

THE SHORES AT THE HIGHLANDS

MINUTES OF DIRECTORS MEETING

November 26, 2024

The undersigned, being all the directors of THE SHORES AT THE HIGHLANDS ASSOCIATION, INC., a Colorado nonprofit corporation (the "Corporation"), hereby agree that the following constitute the minutes of the Board meeting held on November 26, 2024:

1. The Board reviewed and discussed the preliminary year-to-date actual and expected full year 2024 financial results and the 2025 Budget that is based on similar services, including bi-weekly mows and increased vendor costs due to inflation and labor challenges. Larry noted that all service contracts for 2025 have been signed, except for the annual umbrella insurance coverage which is expected from the insurance agent in mid-December. The Board unanimously approved the 2025 Budget reflecting the planned common area services and non-recurring expenditures as well as unspecified contingency. Larry highlighted that the 2025 Budget does not reflect an increase monthly dues.
2. The Board approved inclusion of the 2025 Budget along with the year-to-date financial results and the balance sheet as of November 30, 2024 in the upcoming Annual Meeting materials. The Owners will be asked to ratify the 2025 Budget at the Annual Meeting.
3. Larry discussed the adequacy of forecasted cash position through January to cover expenditures, including the earlier than usual payment in January to receive a pricing discount for Neils Lunceford services in summer 2025.
4. Larry reported on the maturity dates and amounts of the HOA's three CDs. The next CD maturity will be in December 2024 at which time it will be fully renewed based on the adequacy of the projected near-term cash needs. The yield to be earned on future CD renewals is expected to be lower than in 2024 since long term interest rates are expected to decline.
5. The Board discussed the content of the December 2024 Newsletter to be included in the Annual Meeting materials, highlighting the external lighting policy, trash and recycling protocols, and planned maintenance in 2025, including resealing Red Quill Lane and refreshing stone on the river trail.
6. Due to the expiration of Larry Abston's three-year Board term, the Board discussed the need to fill an open Director position at the Annual Meeting. Larry agreed to stand for re-election for another term.
7. The Board discussed other topics, including ways to improve adherence to the communicated trash and recycling protocols, and refining the cost and timing forecast of the Reserve needed for maintenance of Red Quill Lane and other community common assets.
8. The Board approved the new Collections Policy that was revised with assistance from legal counsel based on recently enacted state legislation.

- Discussion was held on other needed governance actions, including refining the Reserve Study and updating the Rules and Regulations.
9. Finally, the Board reviewed the contents of the Annual Meeting package to be distributed to Owners on or around December 5th via USPS and email. The trash and recycling postcard will be included in the USPS mailing. Larry indicated that the Notice of the Annual Meeting had previously been timely communicated to Owners.

DIRECTORS:



Larry Abston

Mike Bauer

Thomas Patch