

Cordillera Valley Club Property Owners Association
Board Meeting Minutes
Tuesday, May 24, 2016, at 9:00AM MT
408 Carterville Road, Edwards and Via Conference Call

CVC POA BOARD MEMBERS PRESENT IN PERSON: Bob Engleby, Tom Marcin Kent Myers and Steve Smith

CVC POA BOARD MEMBERS PRESENT VIA CONFERENCE CALL: Art Greenfeder

CVC METRO DISTRICT BOARD MEMBERS PRESENT IN PERSON: Paul Wible, Tom Jaffe, Suzi Apple, Bob Engleby and Kent Myers

ALSO PRESENT IN PERSON: Dan McNeill, Managing Agent for the CVC POA, Ken Marchetti, Administrator of the Edwards Metropolitan District, Anne Clark of Marchetti and Weaver, Dan Carlson, Maintenance Manager of the CVC MD and Sara Thurston McNeill, Secretary to the Meeting

- I. Call to Order. With all five POA Board members present in person or via conference call and all five MD Board members present in person, a quorum was established. The MD Board—only portion of the meeting began at approximately 9:00AM.

- II. CVC Metro District Business. This portion of the meeting ended at approximately 10:25AM and the POA Board Meeting was called to order.

- III. Capital Projects Discussion. The POA Board convened and began discussing the 2016 capital projects under consideration, including the remainder of the landscaping upgrades planned for three intersections, west gate improvements and more cottonwood tree removal, and the construction of the berm that is currently in the permit review stages by the Eagle County Planning Commission. The application will be addressed at the next Planning Commission meeting, scheduled for June 1, 2016.

The Board adjourned to EXECUTIVE SESSION at approximately 10:26AM to discuss the bids related the first phase of the berm construction. Dan Carlson excused himself from the meeting.

The Board reconvened at approximately 11:30AM. There was a MOTION: TO MOVE FORWARD WITH THE FIRST PHASE OF THE CONSTRUCTION OF THE BERM PROJECT IN 2016 SUBJECT TO THE FOLLOWING:

- The cost of the first phase of the Project is estimated to be \$400,000 or less with the POA paying for half and the MD paying for half;
- POA funding shall be achieved by:
 - The reallocation of the funds set aside for Landscaping Improvements in 2016 (\$110,000 for West Gate work, tree removal and the remaining intersection improvements) whereby temporarily suspending these projects until funds become available again;
 - The use of RETA income collected so far in 2016 (\$22,200 as of March 31, 2016) and anticipated RETA income from CVC properties that are expected to close in 2016 (estimated to be another \$90,000 to the POA);
 - Additional income may be tapped, including MD tax funds, bonds and/or a relatively small special assessment of the membership if necessary, but this is not anticipated in 2016.

The motion was seconded and after detailed discussion a vote was taken: four Directors voted FOR the motion and Steve Smith abstained from voting. The motion passed.

Management was directed to draft a letter to all owners explaining the scope of the Berm Project, the estimated costs of each component and the plan for funding this large scale capital project. It is the intention of the Board to distribute this communication following the June 1st Planning Commission meeting.

Steve Smith noted that the POA Board will make every effort to address the temporarily tabled landscaping improvements as soon as possible.

- IV. Review and Approval of the Minutes of the January 19, 2016, POA Board Meeting Minutes. These minutes were previously distributed to the Board Members and presenters for review. Some suggested changes were incorporated and the minutes were redistributed prior to the meeting. As there were no further suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE JANUARY 19, 2016, MEETING OF THE CVC POA BOARD OF DIRECTORS. The motion was duly seconded and carried unanimously.
- V. Design Review Board Report. Dominic Mauriello submitted a year-to-date summary of activities to the Board prior to the meeting, hereto attached to these minutes.

VI. Manager's Report. Dan McNeill reported on the following POA maintenance activities:

- Spring Clean Up efforts are now complete. All common turf areas have been power-raked and aerated.
- All common area irrigation systems have been turned on for the season.
- Roadway weed mitigation and trimming is now underway with a different section of roads being addressed on a weekly basis.
- Three trees that were warranted by the landscaping contractors last year that died were replaced; Dan noted that the Pinon Pines are not the most successful species in the Valley Club environment.
- The ERW&SD has requested that the temporary irrigation system installed along the road to the new water tank be removed; management will comply with this request and retain the materials for the irrigation of the Berm Project.
- Annual flower planting is underway and will be completed within the next couple of weeks; there was a request for flower planting at the west gate.
- Orkin Pest Control will be on site to treat for voles regularly to try and protect the association's investment in flowers.

Dan reported on some recent insurance questions posed by the Board, including whether or not the Design Review Board members were covered under the regular Director and Officer Liability Policy. The insurance underwriter assured the Board and management that D&O liability coverage is extended to all sanctioned committees, including the DRB at \$1 million per insurable event. Dan garnered a proposal for an additional Umbrella Liability Policy for \$5 million in coverage at an annual cost of \$950. After brief discussion, there was a MOTION: TO PURCHASE THE ADDITIONAL INSURANCE COVERAGE. The motion was seconded and carried unanimously.

VII. Other Business. The Annual Meeting was scheduled for Tuesday, July 5, 2016, at 9:00AM. The meeting will be held in the Fireplace Room at the CVC Clubhouse.

VIII. Financial Review. Marsha Bjornson, bookkeeper, prepared the current (as of March 31, 2016) financial reports and Dan McNeill presented them to the Board. According to the Balance Sheet, the association currently has \$539,203.76 in total assets, including \$250,977.46 in the Colorado Community Bank savings account, \$5961.37 in the FirstBank checking account and \$245,270.64 in the FirstBank savings account. There is \$2012.99 in prepaid expenses and \$34,981.30 in accounts receivable.

As of the date of the meeting, accounts receivable total \$28,853, \$20,864 of which is the annual Club Impact Fee. Demand letters have been sent to five

owners who still owe their annual dues of \$1250, due and payable by January 31st of each year. Late fees and interest have been added to these accounts, according to the Collections Policy.

The current balance in the Capital Improvement Fund is \$94,321.45 and there is an additional \$62,490.00 in Working Capital Reserves. RETA income totals \$22,200 through March 31st.

The Profit and Loss Statement reveals that year-to-date income totals \$181,829. Operating expenses total \$17,737 for the first three months of the year; this compares with budgeted expenses of \$18,814.

VIII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 11:50AM.

Respectfully submitted,

Secretary to the Meeting