MINUTES FOR THE MEETING OF THE BOARD OF DIRECTORS OF THE EAGLE CREST MASTER ASSOCIATION

CALL TO ORDER Pursuant to call by the President of the Association, the second quarter meeting of the Board of Directors was held on June 13, 2025, at 7555 Falcon Crest Drive in Redmond, Oregon and via Zoom conference.

ATTENDANCE Directors present included Mike Bessonette (Residential Director), Chris Earnest (Commercial Director), Denene Holbrook (Residential Director), Lori Heironimus (VROA Director), and Bill Neumann (VROA Director). Management company staff members present included Debbie Hahn, Mark Owings, Marrissa Rainey, and Tori Swearingen. Brett Limbeck, representing Oregon Water Utilities, and Karen Smith, consultant with Resort Resources, Inc., were also in attendance. Bill Neumann, President, presided at the meeting, and Debbie Hahn recorded the minutes on behalf of the Secretary.

CONSENT TO AGENDA The meeting was called to order at 9:03 a.m. Lori Heironimus moved to accept the agenda as presented. Mike Bessonette seconded the motion and the motion passed unanimously.

PRIOR MINUTES Reading of the prior meeting minutes dated May 6, 2025 was waived and Mike Bessonette moved to accept the minutes as presented. Denene Holbrook seconded the motion and it passed unanimously.

MANAGEMENT AND COMMITTEE REPORTS

FINANCIAL REPORT Mark Owings provided the Association's investment income analysis reports from Edward Jones Investments ("Attachment 1") and First Interstate Bank ("Attachment 2"). Mark noted most investments are held at the First Interstate Bank Trust Department following the Oregon Planned Community Act change in 2011. Mark reported he will be meeting with Chris Richie, the Association's investment advisor with Edward Jones Investments, and expects a proposal from Mr. Richie for continuing to manage the small amount of funds remaining with Edward Jones, which Mark will then present to the Board for consideration.

Mark reviewed the items highlighted in the financial summary ("Attachment 3") and the internally prepared first quarter 2025 financial statements ("Attachment 4"), noting the balance sheet format changed slightly in order to clearly differentiate the loan related items. It was noted commercial rent revenue for golf is reported in Q1, but the associated transfer to the reserve account is not being reported in Q1, resulting in an overstatement of Q1 net income. Mark confirmed the transfer to the reserve fund will be reported in Q2.

Mark provided an update on the annual audit of Association 2024 financial statements, noting the audit is currently underway with draft statements expected in July.

Karen noted the loan debt service was budgeted to be paid from the operating account, but the Association's CPA recommended to do all the accounting for the loan in the reserve fund. Karen, Chris, and Mark agreed to discuss how to address

this change.

Following discussion and upon motion duly made (MB) and seconded (LH), the following resolution was unanimously approved:

> **RESOLVED, that the financial report submitted by Mark Owings including "Attachment 3" and "Attachment 4" be hereby approved subject to audit.**

Resolution 2025.06.13-01

UTILITY SYSTEMS REPORT

Brett Limbeck, Field Superintendent of the contracted utility system service provider Oregon Water Utilities, presented the written utilities report ("Attachment 5"). In reference to the reserve project for valve and pipe testing, Brett noted drain field scrubber valves should be considered for replacement as part of the approved 2025 project.

Regarding addressing the recurring water line breaks on Mountain Quail Drive in front of the hotel, a meeting will be scheduled with Karen Smith, OWU, ECM, and Parametrix to develop a scope of work and design specs to correct the underlying problem.

Marrissa provided a verbal update regarding the irrigation policy, noting VROA and River View Vista Estates are working on project scopes and estimates for the work needed in their associations in order to become compliant with ECMA's policy. Owners in the EHOA neighborhood have been sent reminders and the policy is being enforced.

Marrissa reviewed the written report on the water meter break and damages ("Attachment 6") that occurred at the WorldMark-owned building housing units 501-504. Following discussion, management was directed to communicate to the building owner that ECMA is not responsible for paying for any of the damage incurred.

OPERATIONS REPORT

Marrissa Rainey presented the written Operations Report ("Attachment 7"). Additional discussion included the following:

- Bill requested management acquire a bid for asphalt work needed at the golf course parking lot.
- Marrissa will provide the status of the waterline expansion joint work at the Redtail Hawk pool.

RESERVE EXPENSE REPORT

Karen Smith, reporting for Resort Resources, Inc., reviewed the Evaluation of Reserve Account Expenditures vs. Budget per 2025 Reserve Study ("Attachment 8"), noting there are no variances to report.

GOLF OVERSIGHT COMMITTEE

Mike Bessonette, committee chair, referenced an email provided with information on the Pro Shop improvement project status and landscaping plan ("Attachment 9"). Mike noted even with the additional landscaping expenses, the project is expected to remain within budget and the $900k loan amount. The pro shop is expected to be open by the end of June with the landscaping work to be completed during July.

	Marrissa provided a verbal update regarding the golf course easement encroachment agreements, noting she and Karen will be working on this project again in July.
ENVIRONMENTAL CONTROL COMMITTEE	Marrissa Rainey reviewed the written Environmental Control Committee update ("Attachment 10").
COVENANT COMPLIANCE COMMITTEE	No activity.
UTILITY SYSTEM PLANNING COMMITTEE	Karen reported the well #2c project is expected to be completed well under budget. The water rights transfer is awaiting final approval and is expected to be approved without issue.
SCHEDULED 2nd QUARTER BUSINESS	
ANNUAL MEETING PLANNING	Marrissa reviewed the nomination process per the ECMA Bylaws, noting that the two-year terms of residential directors Mike Bessonette and Denene Holbrook, as well as commercial director Chris Earnest, expire this fall. Marrissa confirmed the annual meeting date of September 27, 2025. The Board directed management to contact the residential sub-associations to solicit nominees for the election. Directors acknowledged the Bylaws direct the President to appoint a nominating committee; Bill appointed himself and Lori Heironimus.
UNFINISHED BUSINESS	
SPORTS CENTER JUEA – RENEWAL PROCESS	Bill reported an agreement was signed on 12/31/24 stating all parties extended the current agreement and agreed to work in good faith to complete the amended Joint Use Easement Agreement. ECMA has received a legal opinion on the proposed contract, but there is not a formal document to sign as the other two parties have not yet agreed.
SPORTS CENTER LEASE – RENEWAL PROCESS	Marrissa provided an overview of the Sports Center lease term, noting the current five-year extension expires at the end of 2025. Marrissa highlighted the additional renewal option for the final five-year extension. This will be addressed at the third quarter meeting; no action is needed at this time.
NEW BUSINESS	
OTHER NEW BUSINESS	The Board confirmed the third quarter board meeting on September 26, 2025 at 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, Oregon.
ADJOURNMENT	There being no further business, the meeting was adjourned at 10:43 a.m.

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Secretary to the Association