

**THE SHORES AT THE HIGHLANDS
BOARD OF DIRECTORS MEETING
December 31, 2025**

I. CALL TO ORDER

Larry Abston called the 2026 administrative and organizational meeting of the HOA Board to order at 11:00 a.m. MST via video conferencing. Larry Abston recorded the minutes of this meeting.

II. ROLL CALL

Board members Larry Abston, Mike Bauer and Tom Patch were present.

III. APPROVE PREVIOUS MEETING MINUTES

The minutes of the 2025 administrative and organizational meeting of the HOA Board held on April 3, 2025, were previously unanimously approved by Tom Patch and Mike Bauer. The minutes of the Board meeting held on November 20, 2025 were referred to.

IV. ELECTION OF OFFICERS

Larry Abston motioned to approve the Officers as follows:

Larry Abston – President and Treasurer (Board term expires 2027)

Mike Bauer – Vice President (Board term expires 2026)

Tom Patch – Secretary (Board term expires 2028)

Mike Bauer and Tom Patch unanimously approved.

V. 2026 BUDGET AND FINANCIAL MATTERS

Prior to inclusion in the materials distributed to the Owners in advance of the HOA Annual Meeting held on December 30, 2025, the Board reviewed and reached consensus on the 2026 Budget at its meeting on November 20, 2025. This included having reached contractual agreement with service providers going into 2026 as well as assessing the adequacy of the HOA's insurance coverage and including an estimate of the expected insurance premiums. Larry briefly discussed that the subsequently received invoice of the HOA's general liability and umbrella insurance premiums for 2026 was less than the estimate included in the 2026 Budget. Larry recommended no modification to the 2026 Budget.

As discussed at the HOA Annual Meeting, the Board briefly discussed there is no change in the HOA dues in 2026 and the services provided by the HOA will be the same as in 2025. Discussion was held about the planned improvements and maintenance for 2026. Larry discussed the expected timing of soliciting and negotiating service contracts for 2027 (to occur primarily in October 2026) and preparation of the 2027 Budget (in November 2026).

Larry discussed the low Operating cash balance to start 2026 and the forecasted build of cash during the year as dues inflows exceed expenditures each month, particularly since the summer landscaping and irrigation services were prepaid in December 2025. Larry will monitor the Operating cash balance during the year to maintain adequate cash to pay contracted services, including having sufficient cash available in December 2026 to prepay the 2027 Neils Lunceford landscaping and irrigation contracts (estimated to be about \$55,000).

Specific to the Reserve funds, Larry commented that he does not anticipate any significant adjustments needed to the Reserve Study this year since it was updated in Fall 2025. Larry plans to reinvest each of the Reserve CDs upon their staggered maturity dates since there is not expected to be a need for these funds in the near term. The allocated 8% of monthly dues in 2026 to the Reserve will be adequate to cover any new and the planned maintenance of Common Area assets in 2026 as well as achieve the needed ongoing pace of building the Reserve fund. Larry commented that the decline in CD yields experienced in 2025 is expected to continue into 2026 consistent with ongoing Fed interest rate cuts. Larry also reminded the Board that despite the HOA being a nonprofit, the interest earned on CD investments is deemed non-operating and is therefore taxable.

VI. OPEN DISCUSSION AND ACTION ITEMS

Discussion was held on a variety of topics, including comments and observations from yesterday's Annual Meeting and other Owner feedback. As an overall observation, in order to facilitate Owner access and improve attendance at next year's Zoom meeting, it was recommended that a reminder be sent to all Owners with an embedded live link one week prior to and the day of the Annual Meeting.

The following are new and carryforward items needing action by the Board in 2026:

1. Update the HOA's Rules and Regulations to be consistent with our Declarations and Policies, existing Common Area assets and HOA provided services, and to address or clarify specific Policies or matters.
2. Perform river trail improvements, including applying additional crushed stone to stabilize and maintain the river trail.
3. Contact the Ranahan to request they install an entrance sign at their first turn in from Shores Lane to avoid the frequent guests that mistakenly enter the neighborhood and need to turn around.
4. Contact Neils Lunceford to inquire about ways to protect aspen tree trunks and irrigation emitters from damage during landscape trimming.
5. Evaluate, enhance, and replace surface drain covers in the neighborhood to ensure they are securely attached. Replace any damaged covers.
6. Request TOB Streets (Scott Jackman) inspect and fill cracks and reseal the asphalt pavement of Shores Lane or consider other cooperative solutions to maintain Shores Lane.
7. Explore design or replacement options to allow for proper fit and closing of the man door of the Trash and Recycling Building.

