

Cordillera Valley Club Property Owners Association
Board Meeting Minutes
Thursday, January 27, 2022, at Noon MT
Via Zoom

BOARD MEMBERS PRESENT VIA VIDEO CONFERENCE CALL: Connie Dorsey, Bob Engleby, Alan Garfinkel, Jim Gibbons, Paul Kessenich, Tom Marcin and Kent Myers

ALSO PRESENT VIA VIDEO CONFERENCE CALL: Dan McNeill, Managing Agent and Sara Thurston McNeill, Secretary to the Meeting

I. Call to Order. With all seven Directors present via Zoom, a quorum was established. Bob Engleby called the meeting to order shortly after Noon. This being the first meeting of the Board of Directors since the 2021 Annual Meeting in December, each Board member introduced themselves to the other attendees, indicating how long they have owned a home in the Valley Club.

II. Consideration of Changes to the Agenda. There were no changes.

III. Election of Officers. The following Directors were elected to the following positions:

Bob Engleby	President
Tom Marcin	Vice President
Kent Myers	Treasurer
Paul Kessenich	Secretary

The ballot count of the election at the Annual Meeting resulted in Jim Gibbons receiving a three-year term and Connie Dorsey receiving a one-year term. Since Alan Garfinkel, Tom Marcin and Paul Kessenich all received the same number of votes the Board had to decide who received a three-year term and who received a two-year term. After discussion, there was consensus that Alan and Paul would receive a two-year term and Tom would receive a three-year term.

IV. 2021 Year-End Financial Review. Marsha Bjornson, bookkeeper, prepared the December 31, 2021, financial reports and Dan McNeill presented them to the

Board. According to the Balance Sheet, the association ended the year with \$1,436,937.74 in total assets, liabilities and equity, including \$1,428,306.67 cash in the banks and \$8,631.07 in prepaid expenses (for trash and insurance). There is \$324,000.00 in Design Review Board deposits, \$69,515.00 in working capital reserves and \$1,030,741.95 in reserves.

The Profit and Loss Statement reveals that the association ended the year with a net surplus of \$1656 in the operating account. Income exceeded budget due to the addition of the new Club Residences. Line items over budget were Insurance, Donations, Lawn & Roadway Maintenance and Water. Savings were achieved in Legal Fees, Meeting Expense and Trash & Recycling. All other line items were very close to budgeted amounts.

The 2021 beginning balance in the Reserve Fund was \$863,329.51. \$433,135.00 was added from the POA's share of RETA funds (1% of sales all real estate sold in 2021). 2021 capital expenses totaled \$265,722.56 and included \$15,474.33 for new holiday lights (representing a significant increase in the number of trees), \$10,290.00 for a new liner for the large water feature across from the Clubhouse, \$34,966.89 for pruning and wildfire mitigation, \$18,061.44 for new flower beds, \$78,439.82 for continued work for intersection landscaping, \$22,480.00 for legal fees related to the Club Residences and \$86,010.08 for berm revegetation and weed control. The 2021 ending balance in the Reserve Fund was \$1,030,741.95.

Jim Gibbons offered to research some options for to earn more interest on reserves, including CDs and money market funds. It was duly noted that according to the Investment of Reserves Policy, any investments need to be safe, liquid and accessible and offer a reasonable rate of return.

- V. Manager's Report. Dan McNeill reviewed the Reserve Study with the Board. This is a spreadsheet that identifies all of the common elements that the POA is responsible to repair / replace, estimates its useful remaining life and its cost for replacement. He explained that the POA's reserve contribution comes solely from RETA funds. POA annual dues (currently \$1500 per lot) go to pay for operating expenses only. The POA Board budgets conservatively for RETA income (only \$100,000 per year) since this income is dependent on the number of real estate sales in the community. Currently, there are no homes in CVC on the market; there are several Club Residences under contract.

Capital projects under consideration for 2022 include landscaping improvements, tree planting, new flower beds, continued wildfire mitigation (including restoration efforts to the old water tank road), the construction of new trails, legal fees and continued berm work. In all, \$300,000 in capital projects is identified in the Reserve Study; the Board will work with management to prioritize projects in the coming year.

David Ketterer of McNeill Property Management sent the following winter risk management report to the Board prior to the meeting:

During a recent property evaluation, I observed the following:

- Roads are mostly clean, and down to asphalt. The usual shaded area along Beard Creek at the west end is snow and ice packed, along with some areas on the secondary roads. I spoke with Jose, who will be reapplying cinders to these areas tomorrow morning, which we have stocked on site, at the empty lot.
- Fire hydrants throughout property are accessible. I shoveled out a couple that needed attention.
- Both the entry Gatehouse (east side) and West Gate are cleared of snow and look presentable upon entering.
- The east end of the berm project is getting final grading along Beard Creek Trail. Heavy equipment is still on site.
- Signs are posted regarding mountain lion sightings.
- We have continually straightened road markers, which are getting aged, and may be getting close to a full replacement this spring / summer. Many are cracked, and the reflective coating is fading.
- Club Residences' construction entry's in presentable shape. I continually pick up trash and debris, especially at construction sites. I've politely asked workers to please try to keep areas neat. And they have, for most part.
- Also, we routinely prune, and cut out dead branches, trees, shrubs, along roads that are not only unsightly, but a fire hazard. More fire mitigation will be performed along water tank road this spring.
- I recently performed a streetlight check early morning, when photocells are activated. All are presently working properly. I also communicate with Erick from Public Safety on lights' malfunction, and any other areas of concern that need to be addressed.

- V. Other Business. Tom Marcin spoke about the berm on the east end of the community, noting that the next phase of work may include a fence on top that

helps to mitigate the noise from I-70 experienced by the homes on the north side of Beard Creek Trail. This coming summer, the POA and MD will work to revegetate the berm with grass seed since the wildflower seed used previously has been infiltrated with weeds. Once the grass is established, it can be sprayed effectively each year for broadleaf weeds.

Tom is still targeting a traction sand berm on the west end of the community, although talks with CDOT have stalled (CVC would need permission to encroach on the I-70 right of way). A sound mitigation wall is another option, but this will be more expensive.

Kent Myers gave a brief Metro District update to the POA Board. Capital projects targeted by the MD in the coming months include reworking the corner at Sanctuary Lane, cyclical work to the storm sewer drainage system (to help prevent flooding during heavy rains) and noise reduction efforts on I-70 from engine breaks. This latter project was targeted as an Edwards community-wide effort, but the MD Board has not had positive response from either Singletree or Arrowhead at this point.

There was no update on the construction timetable of the Club Residences.

There was no update on the Valley Club amenities upgrades, including a new pool, tennis court(s) and upgraded fitness room. Owners that would like more information are encouraged to call Mike Henritze at the Club at Cordillera at 970-926-5950.

Bob Engleby provided some closing remarks for the new Board of Directors. He explained that for as long as he's been on the Board, its primary mission is to act in a manner that enhances property values at CVC. The Board has always been fiscally responsible and provides transparency regarding the budgeting process to all owners. RETA funds are targeted for capital projects only.

When asked what the POA's exposure is for unforeseen capital expenses, Dan responded that a catastrophic loss could stem from wildfire, floods and a main line event to the irrigation system.

The next POA Board Meeting was scheduled for Thursday, April 28, 2022, at Noon MT. The meeting will be held via zoom. The Board will review Q1 financials, consider conducting a financial audit (or limited review) and set a date for the Spring Walk Through.

VI. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 1:15PM.

Respectfully submitted,

Secretary to the Meeting