

**CORDILLERA PROPERTY OWNERS ASSOCIATION
MINUTES
SPECIAL MEETING
Monday, 6 October 2008
ADMINISTRATION BUILDING
0408 CARTERVILLE ROAD, CORDILLERA, COLORADO**

The Special Meeting of the Board of Directors of the Cordillera Property Owners Association (CPOA) was called and held on Monday, 6 October 2008, in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE

Present: Elise Micate, President
Rick Smith, Vice President
Glenn Bourland, Vice President (excused)
Frederick C.C. Boyd, Secretary
Roger Magid, Treasurer

ALSO PRESENT CMD Board Members: Nancy Alexander, Lois Bruce, Nanette Kuich (excused), Ellen Mitchell, Ken Ulickey

Erin Buckley, Executive Assistant; Jon Erickson, Finance Manager, Steve Thompson, Financial Consultant; Bob Trautz, Financial Consultant, and Joe Wilson, General Manager.

CALL TO ORDER Director Micati called to order a Special Meeting of the Cordillera Property Owners Association at 9:39 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATION

Director Micati noted for the record a quorum was present for the purpose of doing the business of Cordillera Property Owners Association.

DISCLOSURE MATTERS

No conflicts of interest were noted.

APPROVAL OF AGENDA

Upon motion duly made and seconded, the Board
Approved the agenda with requested change.

CMD/CPOA BUDGET OVERVIEW

Staff presented a revenue vs. expenditure 2009 budget overview for CPOA/CMD. Staff indicated the following:

1. 2008 Assessed Valuation for taxes to be collected in 2009 went up 1.13% for CMD consolidated, CMD and CMMD Debt service districts.
2. General Operations property tax is budgeted to increase 5.3%.

Minutes of the Special Meeting of the Cordillera Property Owners Association held Monday, 6 October 2008

3. CMD debt service property tax decreasing 5.1% and CMMD debt service property tax decreasing 5.1%.
4. CPOA Assessments - \$1,040 per lot, \$40, cash discount. \$1.2 million budgeted for RETA revenue.
5. The 2009 budget uses \$99,157 in fund balance to fund expenditures, \$8,822 increase in CMD and \$107,979 from CPOA and leaves a combined available fund balance of \$538,181.
6. The available fund balance excludes the Vail Club, Equestrian Center, Water Fund, CMD /CMMD Debt Service Funds, and Reserve fund balances.
7. Total Mill levies decreasing as follows.

	2009 Proposed			2008 Total Levy	Decrease Mills Levied
	Operations Mill Levy	Debt Mill Levy	Total Levy		
CMD	22.930	21.676	44.606	45.164	0.558
CMMD	22.930	35.532	58.462	59.205	0.743

8. Operating Expenses for the General Fund are budgeted to increase 3.1% over the 2008 budget and 3.4% compared to the projected 2008 actual.
9. Wages are budgeted to increase 6% and include 1 additional employee for a Healthy Forest, Project Manager. Department Head & Management (new in 2009) bonuses have been budgeted at 15% and 10%, respectively, and based on an 80% payout rate.

CPOA BUDGET REVIEW HIGHLIGHTS

Staff presented budget review highlights for CMD. Staff indicated the following:

1. Assessment Revenue – 2009 Budget of \$860,000. Dues remain unchanged from 2008 at \$1,040 per property. If paid in cash or check by January 31 the assessment is discounted by \$40. We estimate 150 assessments will be paid by credit card and/or by installments in 2009
2. RETA Revenue – 2009 Budget of \$1.2 million is down \$300,000 or 20% from the 2008 Projected Actual of \$1.5 million, \$800,000 or 40% from the original budget for 2008, and \$1.5 million or 55.6% from the actual 2007. This decline has reduced the level of Capital Project and Marketing expenditures for the 2009 fiscal year.
3. Interest Income - 2009 Budget of \$47,000 is down \$27,300 or 36.7% from the 2008 Projected Actual of \$74,300...due to lower fund balances coupled with lower interest rates.
4. Vail Club Revenues – 2009 Budget of \$559,940 is relatively unchanged from the 2008 Projected Actual of \$563,000.
5. Legal Fees – 2009 Budget of \$30,000 is down \$6,000 or 16.7% from 2008 Projected Actual of \$36,000...expect less costs associated with Market tenant and Mountain Pine Beetle
6. Cordillera Post Office & Market - 2009 Budget of \$43,828 is up \$4,035 or 10.1% from 2008 Projected Actual of \$39,793...for increased utilities cost and increased service fees

Minutes of the Special Meeting of the Cordillera Metropolitan District held Monday, 6 October 2008

7. Other Operating Expenses – Vail Club - 2009 Budget of \$528,974 is down \$98,621 or 15.7% from 2008 Projected Actual of \$62,595...savings from landlord assessment member services and entertainment and less marketing and legal due to near sell out of memberships
8. The 2009 CPOA initial draft budget includes \$258,421 for projects and programs. Note that there is currently \$0 budgeted as a transfer to CMD for 2009 projects.
9. Major Projects Include:
 - Wildfire/Mountain Pine Beetle Mitigation, \$54,827
 - River Parcel and Pond Improvements, \$3,500
 - Marketing, \$200,094 (net of partner contributions)
10. The 2009 budget includes \$350,489 in debt service for the Chaveno Bonds and \$274,511 for the contribution to the sinking fund to level the debt service on the Chaveno bonds.
11. The 2009 budget uses \$107,979 in fund balance and leaves the CPOA with a fund balance of (\$97,872) in the Operating Fund, (\$45,313) in the Vail Club Fund, and \$1,615,527 in the Capital/Debt Service Reserve.

The Board requested Staff:

1. Consult with Legal Counsel regarding mill levy increases vs. debt service (CMD)
2. Verify the increase in Medicare/Unemployment (CMD)
3. Provide final costs for life/health insurance (CMD)
4. Change deep cleaning budget for Admin Building to twice a year (CMD)
5. Move salary for Wildfire Project Manager to CMD budget (CPOA)
6. Reflect Marketing decrease in budget (CPOA)
7. Provide an update on tax exempt process (CPOA)
8. Move Paramonte figures in 10-year model to 2012 (CPOA/CMD)
9. Model 2011 figures in 10-year model after 2008 (CPOA/CMD)
10. Model 2010 figures in 10-year model after 2009 (CPOA/CMD)
11. Provide all Board Members summary of budget changes before Treasurer's Meeting (CPOA/CMD)

Executive Session

An executive session was not held.

ADJOURNMENT

There being no further information to come before the Board, the meeting was adjourned.

Upon motion duly made and seconded, the Board unanimously agreed to

Adjourn the meeting of the Cordillera Property Owners Association Board of Directors at 12:26 p.m. on Monday, 6 October 2008.

Respectfully submitted,

Erin Buckley
Executive Assistant