 0073 Lime Park Dr.  
Paul Numerof, Owner 0134 Seabry St.  
Becky Peterson, Owner 0050 MacDonald St.  
Meredith Raub, Owner 0390 Abrams Creek Dr.  
Edward J. Resavage, Owner 0067 Bunkhouse Pl.  
Kent (Residential Director) and Rayma Rose, Owners 172 Bunkhouse Pl.  
Gail Scoby, Owner 2044 Eagle Ranch Road  
Erin Seabury, Owner 416 Founders and Commercial Director  
John Shipp, Owner Lot 4, Eagle Ranch Commercial Director  
Kathy and Robin Smith, Owners 31 East Dewey Park  
Scott Turnipseed, Owner 1150 Hernage Creek and Director  
Erin Vega, Owner 86 Seven Hermits and EWR Community Association Manager  
Rob Verratti, Owner 366 Lime Park Drive and Residential Director  
Bernice White, Owner 0530 Founders B101  
Willis J. Wright, representing Eagle Ranch Village LLC and Commercial Director

Others present in person were:

Liz Adams, EWR Regional Controller  
Mary Morgan, EWR, Association Administrator and Secretary to the Board

The order of business was as follows:

1. Call to Order. Mr. Turnipseed, President, called the meeting to order at 6:00 p.m. MST. Ms. Morgan verified that proper notice of the meeting was given, a copy of which is attached hereto as Exhibit A, and acknowledged that a quorum was present. Copies of proxies, which are attached hereto as Exhibit B and incorporated herein by this reference, are maintained in the Association's records at EWR's office.
2. Approval of Minutes. Upon motion duly made and seconded, the reading of the Minutes of the Meeting held on October 8, 2007 was waived and they were approved as amended.
3. Introduction of New Community Association Manager. Ms. Vega was introduced as the new Community Association Manager, employed by EWR exclusively for Eagle Ranch Association. She announced that Slifer Smith and Frampton Real Estate is sponsoring an Eagle Ranch holiday lighting contest.
4. Presentation of Approved 2008 Budget. Ms. Adams presented the Approved 2008 Budget, attached hereto as Exhibit C, which had been provided to the members prior to the meeting in accordance with Colorado Common Interest Ownership Act ("CCIOA"). She reviewed the 2007 year-end projected surplus, and noted the projected 2008 year-end deficit (\$248,000) was a result of the Association now funding many items that were previously provided by the developer and a reduction in real estate sales activity. The projected deficit notwithstanding, the Budget contemplates dues remaining at \$100 per lot/unit. She summarized the more significant variances in the 2008 Budget. The Capital Improvement Fund, projected to be \$1.7 million at end of 2008, is available to fund operating deficits and unanticipated expenses. Ms. Adams clarified that the Association has two other funds as well: Wildlife Fund approximately \$900,000 and Replacement Fund \$264,000. Mr. Turnipseed identified a number of expenditures which are expected to decline in the near future, e.g., Fitness Center \$100,000 annual subsidy, new landscaping installation, Design Review administration. Additionally, it was noted that many amenities which might be assumed to be the responsibility of the Association are actually Town of Eagle ("TOE") property.

Absent a vote to reject the Budget, Mr. Turnipseed affirmed the 2008 Approved Budget was deemed approved in accordance with CCIOA.

5. New Business.
  - a. Fitness Center. Ms. Vega reported that there are currently 248 annual memberships and 178 punchcard users. Projected 300 members by July 2008, revenues are very near projections. In response to a question regarding land allocated for tennis, Mr. Turnipseed reported that the TOE is looking at installing two tennis courts this summer.
  - b. In response to an inquiry regarding a designated liaison to the TOE, it was noted that Ms. Vega would have that responsibility.
  - c. It was noted that the TOE is responsible for speed limits and enforcement.
  - d. Commercial Update. Mr. Wright reported on commercial activity, including a new Italian restaurant to open January 19, 2008; Dusty Boot to open August 8, 2008; a restaurant near the Fitness Center, a kids' clothing store, a hair salon, and a possible grocery. A parcel identified as potential "church" site is contemplating an interdenominational use. A fire station may be built when the Haymeadow project comes on line.

- e. Post Office. Mr. Wright reiterated that the postal service would not pay to build a community post office or install cluster boxes. The USPS will, however, deliver to a facility if it were built but will not provide additional services, such as mailing packages and selling stamps. He indicated he would have an update in approximately 60 days.
6. Replacement Assessment Resolution. Upon motion duly made and seconded, the following resolution was unanimously approved:

*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, 2007, 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.*

There being no further business, upon motion duly made and seconded, the meeting was closed at approximately 7:30 p.m.

Respectfully submitted,

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Mary Morgan, Assistant Secretary