



December 3, 2010

RE: Cordillera Valley Club Property Owners Association
Member Meeting – Tuesday, December 28, 2010

Dear Homeowners and Property Owners:

Pursuant to the By-Laws of the Cordillera Valley Club Property Owners Association, enclosed is a written notice that the Member Meeting of the Association has been scheduled for 9:00 a.m., local time, Tuesday, December 28, 2010 at the 9 Iron Grill, Cordillera Valley Club, located at 0101 Legends Drive, Edwards, Colorado.

Enclosed are the meeting notice and agenda, a proxy, the member meeting Minutes from July 6, 2010, and the October 31, 2010 financial report that includes the Association's 2011 Budget.

If you will not be attending this meeting and would like your vote represented by some other person, who will be attending, you may complete and return the enclosed proxy. Please fill in all areas including the appointed person's name and sign and date the proxy. You may designate anyone you wish to serve as your proxy or you may contact one of the existing board members, Wally Carey (970) 926-2612 or Rick Pirog (970) 390-0608 if you would like one of them to serve as your proxy. Please return the proxy to our office and we will ensure the proxy is presented to the appointed person the day of the meeting. The mailing address for the proxy is:

Cordillera Valley Club Property Owners Association
c/o Robertson & Marchetti, P.C.
28 Second Street, Suite 213
Edwards, CO 81632

Sincerely,
Cordillera Valley Club Property Owners Association

Cheri Curtis
Administrator



**CORDILLERA VALLEY CLUB PROPERTY OWNERS
ASSOCIATION
NOTICE OF MEETING OF MEMBERS
TO BE HELD DECEMBER 28, 2010**

Notice is hereby given that a meeting of the Members of Cordillera Valley Club Property Owners Association (the "Association") has been called by the President of the Association pursuant to Section 4.1 of the Bylaws of the Association. It will be held at the 9 Iron Grill located at 0101 Legends Drive, Edwards Colorado on December 28, 2010, at 9:00 a.m., local time, for the following purposes:

AGENDA

1. Roll Call; Determination of Quorum; Waiver of Notice – 9:00 a.m.
2. Statement of Compliance with Notice Procedures – 9:05 a.m.
3. Approval of Minutes of the July 6, 2010 Member Meeting – 9:10 a.m.
4. President's Comments – 9:15 a.m.
5. Cordillera Transition Corporation – 9:25 a.m.
6. Report Regarding Construction of Berm– 10:00 a.m.
7. West Gate Security Update – 10:30 a.m.
8. DRB Report – 10:45 a.m.
9. Real Estate Report – 11:00 a.m.
10. Financial Report and 2011 Budget – 11:15 a.m.
11. Public Safety and Community Operations Reports -11:30 a.m.
12. Other Business – 11:45 a.m.
13. Adjournment – 11:55 a.m.

RECORD OF PROCEEDINGS

Minutes of the Member Meeting of Cordillera Valley Club Property Owners Association July 6, 2010

A Member Meeting of the Cordillera Valley Club Property Owners Association, a Colorado non-profit corporation, was held July 6, 2010 at 9:00 a.m., at the Chaparral Restaurant, 0101 Legends Drive, Edwards, Eagle County, Colorado, in accordance with the Association's By-laws and the applicable statutes of the State of Colorado.

Attendance The following Directors were present:

- Walter Carey
- Tim Benedickt
- Bob Engleby
- Tom Marcin

Also in attendance were:

- See attached list

Call to Order The Member Meeting of the Cordillera Valley Club Property Owners Association was called to order by the President on July 6, 2010, at 9:00 a.m.

Declaration of Quorum According to the Bylaws of the Association, the presence in person or by proxy of ten percent of the total number of votes entitled to be cast at the meeting constitutes a quorum. Mr. Marchetti reported that 43 of 128 lots were represented either in person or by proxy so a quorum was represented at the meeting. It was reported for the record by Mr. Marchetti that proper notice had been duly sent on June 1, 2010 to all members of the Association in accordance with the requirements of the Bylaws.

Minutes Mr. Carey informed the members that the minutes from the December 29, 2009 annual meeting were distributed with the meeting packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the minutes from the December 29, 2009 member meeting as presented.

Club Report Patrick Wilhelm presented the changes implemented at the Club at Cordillera in the prior year since the Wilhelm Family Partnership purchased the Club. Public and employee play on the golf course is being restricted. The quality of the Club has been improved along with the menu at the restaurants including the 9 Iron Grill.

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association July 6, 2010 Member Meeting Minutes

Memberships and dues are decreasing throughout the golfing industry. Mr. Wilhelm reported they would like to have every property owner in Cordillera participate in the Club through some type of membership. The Wilhelm Family Partnership is creating multi-club memberships and pursuing acquiring additional golf clubs to make membership in the Club at Cordillera more attractive.

Debbie Shields stated she is not a golfer or a member of the Club. She questioned changing the rules to require everyone to obtain a membership in the Club. Bill Mimeles questioned how CVC will compete with other private golf club communities if membership is required. Currently 65% of the property owners are not members of the Club leaving only 35% as either golf or social members of the Club.

Mr. Judge explained the need for cooperation between the Club, the District, and the Association to complete improvements throughout CVC. He indicated there would need to be a financial agreement between the partners to determine how all residents would benefit from membership. Discussion followed on requiring membership in the Club. Mr. Carey stated the members will be given the opportunity to provide input regarding the process for membership and benefits before a decision is made.

John Batts questioned how the Club requiring membership could affect property values in CVC. He suggested The Club clear memberships to allow others to purchase memberships. Ms. Shields suggested making the social memberships affordable to residents who do not want to be a member of the Club and have golf privileges. Mr. Carey reiterated the need to have all members be part of the "Cordillera" brand.

Berm Update

Mr. Carey reported agreements with the Club have been drafted for the berm easements, irrigation and maintenance. CVC has received approval from Eagle County for the PUD amendment which will permit construction of the berm. The berm has been redesigned and the architect is working on issues related to landscaping, west end noise abatement, and the overall design. Plans are being developed for improvement for the west gate area to increase security.

John O'Brien is working with Rick Adams and Todd DeJong from Lone Star Security to improve the security system to allow CVC full control of the CVC gates.

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association
July 6, 2010 Member Meeting Minutes

Water Tank

Upper Eagle Regional Water Authority (UERWA) is building a two million gallon water tank adjacent to CVC. The larger tank will be buried and will provide better water supply and fire protection. There are approved landscaping plans to re-vegetate the construction area.

CVC requested impact fees from UERWA. The easement rights were challenged in court by UERWA. A judge ruled UERWA has easement rights, with no compensation required. The case was dismissed without prejudice regarding legal fees. UERWA is working with CVC to accommodate construction schedules and landscaping requirements. Construction will be minimized during golfing events. There are biweekly construction meetings plus updates on construction improvements are provided on the UERWA website.

Mr. Wilhelm left the meeting.

Real Estate Report

Mr. Pirog distributed real estate information to residents that includes home sites and properties on the market in both CVC and Cordillera along with completed transactions. Property sales to date have exceeded property sales in 2009 by almost double.

Mr. Pirog reviewed the CVC property transactions from 2006 to 2010. There have already been four property sales in CVC in 2010 with one home site sale. There are currently twenty-two homes on the market in CVC, with an additional three or four properties anticipated to come on the market later this year.

DRB Report

Ms. Lord-Johnson reported DRB activity continues to be slow. Most submittals are related to landscaping. Letters were sent out to most property owners related to covenant violations. Follow-up letters are scheduled to be mailed in mid-July. Residents were invited to attend the August DRB meeting.

DRB has recommended signage and lighting improvements for the Community along with landscaping updates. It was noted weeds are the predominate problem.

The CVC dog requirements state that a property owner is allowed two dogs with a small dog run with the location and material for the dog run needing DRB approval. Leash laws are in effect.

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association July 6, 2010 Member Meeting Minutes

Regarding the Weber property which was under construction but for which construction was terminated, the excavation hole has been filled and the revegetation has been completed.

Access to the pond for fishing is available with parking at the golf maintenance facility. Lone Star Staff reported they monitor pond usage to ensure that it is only by Cordillera residents/property owners.

Ms. D'Agostino gave a report on the lighting and signage update project in CVC. Mr. Benedickt reported the existing lights are becoming a maintenance liability. Test lights have been ordered and the Board requested resident's input after the test lights have been installed.

Ms. D'Agostino presented the plans to increase security for the west gate improvements showing the three different areas of the project. The project includes a temporary fence that will tie into the CDOT wildlife fence, tire spikes for the exit gate, and a holding area with lights, call-box, and a second gate for the entrance side that will prohibit a second vehicle from following the first vehicle through the gate.

Mr. Carey clarified that only CVC residents and Cordillera Club members are allowed to enter through the west gate. All others would need to enter CVC through the main gate. There will be a call box for bicycles. The project was not included in the original budget and the Board is looking for funding for the project.

Financial Report

Mr. Marchetti presented the financial report. This report shows the combined year-to-date financial statements through May 31, 2010 for CVC Metropolitan District and CVC POA. Audited financial statements for CVC Metro District will be available on the web site upon completion.

Mr. Marchetti reviewed the revenues and expenses, noting the real estate transfer assessments have increased over the budgeted amount but are still very low compared to prior years. The capital projects were reviewed.

Mr. Marchetti distributed information on property tax values and the impacts to individual homeowners.

Ballot Initiatives

Mr. Marchetti stated Proposition 101, and Amendments 60 and 61 are statewide initiatives that will be on the November ballot. It is commonly believed the initiatives are presented by Douglas Bruce, who is an ardent tax protester in the State of Colorado.

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association July 6, 2010 Member Meeting Minutes

Proposition 101 would eliminate the specific ownership tax on automobiles and would require that the State tax rate be reduced from a rate of 4.63 % to 3.5%.

Amendment 60 is a constitutional amendment and relates to property taxes. State School Districts will be required to cut their operating property taxes in half if this amendment passes.

Amendment 61 would change the definition of debt for governmental entities and all debt would be restricted to a ten year repayment schedule which would make many public projects unattainable.

Election of Directors

The Board term of Ms. McDevitt is up for reelection. The meeting was opened for nominations and Art Greenfeder was nominated. There being no further nominations, the floor was closed to nominations. Upon motion duly made and seconded, it was unanimously

RESOLVED to elect Mr. Art Greenfeder to a three year term which will expire in 2013.

Other Business

Mr. Chain reported for the Golf Committee that the Club has been easy to work with and the improvements are positive.

Adjournment

There being no further business to come before the meeting, upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Member Meeting of the Cordillera Valley Club Property Owners Association this 6th day of July, 2010.

Respectfully submitted,

Cheri Curtis
Secretary for the Meeting

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association July 6, 2010 Member Meeting Minutes

Members in Attendance:

- Sarah Baker 1914 Beard Creek Trail
- John Batts 1710 Beard Creek Trail
- Jack & Judith Chain 0142 Spring Creek Lane
- Stanley Dickerson 0349 Legends Drive
- Emilie Egan 0010 Sanctuary Lane
- John Forester 0297 Legends Drive
- Catherine Gassman 1912 Beard Creek Trail
- Arthur Greenfeder 1225 Beard Creek Trail
- Brian Judge 0106 Juniper Lane
- Theodore Leach 0154 Legacy Trail
- ML Standine 0232 Legends Drive
- John Messervey 0322 Legacy Trail
- William Mimeles 1916 Beard Creek Trail
- Joseph Morten 0235 Legacy Trail
- Rick Pirog 0335 Legends Drive
- John Bone 0003 Sanctuary Lane
- Deborah & Robert Shields 0062 Elk Run
- Sharon Watson 0666 Beard Creek Trail

Members Present by Proxy

- Joseph Billig 0289 Legends Drive
- Fred Conforti 2 Lots Represented
- Robert Hahn 2 Lots Represented
- Jan Helen 1846 Beard Creek Trail
- Mark & Michele Hellerstein 1165 Beard Creek Trail
- Peter Kyle 0941 Beard Creek Trail
- Longboat West 2 Lots Represented
- Robert & Cheryl Mellman 0013 Sanctuary Lane
- Judith Meredith 0161 Legacy Trail
- Daniel Meyer 0321 Legends Drive
- Roger O'Steen 2 Lots Represented
- Sue Rushmore 0064 Wilmore Drive
- Keith & Leesa Samuels 0392 Legacy Trail
- David Schlendorf 0011 Sanctuary Lane
- Craig and Christy Smith 0094 Juniper Lane
- Larry & Linda Vande Garde 1334 Beard Creek Trail
- Paul Wible 0291 Legacy Trail

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association
July 6, 2010 Member Meeting Minutes

Others in Attendance:

- Patrick Wilhelm, Managing Partner of the Club
- Robertson & Marchetti, P.C.
Ken Marchetti, & Cheri Curtis
- Operations & Security Personnel
Dan Carlson, Rick Adams, Todd DeJong
- VAg, Inc
Stephanie Lord-Johnson & Christy D'Agostino

SUBJECT TO APPROVAL

ROBERTSON & MARCHETTI, P.C.

Certified Public Accountants

December 3, 2010

Board of Directors
Cordillera Valley Club Property Owners Association

I have compiled the accompanying balance sheet of Cordillera Valley Club Property Owners Association as of **October 31, 2010** and the related statement of revenues, expenditures and changes in fund balance with budgets for the **ten month** period then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I also compiled the accompanying amended budget and forecast of revenues, expenditures and changes in fund balance for calendar year 2010 and the adopted budget for 2011 and the forecast for 2012, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation of historical financial statements is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

A compilation of a forecasted financial statement is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. I have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying forecasted statement or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. I have no responsibility to update this report for events or circumstances occurring after the date of this report.

Management has elected to omit substantially all of the disclosures and the statement of cash flows as of **October 31, 2010**, required by generally accepted accounting principles. Management has also elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures and statement of cash flows were included in the historical financial statements and if the summary of significant accounting policies were included in the budget and forecast, they might influence the user's conclusions about the Association's historical financial position, results of operations, and cash flows and the forecasted results of operations and fund balances. Accordingly, the historical financial statements and forecast are not designed for those who are not informed about such matters.

I also compiled the accompanying 2009 historical financial statements of the Association and my report thereon stated that I did not audit or review those financial statements and, accordingly, expressed no opinion or other form of assurance on them. The report noted that management had elected to omit substantially all disclosures and the statement of cash flows, and if these omissions had been included, they might influence the user's conclusions about the Association's 2009 financial position, results of operations, and cash flows. Accordingly, the 2009 financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Cordillera Valley Club Property Owners Association

ROBERTSON & MARCHETTI, P.C.



Kenneth J. Marchetti, CPA
President

**Cordillera Valley Club Property Owners Association
Balance Sheets**

For the Dates Indicated Below

Printed: 12/03/10

	<u>12/31/09</u>	<u>10/31/10</u>
Current Assets		
Cash - Unrestricted Portion		
Cash - Checking FBOA	61	24
Cash - Petty Cash Checking	1,606	1,606
Cash - Savings FBOA	45,949	119,011
Cash - Savings Wells Fargo	0	0
Cash - Restricted Portion		
Cash - Savings FBOA	65,700	20,700
Total Cash in Banks	<u>113,316</u>	<u>141,341</u>
Accounts Receivable		
Assessments Receivable	13,053	8,625
Due from CVCMD	0	0
Gate Damage Receivable	0	0
Receivable from Developer	0	0
Other Accounts Receivable	0	0
Allowance for Doubtful Accounts	0	0
Total Accounts Receivable	<u>13,053</u>	<u>8,625</u>
Other Current Assets		
Prepaid Expenses	2,403	0
Total Other Current Assets	<u>2,403</u>	<u>0</u>
Total Current Assets	<u>128,772</u>	<u>149,966</u>
Property, Plant & Equipment		
Equipment	0	0
Accumulated Depreciation	0	0
Total Property, Plant & Equip.	<u>0</u>	<u>0</u>
Total Assets	<u>128,772</u>	<u>149,966</u>
Liabilities and Fund Equity		
Current Liabilities		
DRB Deposits	65,700	20,700
DRB Deposits Contra Account	(6,526)	(7,402)
DRB Interest Payable	0	0
Deferred Assessments	0	0
Accounts Payable	24,046	10,201
Accrued Liabilities	0	0
Accrued Payable - SQMD	0	0
Petty Cash Clearing Account	0	0
Due To SQMD	0	0
Total Liabilities	<u>83,219</u>	<u>23,499</u>
Fund Equity		
Working Capital Contributions	63,300	63,050
Fund Balances	(17,748)	63,417
Total Fund Equity	<u>45,552</u>	<u>126,467</u>
Total Liabilities and Fund Equity	<u>128,772</u>	<u>149,966</u>
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See accompanying accountant's report.

Cordillera Valley Club Property Owners Association
Statement of Revenues Expenditures and Changes in Fund Balance
Actual, Budget and Forecast for the Periods Indicated

Printed: 12/03/10

	2009	2010 YTD			2010 Annual				2011	2012
	Actual Thru 12/31/09	Budget Thru 10/31/10	Actual Thru 10/31/10	Variance Favorable (Unfavor)	2010 Amended Budget	2010 Remaining Budget	2010 Forecast Budget	2010 Variance Fav (Unfav)	Adopted Budget	Forecast
Operating Fund										
Revenues										
Regular Assessments	192,000	192,000	192,000	0	1,500		1,500		1,500	1,500
Special Assessments		0		0	192,000		192,000		192,000	192,000
RE Transfer Assessments	223,280	216,000	189,008	(26,992)	216,000	(26,992)	324,408	108,408	200,000	200,000
Design Review Fees	800	958	1,550	592	1,150	400	1,550	400	0	2,000
Club Impact Fee	26,863	27,938	27,938	0	27,938	0	27,938	0	29,056	29,927
Interest Income - Operating	3,153	985	865	(120)	1,182	(317)	1,182	0	1,200	1,200
Developer Settlement		59,272	59,272	0	59,272	0	59,272	0	0	-
Guidelines/Fines/Other Revenue	3,146	417	9,902	9,486	500	9,402	9,902	9,402	500	500
Total Revenues	449,243	497,570	480,535	(17,035)	498,042	(17,507)	616,252	118,210	422,756	425,627
Administrative Expenses										
Accounting, Admin & Management	33,497	28,750	27,725	1,025	34,500	6,775	34,500	0	34,500	34,500
Audit/Tax Prep Fees	650	650	0	650	650	650	650	0	650	670
Bad Debts Expense	0	0	0	0	0	0	0	0	0	-
Bank Charges	2,280	2,400	2,445	(45)	2,400	(45)	2,530	(130)	2,400	2,472
Community Marketing	24,000	24,000	24,000	0	24,000	0	24,000	0	24,000	24,720
Homeowner Relations	117	417	0	417	500	500	500	0	0	-
Income Tax Expense	717	900	0	900	900	900	0	900	300	309
Ins Expense, incl. D&O Liab.	2,383	2,625	2,403	222	2,625	222	2,625	0	2,625	2,704
Legal Fees	15,200	10,000	5,193	4,807	12,000	6,807	8,000	4,000	8,000	8,000
Meeting Expenses	351	583	604	(21)	700	96	700	0	700	721
Office Supplies & Expense	1,457	2,558	2,646	(88)	3,070	424	3,070	0	1,500	1,545
Total Administrative Exp.	80,652	72,883	65,015	7,868	81,345	16,330	76,575	4,770	74,675	75,640
DRB Expenses										
DRB Submittals	4,606	767	3,110	(2,343)	1,023	(2,087)	3,200	(2,177)	0	-
DRB Minor Modification	1,480	1,826	4,138	(2,312)	2,435	(1,703)	4,200	(1,765)	0	-
DRB General Overhead	14,412	9,000	12,040	(3,040)	12,000	(40)	12,040	(40)	0	-
DRB Special Projects	7,632	0	3,593	(3,593)	0	(3,593)	3,593	(3,593)	0	-
Covenant Enforcement & General	1,847	4,500	464	4,036	6,000	5,536	6,000	0	3,600	3,708
Rewrite DRB Guidelines		0	0	0	0	0	0	0	0	-
POA Meeting Updates	4,142	1,800	5,341	(3,541)	2,400	(2,941)	5,400	(3,000)	2,400	2,472
DRB Storage	2,400	1,800	1,800	0	2,400	600	2,400	0	1,200	1,236
DRB Landscape Architect Consultant Fees		0	0	0	0	0	0	0	0	-
DRB - Director Fees	2,025	1,688	975	713	2,250	1,275	1,350	900	2,250	2,318
DRB - Meeting Expenses	958	1,500	0	1,500	2,000	2,000	2,000	0	0	-
Legal Fees	1,283	1,000	951	49	1,500	549	1,500	0	1,000	1,030
Total DRB Expenses	40,785	23,881	32,412	(8,531)	32,008	(404)	41,683	(9,675)	10,450	10,764
Public Safety										
Public Safety		0		0	4,000	4,000	4,000	0	4,000	4,120
Payment to MD for Public Safety	258,128	198,224	148,668	49,556	198,224	49,556	198,224	0	188,313	193,962
Total Public Safety	258,128	198,224	148,668	49,556	202,224	53,556	202,224	0	192,313	198,082
Community Operations										
Recreation/Fishing	1,815	2,724	2,724	0	2,724	0	2,724	0	2,750	2,833
Community Operations Bonus	7,830	0	0	0	0	0	0	0	0	-
Total Community Ops Exp	9,645	2,724	2,724	0	2,724	0	2,724	0	2,750	2,833
Capital/Project Expenditures & Xfers										
Water Tank Expenses-Engineering	6,355	7,281	7,281	0	7,281	0	7,281	0		
Water Tank Expenses-Architectural	8,070	20,448	20,448	0	20,448	0	20,448	0		
Water Tank Expenses-Legal G&H	1,825	61,683	61,683	0	61,683	0	61,683	0		
Water Tank Expenses-Legal S&H	2,779	11,138	11,138	0	11,138	0	11,138	0		
Water Tank Expense Reimbursement	0	0	0	0	0	0	0	0		
Recreation Path Requirement per PUD		0	0	0	0	0	0	0		
Garden/Water Feature		0	0	0	0	0	0	0		
Open Space/Fishing Rights	0	0	0	0	0	0	0	0	0	
Transfer RETA for operations	0	0	0	0	0	0	0	0	0	
CTC Line of Credit Funding ⁽¹⁾									130,000	
Transfer RETA for Capital	10,000	50,000	50,000	0	50,000	0	52,500	(2,500)	20,000	100,000
Total Capital Expenditures	29,028	150,551	150,551	0	150,551	0	153,051	(2,500)	150,000	100,000
Total Expenditures	418,238	448,263	399,370	48,893	468,852	69,482	476,257	(7,405)	430,188	387,319
Excess of Revenues over Exp. After Capital	31,005	49,307	81,165	31,858	29,190	51,975	139,995	125,615	(7,432)	38,309
Beginning Fund Balance	(48,753)	(17,748)	(17,748)	0	(17,748)	0	(17,748)	0	122,247	114,815
Ending Fund Balance	(17,748)	31,559	63,417	31,858	11,442	51,975	122,247	125,615	114,815	153,123

See accompanying accountant's report.

(1) While this item is being budgeted, it is not authorized for expenditure without further approval of the Board.

ROBERTSON & MARCHETTI, P.C.

Certified Public Accountants

December 3, 2010

Board of Directors
Cordillera Valley Club Metropolitan District

I have compiled the accompanying balance sheet of Cordillera Valley Club Metropolitan District as of **October 31, 2006** and the related statement of revenues, expenditures and changes in fund balance with budgets for the **ten month** period then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I also compiled the accompanying amended budget and forecast of revenues, expenditures and changes in fund balance for calendar year 2010 and the adopted budget for calendar year 2011 and the forecast for calendar year 2012, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation of historical financial statements is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

A compilation of a forecasted financial statement is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. I have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying forecasted statement or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. I have no responsibility to update this report for events or circumstances occurring after the date of this report.

Management has elected to omit substantially all of the disclosures as of **October 31, 2010** required by generally accepted accounting principles. Management has also elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the historical financial statements and if the summary of significant accounting policies were included in the budget and forecast, they might influence the user's conclusions about the District's historical financial position and results of operations and the forecasted results of operations and fund balances. Accordingly, the historical financial statements and forecast are not designed for those who are not informed about such matters.

The actual historical information for calendar year 2009 is presented for comparative purposes only. Such information is taken from the financial statements for the District which have been audited by Chadwick, Steinkirchner, Davis and Co., P.C. and upon which they expressed an unqualified opinion in their report dated July 21, 2010.

I am not independent with respect to Cordillera Valley Club Metropolitan District

ROBERTSON & MARCHETTI, P.C.



Kenneth J. Marchetti, CPA
President

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT
 BALANCE SHEET - ALL FUNDS
 ALL FUND TYPES AND ACCOUNT GROUPS
 For the Dates Indicated Below

Printed:
 12/03/10

	2009 Combined Actual	10/31/10		
		General Fund	Fixed Assets & Debt	Total 10/31/10
Assets				
Checking - First Bank	501	35		35
Money Market - First Bank		0		0
Colostrust - Savings	175,501	301,631		301,631
Petty Cash Checking - First Bank	700	700		700
Investment Pooled Cash	0	0		0
Accounts Receivable - Other	5,492	1,810		1,810
Accounts Receivable - Developer				0
Due from County Treasurer	1,416	0		0
Property Tax Receivable	648,949	13,220		13,220
Prepaid Expense - Snow Removal	0	0		0
Prepaid Insurance	3,916	0		0
Assets - Equipment	22,759		22,759	22,759
Assets - Construction in Progress	613,123		613,123	613,123
Assets - Landscape Improvement	623,674		623,674	623,674
Assets - Vehicle	27,346		27,346	27,346
Accumulated Depreciation	(213,903)		(213,903)	(213,903)
District Organization Costs, Net	0		0	0
Bond Issue Costs, Net	5,519		5,519	5,519
Total Assets	1,914,994	317,396	1,078,518	1,395,914
Liabilities				
Accounts Payable - GF	6,029	13,792		13,792
Account Payable - CVCPOA	555	0	0	0
Accrued Interest Payable	1,966		1,966	1,966
Deferred Property Tax	648,949	13,220		13,220
LT Debt - Bond Payable	114,539		97,444	97,444
Wells Fargo Note Payable	0		0	0
Total Liabilities	772,038	27,012	99,410	126,422
Net Assets				
Investment in Fixed Assets, Net	1,078,518		1,078,518	1,078,518
Net of Long-term debt	(116,505)		(99,410)	(99,410)
Fund Balance	180,943	290,384		290,384
Total Net Assets	1,142,956	290,384	979,108	1,269,492
Total Liabilities and Fund Equity	1,914,994	317,396	1,078,518	1,395,914
	=	=	=	=

See Accompanying Accountant's Report.

Cordillera Valley Club Metro District
Statement of Revenues, Expenditures and Fund Balance
Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

	2009	2010 YTD			2010 Annual				2011	2012
	Actual 12/31/09	YTD Budget 10/31/10	YTD Actual 10/31/10	Variance Favorable (Unfavor)	2010 Amended Budget	2010 Remaining Budget	2010 Forecast Budget	2010 Variance Fav (Unfav)	Adopted Budget	Forecast
General Fund										
Revenues										
Beginning Assessed Value										25,016,480
New Construction										(6,254,120)
Valuation Changes										
Ending Assessed Value	20,865,150		0		25,957,960		25,957,960	0	25,016,480	18,762,360
Operating Mill Levy Rate					25.000		25.000		25.000	25.000
Temp Mill Levy Credit										
Debt Service Mill Levy					0.000		0.000		0.000	1.180
Total Mill Levy	0.000	0	0	0	25.000		25.000	0	25.000	26.180
Property Taxes - Operations	519,972	635,970	635,729	(241)	648,949	(13,220)	648,949	0	625,412	469,059
Property Taxes - Debt Service						0			0	22,136
Specific Ownership Taxes	21,197	16,500	16,530	30	22,000	(5,470)	22,000	0	21,889	19,648
Other Income	0	0	19,894	19,894	19,894	0	19,894	0		
Interest Income - Operating	1,729	3,917	4,654	737	4,700	(46)	4,700	0	7,200	10,467
Payment from CVCPOA	258,128	148,668	148,668	0	198,224	(49,556)	198,224	0	188,313	193,962
Xfer RETA (for operations)	0	0	0	0	0	0	0	0	0	0
Xfer RETA (for Capital)	10,000	52,500	50,000	(2,500)	52,500	(2,500)	52,500	0	20,000	100,000
Total Revenues	811,026	857,555	875,476	17,921	946,267	(70,791)	946,267	0	862,814	815,272
Administrative Expenses										
Accounting, Admin & Mgmt	35,574	38,667	37,662	1,005	44,000	6,338	44,000	0	38,000	38,000
Audit	5,750	5,750	5,750	0	5,750	0	5,750	0	6,000	6,180
Dues & Subscriptions	771	527	527	0	527	0	527	0	900	927
Elections	0	9,461	8,830	630	12,614	3,784	12,614	0	0	2,000
Ins Expense, incl Govt Officials	3,511	3,916	3,916	0	3,916	0	3,916	0	4,000	4,120
Legal Fees	1,190	5,500	5,708	(208)	6,600	892	6,600	0	6,600	6,600
Meeting Expenses	2,248	2,000	1,386	614	2,400	1,014	2,400	0	2,400	2,472
Office Supplies & Expense	236	2,083	1,466	617	2,500	1,034	2,500	0	3,000	3,090
Treasurer's Fees	15,684	19,079	19,199	(120)	19,468	269	19,468	0	18,762	14,736
Total Administrative Exp.	64,964	86,983	84,445	2,538	97,775	13,331	97,775	0	79,662	78,125
Public Safety										
Gate House Staffing & Patrols	382,797	330,374	332,914	(2,541)	396,449	63,534	396,449	0	376,626	387,925
Vehicle Operating Expense	2,794	1,026	1,025	0	1,026	0	1,026	0		0
Total Public Safety	385,591	331,399	333,939	(2,540)	397,474	63,535	397,474	0	376,626	387,925

See accompanying accountant's report.

Cordillera Valley Club Metro District
Statement of Revenues and Expenditures
Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

General Fund (Continued)	2009	2010 YTD			2010 Annual				2011	2012
	Actual 12/31/09	YTD Budget 10/31/10	YTD Actual 10/31/10	Variance Favorable (Unfavor)	2010 Amended Budget	2010 Remaining Budget	2010 Forecast Budget	2010 Variance Fav (Unfav)	Adopted Budget	Forecast
Community Operations:										
Landscaping - Turf Area Maintenance	18,812	18,845	17,365	1,480	18,845	1,480	18,845	0	16,960	17,469
Landscaping - Flowers Maintenance	33,900	34,150	34,150	0	34,150	0	34,150	0	30,750	31,673
Lights, Signs, Guardrails, & Fences	5,167	3,500	3,320	180	4,200	880	4,200	0	8,000	8,240
Holiday Lights	8,478	4,240	3,379	861	8,480	5,101	8,480	0	8,723	8,985
Recreation	0	0	0	0	1,500	1,500	1,500	0	1,500	1,545
Walls & Planters Maintenance	0	5,417	6,500	(1,083)	6,500	0	6,500	0	6,000	6,180
Road Maintenance	15,699	2,400	1,279	1,121	2,400	1,121	2,400	0	10,500	10,815
Road Asphalt Patch & Crack Seal	13,494	19,912	19,912	0	19,912	0	19,912	0	20,000	20,600
Road & General Engineering	9,771	4,167	1,099	3,068	5,000	3,901	5,000	0	5,000	5,150
Engineering - Special Projects	259	7,325	5,118	2,207	7,325	2,207	7,325	0	5,000	5,150
Engineering - PUD Mapping	0	6,615	6,615	0	6,615	0	6,615	0	0	0
Snow Plowing Contract	24,400	17,640	16,800	840	25,200	8,400	25,200	0	20,000	20,000
Snow Plow Material, Eq Rent, Xtras	6,498	0	0	0	0	0	0	0	6,000	6,180
Weed & Pest Control	10,288	7,100	8,520	(1,420)	8,520	0	8,520	0	10,000	10,300
Tree Care	14,380	6,255	6,255	0	6,255	0	6,255	0	6,668	6,868
Operations Management	43,757	36,465	36,464	0	43,757	7,293	43,757	0	43,757	45,070
Operations Cell Phone	252	450	184	266	540	356	540	0	540	556
Gatehouse Utilities - Cable TV	1,227	1,083	1,092	(8)	1,300	208	1,300	0	1,300	1,339
Utilities - Electric	3,917	3,500	2,403	1,097	4,200	1,797	4,200	0	4,326	4,456
Utilities - Water	7,093	7,695	6,721	975	8,016	1,295	8,016	0	8,016	8,257
Utilities - Telephone/ISP	1,745	1,833	1,889	(56)	2,200	311	2,200	0	3,600	3,708
Gate Maintenance and Transponders	4,806	10,000	8,984	1,016	10,000	1,016	10,000	0	5,000	5,150
Building Maintenance and Repairs	0	2,400	0	2,400	2,400	2,400	2,400	0	5,000	5,150
Operating Contingency		0	0	0	0	0	0	0	25,000	25,750
Total Community Ops Exp	223,940	200,991	188,049	12,942	227,315	39,266	227,315	0	251,640	258,589
Debt Service										
Debt Service - Principal 2003 Loan (\$	16,375	17,095	17,095	(0)	17,095	(0)	17,095	0	17,847	18,633
Debt Service - Interest 2003 Loan (\$2	5,760	5,040	5,040	0	5,040	0	5,040	0	4,288	3,503
Debt Service - Vehicle Purchase Prin	0	0	0	0	0	0	0	0		
Debt Service - Vehicle Purchase Inter	0	0	0	0	0	0	0	0		
Debt Service - 2010 Bonds	0	0	0	0	0	0	0	0		
Debt Service - 2011 Bonds	0	0	0	0	0	0	0	0	0	0
Debt Service - 2012 Bonds										
Contingency		0	0	0	0	0	0	0		
Total Debt Service Exp	22,135	22,135	22,135	(0)	22,135	(0)	22,135	0	22,135	22,136
Total Expenses Before Capital	696,630	641,509	628,568	12,940	744,699	116,131	744,699	0	730,063	746,775
Rev over Exp. before Capital	114,396	216,046	246,907	30,861	201,568	45,339	201,568	0	132,751	68,497

See accompanying accountant's report.

Cordillera Valley Club Metro District
 Statement of Revenues and Expenditures
 Actual, Budget and Forecast for the Periods Indicated

Modified Accrual Basis

General Fund (Continued)	2009	2010 YTD			2010 Annual				2011	2012
	Actual 12/31/09	YTD Budget 10/31/10	YTD Actual 10/31/10	Variance Favorable (Unfavor)	2010 Amended Budget	Remaining Budget	2010 Forecast Budget	2010 Variance Fav (Unfav)	Adopted Budget	Forecast
Capital Expenditures & Spec Projects										
Gate House & Equipment	3,177	0	0	0		0		0		
RFID Sys (Repl Transponders)*	1,825	20,354	19,918	436	20,354	436	20,354	0		
Camera System	0	15,842	15,842	0	15,842	0	15,842	0		
Berm Design/PUD-Vag	4,046	25,000	24,958	42	25,000	42	25,000	0		
Berm Design - Marcin		1,200	1,193	8	1,200	8	1,200	0		
Berm Design - Struct & Soils Engr		6,650	6,624	27	6,650	27	6,650	0		
Berm Design - Irrigation System			1,625	(1,625)	1,625	0	1,625	0		
Berm Legal Expense	2,990	0	7,072	(7,072)	7,072	0	7,072	0		
Berm Committee for PUD & Legal					2,500		2,500	0		
Lighting and Signage Design - VAg		20,525	20,713	(188)	20,525	(188)	20,525	0		
Lighting - Materials & Installation		14,500	15,042	(542)	14,500	(542)	14,500	0		
Signage Upgrade		1,006	984	23	1,006	23	1,006	0		
Signage - Vag		0	0	0		0		0		
Open Space/Fishing Rights		0	0	0		0		0		
Guard Rail Juniper Ridge to Legacy *		0	0	0		0		0		
Equipment Storage Area/Shed						0		0		
Retain Wall/Planter Juniper Ridge Rd						0		0		
Rock Wall Beard Creek & Juniper						0		0		
W Gate Design-Architect		9,084	9,895	(811)	9,895	(0)	9,895	0		
W Gate Design - Engineering		2,000	1,968	33	2,000	33	2,000	0		
W Gate Constr Admin						0		0		
W Gate Fence		12,000	11,633	367	12,000	367	12,000	0		
W Gate Computerization					14,200		14,200	0		
Other Capital Projects		0	0	0	0	0	0	0	12,000	12,000
Total Capital Expenditures	12,038	128,161	137,466	(9,305)	154,369	203	154,369	0	12,000	12,000
Rev over Exp After Cap	102,358	87,885	109,441	21,556	47,199	45,543	47,199	0	120,751	56,497
Other Financing Sources & Uses										
Bond/Loan Proceeds	0	0	0	0		0		0		
Bond Issue Costs	0	0	0	0	0	0	0	0	0	0
Advances from CVCPOA, Net	0	0	0	0		0		0		
Transfer To Debt Service Fund	0	0	0	0		0		0		
Transfer From General Fund	0	0	0	0		0		0		
Transfer to Cap Projects Fund	0	0	0	0	0	0	0	0		
Transfer From (to) General Fund	0	0	0	0	0	0	0	0	0	0
Total Other Sources & Uses	0	0	0	0	0	0	0	0	0	0
Beginning Fund Balance	78,585	180,943	180,943	(0)	180,943	(0)	180,943	0	228,142	348,893
Ending Fund Balance	180,943	268,828	290,384	21,556	228,142	45,543	228,142	0	348,893	405,390

See accompanying accountant's report.



**CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION
MEETING OF MEMBERS
December 28, 2010**

PROXY

The undersigned hereby appoints Wally Carey of the Executive Board of the Association **OR** _____ (Please print name of proxy holder) as the undersigned's proxy, with full power of substitution, to attend the meeting of the members of the Cordillera Valley Club Property Owners Association, Inc. (the "Association") to be held at the 9 Iron Grill, Cordillera Valley Club, 0101 Legends Drive, Edwards, Eagle County, Colorado, on December 28, 2010, at 9:00 a.m., local time and any adjournment or adjournments thereof, and to vote thereat the number of votes which the undersigned would be entitled to vote, with all the power the undersigned would possess if present in person, as follows:

1. On such business as may properly come before the meeting.

Receipt of the Notice of Meeting of Members dated December 3, 2010, is hereby acknowledged.

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS OF THE ASSOCIATION. THE ASSOCIATION MUST BE IN RECEIPT OF AN ORIGINALLY EXECUTED PROXY PRIOR TO THE TIME OF THE MEETING FOR YOUR VOTE TO BE COUNTED.

Dated: _____
(Please date your Proxy)

Signature of Member as such Member's name appears on deed
(Note one Vote per Property)

Print Name

Lot Number, Filing or Street Address

Please return Proxy in the enclosed envelope to: Cordillera Valley Club Property Owners Association
28 Second Street, Suite 213
Edwards, CO 81632