

Cordillera Valley Club Property Owners Association & Cordillera Valley Club Metropolitan District

MEMORANDUM

TO: Executive Board of Cordillera Valley Club Property Owners Assoc.
Board of Directors of Cordillera Valley Club Metropolitan District
FROM: Cheri Curtis
DATE: [October 15, 2010](#)

This memorandum shall serve as Notice of the Special Joint Meeting of the Executive Board of Cordillera Valley Club Property Owners Association and the Board of Directors of Cordillera Valley Club Metropolitan District, which will be held:

[October 19, 2010](#)
8:30 a.m.
9 Iron Grill
0101 Legends Drive
Edwards, Eagle County, Colorado

The agenda for the meeting is attached. If you will be unable to attend this meeting, please let me know as soon as possible. If you will be attending the meeting by phone please let me know. The conference call dial-in number is 888-909-7654 and the conference code is 647223.

Distribution:

| <u>CVCMD</u> | <u>Term</u> | <u>Officer Position</u> | <u>Committee Assignment</u> |
|------------------------------|-------------|-------------------------|-----------------------------|
| Rick Pirog | 05/12 | President | |
| Jay Morten | 05/14 | Secretary/Treasurer | Real Property |
| Brian Judge * | 05/12 | VP/Asst. Secretary | Community Activities |
| John O'Brien | 05/14 | VP/Asst. Secretary | Safety & Operations |
| Emilie Egan | 05/12 | VP/Asst. Secretary | Finance & Administration |

| <u>CVCPOA</u> | <u>Term</u> | <u>Officer Position</u> | <u>Committee Assignment</u> |
|-------------------------------|-------------|-------------------------|-----------------------------|
| Wally Carey | 07/11 | President | |
| Tom Marcin | 07/12 | VP/Asst. Secretary | Safety & Operations |
| Tim Benedickt | 07/12 | Director | DRB |
| Art Greenfeder | 07/11 | Director | Finance & Administration |
| Bob Engleby | 07/11 | Director | |

Other Participants

Matt Dalton, Esq.
Greg Perkins, Esq.
Ken Marchetti, CPA
Rick Adams/Todd DeJong
Dan Carlson

*Brian Judge was appointed in May 2010 for two years of a four-year term.

**CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT
CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION
Meetings**

NOTICE IS HERBY GIVEN that the meetings of the Executive Board of the Board of Directors of the Cordillera Valley Club Metropolitan District and the Cordillera Valley Club Property Owners Association (the "Association") will be held at the 9 Iron Grill, 0101 Legends Drive, Edwards, Eagle County Colorado on Tuesday, October 19, 2010 beginning at 8:30 a.m., local time, for the following purposes and other matters that may come before the Boards.

**Agenda
October 19, 2010**

- | | |
|--|------|
| 1) Call to Order | 8:30 |
| 2) Declaration of Quorum/Director Qualifications/Disclosure of Potential Conflicts of Interest | |
| a) Update Form | |
| 3) Approval of Agenda | 8:35 |
| 4) Upcoming Meeting Dates | 8:40 |
| 5) Public Input – Wild Fire Mitigation - Peter Kyle | 8:45 |
| 6) Cordillera Club Advisory Committee – Bob Vanourek | 9:00 |

Metro

- | | |
|--|-------|
| 1) Minutes | 9:40 |
| a) CVCMD Regular Meeting –September 21, 2010 | |
| 2) Budget Hearings | 9:45 |
| a) 2010 Amended Budget | |
| b) 2011 Budget | |
| 3) Financial Report | 10:00 |
| a) Financial Report | |
| b) Accounts Payable | |
| 4) Legal Matters | 10:15 |
| a) November Election | |
| b) Executive Session (If Necessary) | |

Joint

- | | |
|--|-------|
| 1) Projects | 10:20 |
| a) Berm Project Update | |
| i) Agreement with Club for Easement, Water and Maintenance | |
| ii) County PUD Process | |
| iii) Funding Discussion | |
| b) West Entrance Fence | |
| c) Security System Upgrade Project | |
| d) Engineers Estimate for Road Overlay Costs and Timing | |
| e) Other Capital Projects | |
| 2) Public Safety Report | 10:45 |

POA

- | | |
|--|-------|
| 1) Minutes | 11:15 |
| a) CVCPOA Regular Meeting – September 21, 2010 | |
| 2) DRB and Covenant Enforcement Report | 11:20 |
| 3) Financial Report | 11:30 |
| a) Financial Report | |
| b) Accounts Payable | |
| 4) Reports – (No Action) | 11:45 |
| a) UERWA Water Tank | |
| b) Other Financial Reports (Information Only) | |
| i) AR Aging | |
| ii) Monthly RETA Report | |
| c) Real Estate Report | |
| 5) Adjournment | 12:00 |

Trial Format

**CORDILLERA VALLEY CLUB
PROPERTY OWNERS ASSOCIATION AND METRO DISTRICT
2010 Meeting Schedule**

The Regular Meetings will be held on the 3rd Tuesday of every month at the 9 Iron Grill, Cordillera Valley Club,
0101 Legends Drive, Edwards, CO at 8:30 a.m. unless otherwise notified

| Month | Meeting | Date |
|-----------|---|--------------------|
| October | Regular Meeting (3rd Tuesday) | October 19, 2010 |
| November | Regular Meeting (3rd Tuesday) | November 16, 2010 |
| December | Regular Meeting (3rd Tuesday) | December 21, 2010 |
| December | POA December Member Meeting (9:00 a.m.) | December 28, 2010 |
| January | Regular Meeting (3rd Tuesday) | January 18, 2011 |
| February | Regular Meeting (3rd Tuesday) | February 15, 2011 |
| March | Regular Meeting (3rd Tuesday) | March 15, 2011 |
| April | Regular Meeting (3rd Tuesday) | April 19, 2011 |
| May | Regular Meeting (3rd Tuesday) | May 17, 2011 |
| June | Regular Meeting (3rd Tuesday) | June 21, 2011 |
| July | POA July Member Meeting (9:00 a.m.) | July 5, 2011 |
| July | Regular Meeting (3rd Tuesday) | July 19, 2011 |
| August | Regular Meeting (3rd Tuesday) | August 16, 2011 |
| September | Regular Meeting (3rd Tuesday) | September 20, 2011 |

| Oct-10 | | | | | | |
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| Nov-10 | | | | | | |
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| Dec-10 | | | | | | |
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| Apr-11 | | | | | | |
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| May-11 | | | | | | |
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| Jun-11 | | | | | | |
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| Jul-11 | | | | | | |
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| Aug-11 | | | | | | |
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| Sep-11 | | | | | | |
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| | | | | | | |

Indicates Holiday

Indicates Meeting

RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Cordillera Valley Club Metropolitan District September 21, 2010

The Regular Meeting of the Board of Directors of the Cordillera Valley Club Metropolitan District, Eagle County, Colorado, was held September 21, 2010 at 8:30 a.m., at the 9 Iron Grill at 0101 Legends Drive, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado. The Board met in joint session with the members of the Board of the Cordillera Valley Club Property Owners Association.

Attendance

The following Directors were present and acting:

- Jay Morten
- John O'Brien
- Emilie Egan
- Brian Judge (Left at 9:10 a.m.)
- Rick Pirog (By Telephone)

Also in attendance were:

- Cordillera Valley Club POA
Wally Carey, Tom Marcin, Tim Benedickt, &
Art Greenfeder (By Telephone)
- Robertson & Marchetti, P.C.
Ken Marchetti & Cheri Curtis
- VAg, Inc.
Stephanie Lord-Johnson (By Telephone)
- Operations & Security Personnel
Dan Carlson and Todd DeJong
- Others
Greg Perkins and Bernard Weber

Call to Order

The Meeting of the Board of Directors of Cordillera Valley Club Metropolitan District was called to order by Director Egan, noting a quorum was present.

Potential Conflicts Of Interest

Director Judge reported that he is the owner of VAg, Inc., an architectural and land planning firm, and other related entities, and these entities provide services to the District such as landscape and berm design, master planning, project oversight, construction management and the management of the POA governed Design Review Board. VAg's provision of these services to the District and to the Cordillera Valley Club Property Owners Association could constitute a potential conflict of interest. The Board noted, for the record, that this

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT September 21, 2010 Meeting Minutes

disclosure is restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

Conference Call The log of public participation in the meeting for those participating in person and by phone is as follows:

Public Participation Log

| Meeting Date | In Person | By Phone |
|-----------------|--------------|-------------|
| 01/14/10 | 0 | 0 |
| 02/18/10 | 0 | 0 |
| 03/16/10 | 2 | 0 |
| 04/20/10 | 0 | 0 |
| 05/11/10 | 0 | 0 |
| 06/15/10 | 0 | 0 |
| 07/20/10 | 0 | 0 |
| 08/17/10 | 0 | 0 |
| 09/21/10 | 0 | 0 |

Agenda Security and operations were moved to the beginning of the joint agenda. Amendments 60, 61, and Proposition 101 were added to the agenda.

Upcoming Meetings There were no changes to the meeting schedule.

A heated discussion ensued during the POA portion of the meeting and Mr. Judge left the meeting at 9:10 a.m.

Minutes The Board reviewed the meeting minutes of August 13, 2010 Special Meeting, the August 17, 2010 Regular Meeting, and the August 23, 2010. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the meeting minutes of the July 13, 2010 Special meeting as presented with Directors Egan, Morten, O'Brien, and Pirog voting in favor of the resolution. Director Judge was absent. It was further

RESOLVED to approve the meeting minutes of the August 17, 2010 Regular Meeting as presented with Directors Egan, Morten,

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT September 21, 2010 Meeting Minutes

O'Brien, and Pirog voting in favor of the resolution. Director Judge was absent. It was further

RESOLVED to approve the meeting minutes of the August 23, 2010 Special Meeting as presented with Directors Egan, Morten, O'Brien, and Pirog voting in favor of the resolution. Director Judge was absent.

Public Input

There was no public input.

Financial Report

Mr. Marchetti presented the August 31, 2010 financial report and a preliminary 2011 budget. The Finance Committee has met to review the 2011 budget and is in the process of solidifying the budget numbers. The budget will be presented in greater detail at the October meeting.

Accounts Payable

The Board discussed the VAg invoices for the berm, lighting, signage, and west gate project. The projects are over budget and there are no funds available in 2010 to cover the additional costs for each project. Mr. Marchetti also reported that certain legal expenses, which have already been paid, had been miscoded to the General Legal Expense account but should have been coded to Berm Legal Expense and there are no budgeted funds for this account. Upon motion duly made and seconded, it was

RESOLVED to approve the accounts payable list as presented except for the additional capital projects invoices where the project is over budget with Directors Egan, Morten, O'Brien, and Pirog voting in favor of the resolution. The Board further

RESOLVED to approve the budget amendment to move \$6,212 into the Berm Legal Expense budget line item, such funds to be transferred from other budget line items with a surplus (subsequently determined to be from Auto Expense and Walls and Planters Maintenance Expense) with Directors Egan, Morten, O'Brien, and Pirog voting in favor of the resolution.

Operations And Projects

Mr. Carlson and Mr. O'Brien are working on the security upgrades at the west gate. Metal Design is installing permanent fencing. West Slope Fencing will be installing approx 160 feet of temporary fence. A gate is

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT September 21, 2010 Meeting Minutes

needed in the temporary fence for foot and bike traffic but the bids for an automatic gate (\$2,830) exceed the work order amount. It was agreed a manual combination gate will be installed which is expected can be done within the original work order.

Mr. Carlson is obtaining landscaping bids for 2011 with contractors indicating prices will stay consistent with 2009 and 2010. The Board suggested looking at cutting back on services to reduce costs. Mr. Carlson reported the contractors being used by the District are providing a great service for a good price. The Board directed Mr. Carlson to request a 10-15% reduction in landscaping bids that may include a possible reduction in services.

The sample replacement street lights have been installed. The majority of the Board felt the poles are too tall, the lights are not night friendly and the poles are anticipated to be a maintenance issue. The original plans were to install metal posts. Mr. Carlson will incorporate the cost to maintain the existing lights into the 2011 budget and the light replacement project will be removed from the 2011 budget.

Public Safety

There was a gas leak in Edwards and thirty cars had to be escorted through Cordillera Valley Club. There have also been a few trucks that were caught in the Edwards I-70 Interchange construction and were not able to turn around and had to be escorted through Cordillera Valley Club.

The gate house repairs have been completed, noting additional repairs will be necessary in future years. The Board requested a list of items needing to be addressed.

Lone Star Security submitted their 2011 proposal and budget along with a letter to the Board addressing the change in ownership of Lonestar Security. The proposal reflects a 5% reduction from the 2010 contract but also includes an additional charge of \$550 monthly for vehicle usage, gas, and insurance. Mr. O'Brien thanked Mr. DeJong for the reduction but asked that Lone Star include the costs of providing a vehicle in the base price and Mr. DeJong agreed. Mr. O'Brien suggested the District consider bidding the contract in 2012.

Mr. DeJong indicated funds will become available for Wildfire Mitigation Plans, and plans need to be ready when the grants funds are available. Mr. DeJong would like to develop a plan for CVC at no charge. Mr. Carey

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT September 21, 2010 Meeting Minutes

suggested Mr. DeJong meet with Cordillera Metropolitan District representatives to obtain information on their Wildfire Mitigation Plan.

UERWA is planning the major concrete pour for the water tank later in the week. Communication on the concrete pour will be distributed to residents.

Mr. Marchetti stated the contract with Lonestar Security requires Board approve a change of ownership for Lonestar Security. The Board agreed to approve the change of ownership.

Adjournment

There being no further business to come before the Board at this time, upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the meeting of the Cordillera Valley Club Metropolitan District Board of Directors this 21st day of September 2010.

Respectfully submitted,

Cheri Curtis
Secretary for the Meeting

ROBERTSON & MARCHETTI, P.C.

Certified Public Accountants

October 15, 2010

Board of Directors
Cordillera Valley Club Metropolitan District

I have compiled the accompanying balance sheet of Cordillera Valley Club Metropolitan District as of [September 30, 2006](#) and the related statement of revenues, expenditures and changes in fund balance with budgets for the [nine 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 budget and forecast of revenues, expenditures and changes in fund balance for calendar year 2010 and the preliminary 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 [September 30, 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 Printed:
ALL FUND TYPES AND ACCOUNT GROUPS 10/15/10
For the Dates Indicated Below

| | 2009 Combined Actual | 9/30/10 | | |
|--------------------|--|------------------|---------------------------|------------------|
| | | General Fund | Fixed Assets & Debt | Total 9/30/10 |
| Assets | | | | |
| 1100.1 | Checking - First Bank | 501 | 978 | 978 |
| 1110.1 | Money Market - First Bank | | 32,000 | 32,000 |
| 1120.1 | Colostrust - Savings | 175,501 | 336,385 | 336,385 |
| 1130.1 | Petty Cash Checking - First Bank | 700 | 700 | 700 |
| 1200.1 | Investment Pooled Cash | 0 | 0 | 0 |
| 1320.1 | Accounts Receivable - Other | 5,492 | 0 | 0 |
| | Accounts Receivable - Developer | | | 0 |
| 1310.1 | Due from County Treasurer | 1,416 | 0 | 0 |
| 1340.1 | Property Tax Receivable | 648,949 | 20,430 | 20,430 |
| 1500.1 | Prepaid Expense - Snow Removal | 0 | 0 | 0 |
| 1600.1 | Prepaid Insurance | 3,916 | 0 | 0 |
| 1420.8 | Assets - Equipment | 22,759 | 22,759 | 22,759 |
| 1400.8 | Assets - Construction in Progress | 613,123 | 613,123 | 613,123 |
| 1410.8 | Assets - Landscape Improvement | 623,674 | 623,674 | 623,674 |
| 1430.8 | Assets - Vehicle | 27,346 | 27,346 | 27,346 |
| 1490.8 | Accumulated Depreciation | (213,903) | (213,903) | (213,903) |
| 1440.8 | District Organization Costs, Net | 0 | 0 | 0 |
| 1460.8 | Bond Issue Costs, Net | 5,519 | 5,519 | 5,519 |
| | Total Assets | 1,914,994 | 390,493 | 1,078,518 |
| | | | | 1,469,011 |
| Liabilities | | | | |
| 2100.1 | Accounts Payable - GF | 6,029 | 31,346 | 31,346 |
| 2200.1 | Account Payable - CVCPOA | 555 | 0 | 0 |
| 2300.9 | Accrued Interest Payable | 1,966 | 1,966 | 1,966 |
| 2700.1 | Deferred Property Tax | 648,949 | 20,430 | 20,430 |
| | LT Debt - Bond Payable | 114,539 | 97,444 | 97,444 |
| 2800.9 | Wells Fargo Note Payable | 0 | 0 | 0 |
| | Total Liabilities | 772,038 | 51,776 | 99,410 |
| | | | | 151,186 |
| Net Assets | | | | |
| 3200.8 | 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) |
| 3700.1 | Fund Balance | 180,943 | 338,717 | 338,717 |
| | Total Net Assets | 1,142,956 | 338,717 | 979,108 |
| | | | | 1,317,825 |
| | Total Liabilities and Fund Equity | 1,914,994 | 390,493 | 1,078,518 |
| | | | | 1,469,011 |
| | | = | = | = |

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 |
|--------------------------------|----------------------------------|--------------------|--------------------------|--------------------------|------------------------------------|---------------------------|---------------------|----------------------------|---------------------------------|------------------|
| General Fund | | Actual 12/31/09 | YTD Budget 9/30/10 | YTD Actual 9/30/10 | Variance Favorable (Unfavor) | 2010 Amended Budget | Remaining Budget | 2010 Forecast Budget | 2010 Variance Fav (Unfav) | Prelim Budget |
| Revenues | | | | | | | | | | |
| | Beginning Assessed Value | | | | | | | | | |
| | New Construction | | | | | | | | | |
| | Valuation Changes | | | | | | | | | |
| | Ending Assessed Value | 20,865,150 | | 0 | | 25,957,960 | | 25,957,960 | 0 | 26,113,400 |
| | Operating Mill Levy Rate | | | | | 25.000 | | 25.000 | | 25.000 |
| | Temp Mill Levy Credit | | | | | | | | | |
| | Debt Service Mill Levy | | | | | 0.000 | | 0.000 | | 0.000 |
| | Total Mill Levy | 0.000 | 0 | 0 | 0 | 25.000 | | 25.000 | 0 | 25.000 |
| 4110.1 | Property Taxes - Operations | 519,972 | 629,481 | 628,519 | (961) | 648,949 | (20,430) | 648,949 | 0 | 652,835 |
| | Property Taxes - Debt Service | | | | | | 0 | | | 0 |
| 4130.1 | Specific Ownership Taxes | 21,197 | 19,469 | 14,667 | (4,802) | 29,203 | (14,536) | 22,000 | (7,203) | 22,849 |
| 4180.1 | Other Income | 0 | 0 | 19,894 | 19,894 | | 19,894 | 19,894 | 19,894 | |
| 4190.1 | Interest Income - Operating | 1,729 | 1,500 | 4,255 | 2,755 | 2,000 | 2,255 | 4,500 | 2,500 | 7,200 |
| 4500.1 | Payment from CVCPOA | 258,128 | 148,668 | 148,668 | 0 | 198,224 | (49,556) | 198,224 | 0 | 188,313 |
| 4600.1 | Xfer RETA (for operations) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4600.4 | Xfer RETA (for Capital) | 10,000 | 50,000 | 50,000 | 0 | 50,000 | 0 | 50,000 | 0 | 100,000 |
| | Total Revenues | 811,026 | 849,117 | 866,003 | 16,885 | 928,376 | (62,373) | 943,567 | 15,191 | 971,197 |
| Administrative Expenses | | | | | | | | | | |
| 5050.1 | Accounting, Admin & Mgmt | 35,574 | 30,500 | 33,888 | (3,388) | 38,000 | 4,112 | 38,000 | 0 | 38,000 |
| 5150.1 | Audit | 5,750 | 6,000 | 5,750 | 250 | 6,000 | 250 | 6,000 | 0 | 6,000 |
| 5225.1 | Dues & Subscriptions | 771 | 900 | 527 | 373 | 900 | 373 | 900 | 0 | 900 |
| 5170.1 | Elections | 0 | 12,614 | 5,367 | 7,247 | 12,614 | 7,247 | 12,614 | 0 | 0 |
| 5250.1 | Ins Expense, incl Govt Officials | 3,511 | 3,916 | 3,916 | 0 | 3,916 | 0 | 3,916 | 0 | 4,000 |
| 5300.1 | Legal Fees | 1,190 | 4,950 | 5,530 | (580) | 6,600 | 1,070 | 6,600 | 0 | 6,600 |
| 5350.1 | Meeting Expenses | 2,248 | 1,800 | 1,233 | 567 | 2,400 | 1,167 | 2,400 | 0 | 2,400 |
| 5400.1 | Office Supplies & Expense | 236 | 2,250 | 1,295 | 955 | 3,000 | 1,705 | 3,000 | 0 | 3,000 |
| 5500.1 | Treasurer's Fees | 15,684 | 18,884 | 18,972 | (88) | 19,468 | 496 | 19,468 | 0 | 19,585 |
| | Total Administrative Exp. | 64,964 | 81,815 | 76,479 | 5,335 | 92,898 | 16,419 | 92,898 | 0 | 80,485 |
| Public Safety | | | | | | | | | | |
| 6370.1 | Gate House Staffing & Patrols | 382,797 | 297,336 | 299,676 | (2,340) | 396,449 | 96,773 | 396,449 | 0 | 376,626 |
| 6380.1 | Vehicle Operating Expense | 2,794 | 1,026 | 1,025 | 0 | 1,026 | 0 | 1,026 | 0 | 6,600 |
| | Total Public Safety | 385,591 | 298,362 | 300,701 | (2,339) | 397,474 | 96,773 | 397,474 | 0 | 383,226 |

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

| | | 2009 | 2010 YTD | | | 2010 Annual | | | | 2011 |
|--------------------------------------|--|--------------------|--------------------------|--------------------------|------------------------------------|---------------------------|-----------------------------|----------------------------|---------------------------------|------------------|
| General Fund (Continued) | | Actual 12/31/09 | YTD Budget 9/30/10 | YTD Actual 9/30/10 | Variance Favorable (Unfavor) | 2010 Amended Budget | 2010 Remaining Budget | 2010 Forecast Budget | 2010 Variance Fav (Unfav) | Prelim Budget |
| Community Operations: | | | | | | | | | | |
| 6200.1 | Landscaping - Turf Area Maintenance | 18,812 | 18,845 | 14,382 | 4,464 | 18,845 | 4,464 | 18,845 | 0 | 16,960 |
| 6250.1 | Landscaping - Flowers Maintenance | 33,900 | 34,150 | 27,500 | 6,650 | 34,150 | 6,650 | 34,150 | 0 | 30,750 |
| 6300.1 | Lights, Signs, Guardrails, & Fences | 5,167 | 6,000 | 3,252 | 2,748 | 8,000 | 4,748 | 8,000 | 0 | 8,000 |
| 6150.1 | Holiday Lights | 8,478 | 4,240 | 3,379 | 861 | 8,480 | 5,101 | 8,480 | 0 | 8,723 |
| 5450.1 | Recreation | 0 | 0 | 0 | 0 | 1,500 | 1,500 | 1,500 | 0 | 1,500 |
| 5360.1 | Walls & Planters Maintenance | 0 | 8,138 | 6,500 | 1,638 | 10,851 | 4,351 | 10,851 | 0 | 6,000 |
| 6400.1 | Road Maintenance | 15,699 | 10,500 | 1,238 | 9,263 | 10,500 | 9,263 | 10,500 | 0 | 10,500 |
| 6410.1 | Road Asphalt Patch & Crack Seal | 13,494 | 19,912 | 19,912 | 0 | 19,912 | 0 | 19,912 | 0 | 20,000 |
| 6420.1 | Road & General Engineering | 9,771 | 3,750 | 1,099 | 2,651 | 5,000 | 3,901 | 5,000 | 0 | 5,000 |
| 6425.1 | Engineering - Special Projects | 259 | 7,325 | 5,118 | 2,207 | 7,325 | 2,207 | 7,325 | 0 | 5,000 |
| 6426.1 | Engineering - PUD Mapping | 0 | 6,615 | 6,615 | 0 | 6,615 | 0 | 6,615 | 0 | 0 |
| 6430.1 | Interchange Representation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6450.1 | Snow Plowing Contract | 24,400 | 17,640 | 16,800 | 840 | 25,200 | 8,400 | 25,200 | 0 | 25,200 |
| 6460.1 | Snow Plow Material, Eq Rent, Xtras | 6,498 | 6,000 | 0 | 6,000 | 6,000 | 6,000 | 6,000 | 0 | 12,000 |
| 6500.1 | Weed & Pest Control | 10,288 | 7,500 | 8,320 | (820) | 10,000 | 1,680 | 10,000 | 0 | 10,000 |
| 6160.1 | Tree Care | 14,380 | 12,000 | 6,255 | 5,746 | 12,000 | 5,746 | 5,746 | 6,254 | 6,668 |
| 6350.1 | Operations Management | 43,757 | 32,818 | 32,818 | 0 | 43,757 | 10,940 | 43,757 | 0 | 43,757 |
| 6360.1 | Operations Cell Phone | 252 | 405 | 184 | 221 | 540 | 356 | 540 | 0 | 540 |
| 6050.1 | Gatehouse Utilities - Cable TV | 1,227 | 975 | 990 | (15) | 1,300 | 310 | 1,300 | 0 | 1,300 |
| 6070.1 | Utilities - Electric | 3,917 | 4,635 | 2,081 | 2,554 | 6,180 | 4,099 | 6,180 | 0 | 6,180 |
| 6080.1 | Utilities - Water | 7,093 | 6,493 | 6,497 | (4) | 8,016 | 1,519 | 8,016 | 0 | 8,016 |
| 6060.1 | Utilities - Telephone | 1,745 | 1,159 | 1,698 | (539) | 1,545 | (153) | 1,545 | 0 | 1,545 |
| 6100.1 | Gate Maintenance and Transponders | 4,806 | 10,000 | 8,984 | 1,016 | 10,000 | 1,016 | 10,000 | 0 | 5,000 |
| 7140.4 | Building Maintenance and Repairs | 0 | 7,500 | 0 | 7,500 | 7,500 | 7,500 | 7,500 | 0 | 7,500 |
| | Operating Contingency | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25,000 |
| Total Community Ops Exp | | 223,940 | 226,600 | 173,621 | 52,979 | 263,216 | 89,595 | 256,962 | 6,254 | 265,139 |
| Debt Service | | | | | | | | | | |
| 8050.2 | Debt Service - Principal 2003 Loan (\$ | 16,375 | 17,095 | 17,095 | (0) | 17,095 | (0) | 17,095 | 0 | 17,847 |
| 8100.2 | Debt Service - Interest 2003 Loan (\$2 | 5,760 | 5,040 | 5,040 | 0 | 5,040 | 0 | 5,040 | 0 | 4,288 |
| 8300.2 | Debt Service - Vehicle Purchase Prin | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8350.2 | Debt Service - Vehicle Purchase Inter | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Debt Service - 2010 Bonds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Debt Service - 2011 Bonds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Debt Service - 2012 Bonds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Contingency | | 0 | 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 |
| Total Expenses Before Capital | | 696,630 | 628,912 | 572,937 | 55,975 | 775,724 | 202,787 | 769,470 | 6,254 | 750,985 |
| Rev over Exp. before Capital | | 114,396 | 220,205 | 293,066 | 72,861 | 152,652 | 140,414 | 174,097 | 21,445 | 220,212 |

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

| | | 2009 | 2010 YTD | | | 2010 Annual | | | | 2011 |
|---|--------------------------------------|--------------------|--------------------------|--------------------------|------------------------------------|---------------------------|-----------------------------|----------------------------|---------------------------------|------------------|
| General Fund (Continued) | | Actual 12/31/09 | YTD Budget 9/30/10 | YTD Actual 9/30/10 | Variance Favorable (Unfavor) | 2010 Amended Budget | 2010 Remaining Budget | 2010 Forecast Budget | 2010 Variance Fav (Unfav) | Prelim Budget |
| Capital Expenditures & Spec Projects | | | | | | | | | | |
| 7000.4 | Gate House & Equipment | 3,177 | 0 | 0 | 0 | | 0 | | 0 | |
| | Security Vehicle | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| 7910.4 | 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 | |
| | District Organization Costs | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| 7040.4 | Berm Design/PUD-Vag | 4,046 | 25,000 | 24,168 | 832 | 25,000 | 832 | 25,000 | 0 | |
| 7041.4 | Berm Design - Marcin | | 1,200 | 1,193 | 8 | 1,200 | 8 | 1,200 | 0 | |
| 7042.4 | Berm Design - Struct & Soils Engr | | 6,650 | 6,624 | 27 | 6,650 | 27 | 6,650 | 0 | |
| 7043.4 | Berm Design - Irrigation System | | | 1,625 | (1,625) | | (1,625) | 1,625 | (1,625) | |
| 7045.4 | Berm Legal Expense | 2,990 | 0 | 6,412 | (6,412) | 6,412 | (0) | 6,412 | 0 | |
| | Berm Construction Management | | 0 | | 0 | | 0 | | 0 | |
| 7050.4 | Berm Construction | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| | Berm Contingency | | 0 | | 0 | | 0 | | 0 | |
| | Road Settlement Repairs | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| 7902.4 | Speed Bumps | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 7900.4 | Road Slurry/Chip Seals | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| 7901.4 | Road Engineering | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| | Road Overlay - Beard Creek Trail | | 0 | | 0 | | 0 | | 0 | |
| | Road Overlay - Side Roads | | 0 | | 0 | | 0 | | 0 | |
| 7801.4 | Landscape Master Plan | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| | Landscape Improvements | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 7903.4 | Lighting and Signage Design - VAG | | 20,525 | 20,032 | 493 | 20,525 | 493 | 20,525 | 0 | |
| 7913.4 | Lighting - Materials & Installation | | 14,500 | 15,042 | (542) | 14,500 | (542) | 14,500 | 0 | |
| 7904.4 | Signage Upgrade | | 1,006 | 984 | 23 | 1,006 | 23 | 1,006 | 0 | |
| 7905.4 | Signage - Vag | | 0 | 0 | 0 | | 0 | | 0 | |
| | Open Space/Fishing Rights | | 0 | | 0 | | 0 | | 0 | |
| | Guard Rail Juniper Ridge to Legacy * | | 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 | |
| 7210.4 | W Gate Design-Architect | | 9,084 | 9,852 | (768) | 9,084 | (768) | 9,084 | 0 | |
| 7211.4 | W Gate Design - Engineering | | 2,000 | 1,968 | 33 | 2,000 | 33 | 2,000 | 0 | |
| | W Gate Constr Admin | | | | | | 0 | | 0 | 4,500 |
| 7220.4 | W Gate Improvements | | 12,000 | 11,633 | 367 | 12,000 | 367 | 12,000 | 0 | 153,000 |
| | Other Capital Projects | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,000 |
| Total Capital Expenditures | | 12,038 | 128,161 | 135,292 | (7,131) | 134,573 | (718) | 136,198 | (1,625) | 169,500 |
| Rev over Exp After Cap | | 102,358 | 92,044 | 157,774 | 65,730 | 18,079 | 139,695 | 37,899 | 19,820 | 50,712 |
| Other Financing Sources & Uses | | | | | | | | | | |
| | Bond/Loan Proceeds | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| 9600.4 | Bond Issue Costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9800.1 | Advances from CVCPOA, Net | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| 9100.1 | Transfer To Debt Service Fund | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| 9200.2 | Transfer From General Fund | 0 | 0 | 0 | 0 | | 0 | | 0 | |
| 9150.1 | Transfer to Cap Projects Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 9200.2 | Transfer From (to) General Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Sources & Uses | | 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 | 199,022 |
| Ending Fund Balance | | 180,943 | 272,987 | 338,717 | 65,730 | 199,022 | 139,695 | 218,842 | 19,820 | 249,734 |

See accompanying accountant's report.

**CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT
OCTOBER 2010 ACCOUNTS PAYABLE**

Payables to be Approved

| <u>VENDOR</u> | <u>DATE</u> | <u>DATE PAID</u> | <u>AMOUNT</u> | <u>ACCT #</u> | <u>DESCRIPTION</u> | <u>Approved By</u> |
|---|-------------|------------------|------------------|---------------|---------------------------------------|------------------------------------|
| <u>Gate House Expenses</u> | | | | | | |
| CenturyTel | 09/14/10 | 10/19/2010 | 193.33 | 6060.1 | Gatehouse Phone | Dan Carlson/Operations Committee |
| DirecTV | 09/16/10 | 10/19/2010 | 111.97 | 6050.1 | Gatehouse TV | Dan Carlson/Operations Committee |
| Eagle River Water & Sanitation | 09/30/10 | 10/19/2010 | 582.56 | 6080.1 | Gatehouse Water | Dan Carlson/Operations Committee |
| Holy Cross Electric | 09/28/10 | 10/19/2010 | <u>96.30</u> | 6070.1 | Gatehouse Electric | Dan Carlson/Operations Committee |
| Total Gatehouse Utilities | | | <u>984.16</u> | | | |
| <u>Operations Expenses</u> | | | | | | |
| Berry Creek Metro District | 10/13/10 | 10/19/2010 | 261.45 | 6360.1 | Dan's Cell Phone | |
| Brush Creek Landscaping | 09/22/10 | 10/19/2010 | 1,125.00 | 6160.1 | Tree Spraying | Dan Carlson/Operations Committee |
| Eagle River Water & Sanitation | 09/30/10 | 10/19/2010 | | 6600.1 | Corner of Wilmore/Beard Creek Trail | Dan Carlson/Operations Committee |
| | 09/30/10 | 10/19/2010 | 262.56 | 6600.1 | 619 Beard Creek Trail Irrigation | |
| | 09/30/10 | 10/19/2010 | 32.69 | 6600.1 | 801 Beard Creek Trail Irrigation | |
| | 09/30/10 | 10/19/2010 | 363.84 | 6600.1 | 1051 Beard Creek Trail Irrigation | |
| | 09/30/10 | 10/19/2010 | 142.81 | 6600.1 | 1313 Beard Creek Trail Irrigation | |
| | 09/30/10 | 10/19/2010 | 28.02 | 6600.1 | 1519 Beard Creek Trail Irrigation | |
| | 09/30/10 | 10/19/2010 | <u>14.01</u> | 6600.1 | 1793 Beard Creek Trail Irrigation | |
| Total Eagle River Water & Sanitation | | | <u>843.93</u> | | | |
| Edwards Building Center | 10/14/10 | 10/19/2010 | 25.99 | 7210.4 | Lock for West Gate | Board at Meeting |
| | 09/23/10 | 10/19/2010 | 5.99 | 7220.4 | West Gate Project | |
| | 09/13/10 | 10/19/2010 | 14.08 | 6100.1 | Lights at Gatehouse | |
| Total Edwards Building Center | | | <u>46.06</u> | | | |
| Garden Creations | 10/15/10 | 10/19/2010 | 6,650.00 | 6250.1 | Monthly Flower Bed Maintenance | Dan Carlson/Operations Committee |
| Grimshaw & Harring | 09/30/10 | 10/19/2010 | 395.86 | 5300 | General Legal | Finance & Administration Committee |
| | 09/30/10 | 10/19/2010 | <u>3,110.51</u> | 5170 | Elections | |
| Total Grimshaw & Harring | | | <u>10,156.37</u> | | | |
| Holy Cross Energy | 09/28/10 | 10/19/2010 | 43.29 | 6300.1 | Street Lighting | Dan Carlson/Operations Committee |
| | 09/28/10 | 10/19/2010 | <u>167.61</u> | 6300.1 | 0033 Wilmore Drive | |
| Total Holy Cross Energy | | | <u>210.90</u> | | | |
| Home Depot | 10/14/10 | 10/19/2010 | 16.97 | 7210.4 | New Light Pole Installation Materials | Dan Carlson/Operations Committee |
| | 10/12/10 | 10/19/2010 | 41.89 | 6300.1 | Speed Bump Signs | |
| Impact Graphic Signs | 10/14/10 | 10/19/2010 | 67.86 | 6300.1 | Speed Bump Signs | Dan Carlson/Operations Committee |
| Lone Star | 09/01/10 | 10/19/2010 | 33,238.39 | 6370.1 | Security | Contractual Agreement |
| Metal Design, Inc | 10/06/10 | 10/19/2010 | 2,890.00 | 7220.4 | West Gate Project | Dan Carlson/Operations Committee |
| Mountain Water Works LLC | 09/30/10 | 10/19/2010 | 500.00 | 6600.1 | Backflow Testing | Dan Carlson/Operations Committee |
| Orkin | 10/08/10 | 10/19/2010 | 100.00 | 6500.1 | Pest Control | Dan Carlson/Operations Committee |
| Robertson & Marchetti, P.C. | 09/30/10 | 10/19/2010 | 3,680.16 | 5050.1 | Accounting & Administration | Finance & Administration Committee |
| SFB, Inc. | 10/01/10 | 10/19/2010 | 3,646.42 | 6350.1 | Operations Services | Contractual Agreement |
| STI Services | 09/30/10 | 10/19/2010 | 2,814.60 | 6200.1 | Turf Area Maintenance | Dan Carlson/Operations Committee |
| VAG, Inc | 08/31/10 | 10/19/2010 | 183.87 | 7903.4 | T&M Related to West End Gate Project | Board at Meeting |
| | 08/31/10 | 10/19/2010 | 532.50 | 7903.4 | T&M Related to Light & Sign Project | |
| | 08/31/10 | 10/19/2010 | 949.33 | 7040.4 | T&M Related to Berm Project | |
| | 07/31/10 | 10/19/2010 | 2,552.00 | 7040.4 | T&M Related to Berm Project | |
| | 07/31/10 | 10/19/2010 | 41.11 | 7040.4 | T&M Related to Berm Project | |
| | 07/31/10 | 10/19/2010 | 2,305.00 | 7210.1 | T&M Related to West Gate | |
| Western Slope Fencing | 10/12/10 | 10/19/2010 | 3,240.43 | | T&M Related to West Gate | Board at Meeting |
| Accounts Payable Total | | | <u>70,428.40</u> | | | |

EASEMENT DEED

For and in consideration of the sum of TEN DOLLARS and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, _____, a _____ whose address is _____ (hereinafter the "Grantor"), hereby grants, bargains, sells and conveys to **CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (hereinafter the "District"), whose address is C/O Robertson & Marchetti, PC, 28 Second Street, Suite 213, Edwards, Colorado 81632 (the "District"), its successors and permitted assigns, (collectively referred to as the "Parties"), a perpetual, exclusive easement (the "Easement") for the purpose constructing, reconstructing, operating, maintaining, repairing, replacing and/or removing one or more sound and sight abatement berms, walls and appurtenances thereto consistent with the intended uses including, but not limited to: landscaping including grasses, trees and shrubs, flowering and otherwise; hardscape improvements including decorative rocks and fencing; and irrigation systems to support all of the foregoing, (the "Improvements") in, to, through, over, under and across the real property located in Eagle County, Colorado, as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference, (the "Easement Area"), pursuant to the following terms and conditions:

1. **Easement Purpose.** The Parties acknowledge and agree that the District intends to and will, without cost or expense to the Grantor, construct and subsequently reconstruct, repair, replace and/or remove the Improvements (the "Activities") substantially as shown on the plans and specifications prepared by VAg, Inc, and dated _____ ("Plans") which Plans are on file with the District at the aforementioned address.

2. **Limitations on Use by Grantor.**

a. Grantor shall have the right to continue to use the Easement Area in connection with Grantor's use and occupancy of the real property owned by Grantor ("Grantor's Property"), of which the Easement Area is a part, and to make such continued use and improvements of, on or to the Easement Area as is consistent with Grantor's primary use of the Grantor's Property; provided however if such continued use or improvements by Grantor will or may interfere with present or future District Activities or Improvements, Grantor will limit such continued use or improvements in such manner or degree as the District may require.

b. Grantor shall not grant to third parties additional easements or licenses or otherwise allow any use of or improvements to all or any portions of the Easement Area without first obtaining the specific written approval and consent of the District which shall not be unreasonably delayed, denied or conditioned.

c. Grantor shall not excavate or fill, construct, place, plant, remove or replace any temporary or permanent improvement, structure, building or deep rooted shrub, plant or tree, in, on or under any part of the Easement Area or take any action which would impair the lateral or subjacent support for the Improvements, without first obtaining the specific written approval and consent of the District which shall not be unreasonably delayed, denied or conditioned.

3. **Ingress and Egress.** District, its agents, contractors, employees and permitted assigns, shall have and shall exercise the right of reasonable ingress and egress in, to, through, over, under and across the Easement Area for any purpose necessary for the Activities.

4. **Rights of District.** District, its agents, contractors, employees, successors and permitted assigns shall have the right to enter upon the Easement Area and to conduct the Activities, and to remove objects interfering the Activities or the Improvements. In addition, District shall have the right, subject to Grantor's prior written approval, which shall not be unreasonably delayed, denied or withheld, to temporarily use so much of the adjoining property of Grantor ("Grantor's Property") during the Activities as may be reasonably required. In addition, in the process of the conduct of the Activities and the installation of the Improvements, the Parties acknowledge and agree as follows.

a. To construct and maintain the Improvements, in accordance with the terms hereof the District shall have access to the Grantor's water resources, including the Grantor's irrigation pond serving the Cordillera Valley Club Golf Course now located on, in or under Tract H, (the "Club Pond"), which is legally available for irrigation uses through the operation of certain leases of capacity in and releases from the Green Mountain Reservoir, and water rights adjudicated for the benefit of the Grantor (the "Water Rights").

b. The Grantor and the District have evaluated the water and Water Rights needed to service the Improvements, both during construction and initial grow-in and for continued maintenance after the initial grow-in period as set forth on that certain "Water Service Schedule" of even date herewith and attached hereto as Exhibit B and incorporated herein by this reference.

c. The Parties acknowledge and agree that Parties shall provide, control and assure irrigation through the Improvements pursuant to the Water Service Schedule.

5. **Repair.** Upon completion of any Activities, District shall promptly at its own cost and expense restore the Easement Area and any of Grantor's Property used by the District, including the surface of the ground and all landscaping, to the condition it was in or better immediately prior to the Activities, except as necessarily modified to accommodate the Improvements.

6. **Liens.** District shall not create or permit any liens to be placed upon the Easement Area or the Grantor's Property as a result of any Activities, and in the event any such lien is placed upon such property, District will cause the removal of the same as soon as practicable and failure to do so within a commercially reasonable time frame shall constitute a breach of this Easement.

7. **Subjacent and Lateral Support.** District shall have and exercise the right of reasonable subjacent and lateral support to the reasonable extent necessary for the operation and maintenance of the Improvements, provided that District agrees, at its sole cost and expense, to cooperate with Grantor in making any alterations to the Improvements required in connection with the operation by Grantor of its golf course to preserve reasonable subjacent and lateral support. It is specifically agreed between and among the parties that, except as provided in this Agreement, Grantor shall not take any action which would unreasonably impair the lateral or subjacent support for the Improvements.

8. **Rights of Third Parties.** It is the intent of the Parties that no third party beneficiary interest is created in this Agreement. The Parties are not presently aware of any actions by them or any of their authorized representatives which would form the basis for interpretation construing a different intent, and in any event expressly disclaim any such acts or actions.

9. **Warranty of Title.** Grantor warrants that it has full right and lawful authority to make the grant herein described free and clear of all liens and encumbrances of any kind except for matters of record and taxes not yet due for the year. Grantor promises and agrees to defend District in its quiet and

peaceful possession of the Easement in the exercise of its rights hereunder against any defect in the Grantor's title to the Easement Area and the Grantor's right to make the grant herein described.

10. **Maintenance of Improvements.** The Parties acknowledge and agree that Grantor shall have no obligation or liability for the operation, repair or replacement of any of the Improvements; provided, that the Grantor shall provide, assure and control the methods and means required for the short and long term maintenance of all trees, plants and ground cover (referred to as Plants) that are the original Plants of the easement area or Plants that are part of the Improvements, in the normal course of irrigating and maintaining the adjacent golf course tracts. Grantor shall have notify the District as soon as reasonably possible if, during the course of its maintenance Grantor observes stressed or dead plant material, but Grantor shall have no obligation to replace such stressed or dead plant material unless the conditions are the result of the Grantor's failure to fulfill its obligations under paragraph 4.c., above.

11. **Binding Effect.** Each and every one of the benefits and burdens of this Easement Deed shall inure to and be binding upon the respective legal representatives, administrators, successors and permitted assigns of the Grantor and District.

12. **Entire Agreement/Severability.** This Easement Agreement, together with its attachments and the Plans, contain the entire agreement between the Parties respecting the matters herein set forth and supersede all prior agreements, whether written or oral, between the parties respecting such matters. If any clause, provision, subparagraph, or paragraph set forth in this Agreement is illegal, invalid, or unenforceable under present or future applicable laws, then and in that event it is the intention of Grantor and District hereto that the remainder of this Agreement shall not be affected thereby.

13. **Breach.** Except as otherwise specifically contemplated herein, the Parties agree that, in the event of breach of any provision of this Easement Deed, written notice of the breach and its specifics shall be given by the non-breaching party to the other, and if, after thirty days the other has not cured the breach or, if cure is not possible within thirty days, has not commenced what curative measures are possible and is prosecuting them to their timely completion in a commercially reasonable manner, in addition to such contractual remedies as may be available at law either party may ask a court of competent jurisdiction to enter a temporary and/or permanent restraining order, or for an order of specific performance, to compel the other to perform in accordance with the obligations set forth under this Easement.

14. **Attorneys' Fees.** In the event that legal action is instituted to enforce any of the provisions of this Agreement, the prevailing party shall recover from the losing party its reasonable attorneys' fees and court costs.

15. **Governing Law.** This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Colorado. Venue for any action concerning the substance of this Easement Deed or its application or force or effect shall lie exclusively in the District Court in and for the County of Eagle, Colorado.

16. **Notice.** Any notice to be given hereunder shall be in writing and shall be hand delivered, sent by certified mail, postage prepaid or by facsimile to the respective addresses first set forth in this Easement Deed. Any notice required or permitted hereunder shall be deemed to have been received either (a) when delivered by hand and the party giving such notice has received a signed receipt thereof, or (b) one (1) day following the date deposited with Federal Express or other recognized overnight courier, or (c) on the day following the date deposited in the United States mail, postage prepaid, by registered or certified mail, return receipt requested.

17. **Counterparts.** This Agreement may be executed by the parties in counterparts, each of which shall be deemed an original, but all of which shall be deemed one and the same document. This Agreement shall be deemed fully executed and effective upon separate execution by both parties, whether or not such execution is made to the same page.

18. **No Personal Liability.** No elected official, director, officer, agent or employee of either Party to this Agreement shall be charged personally or held contractually liable by or to the other Party under any term or provision of this Agreement or because of any breach thereof or because of its or their execution, approval or attempted execution of this Agreement.

21. **No Waiver of Governmental Immunity.** The District, its directors, officials, officers, agents and employees are relying upon and do not waive or abrogate, or intend to waive or abrogate by any provision of this Easement Agreement the monetary limitations or any other rights immunities or protections afforded by the Colorado Governmental Immunity Act, C.R.S Section 24-10-101 et seq as the same may be amended.

22. **Appropriation.** All financial obligations of the District under and pursuant to this Easement Agreement are subject to prior appropriations of monies expressly made by the District for the purposes of this Easement Agreement.

In witness whereof, the undersigned have executed this Easement Deed this ____ day of _____, 2010.

[REST OF PAGE INTENTIONALLY BLANK

Grantor:

By: _____
Its _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2010 by _____, as _____ of _____, a _____.

Witness my hand and official seal.

My commission expires: _____

(SEAL)

Notary Public

DISTRICT:

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

ATTEST:

By: _____
Secretary

By: _____
President

EXHIBIT A

**Legal Description
Attached**

EXHIBIT B

**Water Schedule
Attached**

CVC Incident Summary

| | | |
|------------------------|----------------|----|
| Unsecured Door | Club | 16 |
| Noise Complaint | Pinnacle Point | 1 |
| Intrusion Alarm | Sanctuary | 1 |
| Noise Complaint | Fall Creek | 1 |
| Fire Alarm | Legends | 1 |
| Intrusion Alarm | Spring Creek | 1 |
| Speeding | Beard Creek | 10 |
| Unwanted Party Refused | Legends | 2 |

Water Tank Traffic

| | |
|-----------------------|------|
| Vehicles to Date | 1234 |
| Vehicles over 2 axles | 369 |

Updated 10/14/2010

RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Cordillera Valley Club Property Owners Association September 21, 2010

The Meeting of the Board of Directors of the Cordillera Valley Club Property Owners Association, Eagle County, Colorado, was held September 21, 2010 at 8:30 a.m., at the 9 Iron Grill at 0101 Legends Drive, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado. The Board met in joint session with the members of the Board of the Cordillera Valley Club Metropolitan District.

Attendance

The following Directors were present and acting:

- Wally Carey
- Tom Marcin
- Tim Benedickt
- Art Greenfeder (By Telephone)

The following Director was absent:

- Bob Engleby

Also in attendance were:

- Cordillera Valley Club Metropolitan District
Jay Morten
John O'Brien
Emilie Egan
Rick Pirog (By Telephone)
Brian Judge (Left at 9:10 a.m.)
- Robertson & Marchetti, P.C.
Ken Marchetti & Cheri Curtis
- VAg, Inc.
Stephanie Lord-Johnson (By Telephone)
- Operations & Security Personnel
Dan Carlson and Todd DeJong
- Others
Greg Perkins and Bernard Weber

Call to Order

The Meeting of the Board of Directors of Cordillera Valley Club Property Owners Association was called to order by Mr. Carey, noting a quorum was present.

Potential Conflicts Of Interest

Mr. Marcin reported that he is the principal owner of Marcin Engineering LLC which provides engineering services to Cordillera Valley Club Metropolitan District and/or Cordillera Valley Club Property Owners Association. The Board noted that Mr. Marcin may participate in

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION September 21, 2010 Meeting Minutes

discussions related to services his firm may provide to CVC and may vote in such matters, in compliance with his duties to the Association. The Board noted, for the record, that this disclosure is being made at this time with the intent of fully complying with laws pertaining to potential conflicts of interest.

Conference Call The log of public participation in the meeting for those participating in person and by phone is as follows:

Public Participation Log

| Meeting Date | In Person | By Phone |
|-----------------|--------------|-------------|
| 01/14/10 | 0 | 0 |
| 02/18/10 | 0 | 0 |
| 03/16/10 | 0 | 0 |
| 04/20/10 | 0 | 0 |
| 05/11/10 | 0 | 0 |
| 06/15/10 | 0 | 0 |
| 07/20/10 | 0 | 0 |
| 08/17/10 | 0 | 0 |
| 09/21/10 | 0 | 0 |

Agenda Security and operations were moved to the beginning of the joint agenda. Amendments 60, 61, and Proposition 101 were added to the agenda.

Public Input There was no public input

Minutes The Board reviewed the meeting minutes of July 6 Annual Meeting, the August 17 Regular Meeting, and August 31, 2010 Special Meeting. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the meeting minutes of August 17, 2010 Regular Meeting as presented. The Board further

RESOLVED to approve the meeting minutes of the August 31, 2010 Special Meeting as presented

Landscape Hearing The Roaches, owners of Filing 2, Lot 18, were asked to appear before the Board at a public hearing on the landscaping issues on their property.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION September 21, 2010 Meeting Minutes

Greg Perkins was present for the hearing. The Roaches were not present. By motion duly made and seconded it was unanimously

RESOLVED to authorize the DRB to approve a plan and hire a contractor to complete the landscaping on Filing 2 Lot 18.

It was agreed that when the plans are approved by the DRB, a contractor will be chosen. All landscaping improvements and DRB invoices will be sent to the Roaches for payment. If the invoices are not paid, the Association will pay the invoices and file a lien on the property.

Upcoming Meetings

There were no changes to the meeting schedule.

Financial Report

The Board reviewed the August 31, 2010 financial statements. Mr. Marchetti informed the Board that when Eagle County approved the PUD amendment for the berm there was a requirement for CVC to contribute \$20,000 to a community path. VAg had previously indicated this requirement may be waived by the County until CVC was ready to begin construction of the berm and therefore it was removed from the financial forecast. However, Ms. D'Agostino had a recent discussion with Eagle County staff to and was informed the \$20,000 was due by December 31, 2010.

A heated discussion ensued and Mr. Judge left the meeting at 9:10 a.m.

Director Pirog offered to meet with Eagle County representatives to discuss the status and pending requirements of the PUD amendments for the berm. Director Egan suggested the Board get legal advice prior to meeting with Eagle County. Director Pirog suggested it would be beneficial to include Ms. D'Agostino in the process since she has the history and the Board indicated it would be acceptable to get Ms. D'Agostino's input provided there would be no charge for her time but the Board reiterated that there were no remaining funds in this work order so nothing could be spent for Ms. D'Agostino's time. Mr. Benedickt questioned whether the approval process would be final after the \$20,000 payment.

Public Input

Bernard Weber had been requested by DRB to attend the meeting to request his refund of the compliance deposit. Ms. Lord-Johnson was called at 9:25 a.m. and she reported that the DRB looked at the lot and

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION September 21, 2010 Meeting Minutes

agreed that after the weeds are removed the deposit should be returned. The weeds have been removed and the two rounds of seeding have been completed. By motion duly made and seconded it was unanimously

RESOLVED to approve releasing the compliance deposit after final inspection which is scheduled for Friday September 24 at 10:00 a.m.

DRB Report

Ms. Lord-Johnson reported she will work with Greg Perkins to move forward on the landscaping process for the Roach property. VAg does not have an approved landscape plan. All costs for the landscaping including the cost of the landscape plan will be assessed against the property owner.

Landscape modification plans are being reviewed for the Legends and one other property. The costs of DRB were discussed. Mr. Greenfeder stated that the Association should be cost neutral and not paying Association funds for the DRB process. Ms. Lord-Johnson stated the costs to the Association are related to the fee schedule and there are some basic DRB and covenant enforcement expenses that are covered by the Association. The fees schedules may need to be reviewed to cover the DRB costs for project submittals, remodels, and landscaping changes. Mr. Greenfeder believes VAg should charge a fixed amount for approving plans and submit a fee schedule that covers VAg's costs for plan approvals. Mr. Pirog suggested Mr. Carey and Mr. Greenfeder should work with Ms. Lord-Johnson on the fee schedule and the DRB expenses.

Ms. Egan requested a proposal from VAg for 2011 DRB services by October 1, 2010, if possible. The Board suggested asking the DRB Board members to volunteer their services. Ms. Lord-Johnson left the meeting at 9:50 a.m. Mr. Greenfeder suggested obtaining proposals from other firms for DRB services.

It was agreed Security personnel would be able to report covenant violations, saving the Association money. Ms. Egan suggested obtaining three different bids from other architectural firms.

Marketing

Mr. Greenfeder questioned the marketing amount being paid by CVC to Cordillera. The Board currently believes the thirteen percent of the total cost that is paid by the Association is worth the amount spent. CPOA will be presenting the 2011 marketing budget at the October meeting for consideration by the Board.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION September 21, 2010 Meeting Minutes

Accounts Payable Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the accounts payable as presented.

**Operations
And Projects**

Mr. Carlson and Mr. O'Brien are working on the security upgrades at the west gate. Metal Design is installing permanent fencing. West Slope Fencing will be installing approx 160 feet of temporary fence. A gate is needed in the temporary fence for foot and bike traffic but the bids for an automatic gate (\$2,830) exceed the work order amount. It was agreed a manual combination gate will be installed which is expected can be done within the original work order.

The sample replacement street lights have been installed. The majority of the Board felt the poles are too tall, the lights are not night friendly and the poles are anticipated to be a maintenance issue. The original plans were to install metal posts. Mr. Carlson will incorporate the cost to maintain the existing lights into the 2011 budget and the light replacement project will be removed from the 2011 budget.

Public Safety

There was a gas leak in Edwards and thirty cars had to be escorted through Cordillera Valley Club. There have also been a few trucks that were caught in the Edwards I-70 Interchange construction and were not able to turn around and had to be escorted through Cordillera Valley Club.

There has been a problem with barking dogs. The residents have been contacted and they have been very responsive, although the barking problems continue. The Board directed that a letter be sent to the property owner with fines if the problem is not resolved.

Mr. Benedickt noted there are three properties with renters that are not following the covenants. The problems with the renters will be addressed by sending letters to both the renters and the property owners.

Lone Star Security submitted their 2011 proposal and budget along with a letter to the Board addressing the change in ownership of Lonestar Security. The proposal reflects a 5% reduction from the 2010 contract but also includes an additional charge of \$550 monthly for vehicle usage, gas, and insurance. Mr. O'Brien thanked Mr. DeJong for the reduction but asked that Lone Star include the costs of providing a vehicle in the base

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION September 21, 2010 Meeting Minutes

price and Mr. DeJong agreed. Mr. O'Brien suggested the District consider bidding the contract in 2012.

Mr. DeJong indicated funds will become available for Wildfire Mitigation Plans, and plans need to be ready when the grants funds are available. Mr. DeJong would like to develop a plan for CVC at no charge. Mr. Carey suggested Mr. DeJong meet with Cordillera Metropolitan District representatives to obtain information on their Wildfire Mitigation Plan.

UERWA is planning the major concrete pour for the water tank later in the week. Communication on the concrete pour will be distributed to residents.

Mr. Marchetti stated the contract with Lonestar Security requires Board approve a change of ownership for Lonestar Security. The Board agreed to approve the change of ownership.

Cordillera Club Advisory Committee

Mr. Carey and Mr. John O'Brien attended a meeting with Cordillera Property Owners Association where they reported CPOA has approved a budget of \$50,000 for legal expenses for the Cordillera Club Advisory Committee and requested approval of 13% from CVC. It was agreed that Mr. Carey and either Mr. Pirog or Mr. O'Brien should be involved with the committee and that they would report back before committing to the legal expenses.

Adjournment

There being no further business to come before the Board at this time, upon motion duly made and seconded it was unanimously

RESOLVED to adjourn the meeting of the Cordillera Valley Club Property Owners Association Board of Directors this 21st day of September, 2010.

Respectfully submitted,

Cheri Curtis
Secretary for the meeting

ROBERTSON & MARCHETTI, P.C.

Certified Public Accountants

October 15, 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 [September 30, 2010](#) and the related statement of revenues, expenditures and changes in fund balance with budgets for the [nine](#)

[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 adopted budget and amended budget of revenues, expenditures and changes in fund balance for calendar year 2010 and the preliminary 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 [September 30, 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: **10/15/10**

| | <u>12/31/09</u> | <u>09/30/10</u> |
|---|-----------------|-----------------|
| Current Assets | | |
| Cash - Unrestricted Portion | | |
| Cash - Checking FBOA | 61 | 46 |
| Cash - Petty Cash Checking | 1,606 | 1,606 |
| Cash - Savings FBOA | 45,949 | 128,576 |
| Cash - Savings Wells Fargo | 0 | 0 |
| Cash - Restricted Portion | | |
| Cash - Savings FBOA | 65,700 | 21,700 |
| Total Cash in Banks | <u>113,316</u> | <u>151,928</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>160,553</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>160,553</u> |
| Liabilities and Fund Equity | | |
| Current Liabilities | | |
| DRB Deposits | 65,700 | 21,700 |
| DRB Deposits Contra Account | (6,526) | (7,119) |
| DRB Interest Payable | 0 | 0 |
| Deferred Assessments | 0 | 0 |
| Accounts Payable | 24,046 | 9,592 |
| 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>24,172</u> |
| Fund Equity | | |
| Working Capital Contributions | 63,300 | 63,050 |
| Fund Balances | (17,748) | 73,331 |
| Total Fund Equity | <u>45,552</u> | <u>136,381</u> |
| Total Liabilities and Fund Equity | <u>128,772</u> | <u>160,553</u> |
| | = | = |

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: 10/15/10

| | 2009 | 2010 YTD | | | 2010 Annual | | | | 2011 |
|---|----------------------------|----------------------------|----------------------------|------------------------------------|---------------------------|---------------------|----------------------------|---------------------------------|--------------------------|
| | Actual Thru 12/31/09 | Budget Thru 09/30/10 | Actual Thru 09/30/10 | Variance Favorable (Unfavor) | 2010 Amended Budget | Remaining Budget | 2010 Forecast Budget | 2010 Variance Fav (Unfav) | 2011 Prelim Budget |
| Operating Fund | | | | | | | | | |
| Revenues | | | | | 1,500 | | 1,500 | | 1,500 |
| Regular Assessments | 192,000 | 192,000 | 192,000 | 0 | 192,000 | | 192,000 | | 192,000 |
| Special Assessments | | 0 | | 0 | | | | | |
| RE Transfer Assessments | 223,280 | 216,000 | 189,008 | (26,992) | 216,000 | (26,992) | 216,000 | 0 | 200,000 |
| Design Review Fees | 800 | 767 | 1,350 | 583 | 1,150 | 200 | 1,350 | 200 | 0 |
| Club Impact Fee | 26,863 | 27,938 | 27,938 | 0 | 27,938 | 0 | 27,938 | 0 | 29,056 |
| Interest Income - Operating | 3,153 | 788 | 830 | 42 | 1,182 | (352) | 1,182 | 0 | 1,200 |
| Developer Settlement | | 59,272 | 59,272 | 0 | 59,272 | 0 | 59,272 | 0 | 0 |
| Guidelines/Fines/Other Revenue | 3,146 | 333 | 9,902 | 9,569 | 500 | 9,402 | 500 | 0 | 500 |
| Total Revenues | 449,243 | 497,098 | 480,300 | (16,798) | 498,042 | (17,742) | 498,242 | 200 | 422,756 |
| Administrative Expenses | | | | | | | | | |
| Accounting, Admin & Management | 33,497 | 23,250 | 24,528 | (1,278) | 34,500 | 9,972 | 34,500 | 0 | 34,500 |
| Audit/Tax Prep Fees | 650 | 650 | 0 | 650 | 650 | 650 | 650 | 0 | 650 |
| Bad Debts Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bank Charges | 2,280 | 2,400 | 2,215 | 185 | 2,400 | 185 | 2,400 | 0 | 2,400 |
| Community Marketing | 24,000 | 24,000 | 24,000 | 0 | 24,000 | 0 | 24,000 | 0 | 24,000 |
| Homeowner Relations | 117 | 333 | 0 | 333 | 500 | 500 | 500 | 0 | 0 |
| Income Tax Expense | 717 | 900 | 0 | 900 | 900 | 900 | 0 | 900 | 300 |
| Ins Expense, incl. D&O Liab. | 2,383 | 2,625 | 2,403 | 222 | 2,625 | 222 | 2,625 | 0 | 2,625 |
| Legal Fees | 15,200 | 8,000 | 4,269 | 3,731 | 12,000 | 7,731 | 12,000 | 0 | 8,000 |
| Meeting Expenses | 351 | 467 | 604 | (137) | 700 | 96 | 700 | 0 | 700 |
| Office Supplies & Expense | 1,457 | 2,047 | 2,402 | (355) | 3,070 | 668 | 3,070 | 0 | 1,500 |
| Total Administrative Exp. | 80,652 | 64,672 | 60,421 | 4,250 | 81,345 | 20,924 | 80,445 | 900 | 74,675 |
| DRB Expenses | | | | | | | | | |
| DRB Submittals | 4,606 | 597 | 1,322 | (725) | 1,023 | (299) | 1,023 | 0 | 0 |
| DRB Minor Modification | 1,480 | 1,420 | 3,624 | (2,203) | 2,435 | (1,189) | 2,435 | 0 | 0 |
| DRB General Overhead | 14,412 | 7,000 | 10,103 | (3,103) | 12,000 | 1,897 | 12,000 | 0 | 12,000 |
| DRB Special Projects | 7,632 | 0 | 3,593 | (3,593) | 0 | (3,593) | 0 | 0 | 0 |
| Covenant Enforcement & General | 1,847 | 3,500 | 0 | 3,500 | 6,000 | 6,000 | 6,000 | 0 | 6,000 |
| Rewrite DRB Guidelines | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| POA Meeting Updates | 4,142 | 1,400 | 5,066 | (3,666) | 2,400 | (2,666) | 2,400 | 0 | 2,400 |
| DRB Storage | 2,400 | 1,400 | 1,600 | (200) | 2,400 | 800 | 2,400 | 0 | 2,400 |
| DRB Landscape Architect Consultant Fees | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DRB - Director Fees | 2,025 | 1,313 | 600 | 713 | 2,250 | 1,650 | 2,250 | 0 | 2,250 |
| DRB - Meeting Expenses | 958 | 1,167 | 0 | 1,167 | 2,000 | 2,000 | 2,000 | 0 | 2,000 |
| Legal Fees | 1,283 | 750 | 951 | (201) | 1,500 | 549 | 1,500 | 0 | 1,500 |
| Total DRB Expenses | 40,785 | 18,546 | 26,858 | (8,311) | 32,008 | 5,150 | 32,008 | 0 | 28,550 |
| Public Safety | | | | | | | | | |
| Public Safety | | 0 | | 0 | 4,000 | 4,000 | 4,000 | 0 | 4,000 |
| Payment to MD for Public Safety | 258,128 | 148,668 | 148,668 | 0 | 198,224 | 49,556 | 198,224 | 0 | 188,313 |
| Total Public Safety | 258,128 | 148,668 | 148,668 | 0 | 202,224 | 53,556 | 202,224 | 0 | 192,313 |
| Community Operations | | | | | | | | | |
| Recreation/Fishing | 1,815 | 2,724 | 2,724 | 0 | 2,724 | 0 | 2,724 | 0 | 2,750 |
| 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 |
| 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 | |
| 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 |
| Transfer RETA for Capital | 10,000 | 50,000 | 50,000 | 0 | 50,000 | 0 | 50,000 | 0 | 100,000 |
| Total Capital Expenditures | 29,028 | 150,551 | 150,551 | 0 | 150,551 | 0 | 150,551 | 0 | 100,000 |
| Total Expenditures | 418,238 | 385,161 | 389,222 | (4,061) | 468,852 | 79,630 | 467,952 | 900 | 398,288 |
| Excess of Revenues over Exp. After Capital | 31,005 | 111,937 | 91,078 | (20,858) | 29,190 | 61,889 | 30,290 | (700) | 24,468 |
| Beginning Fund Balance | (48,753) | (17,748) | (17,748) | 0 | (17,748) | 0 | (17,748) | 0 | 11,442 |
| Ending Fund Balance | (17,748) | 94,189 | 73,331 | (20,858) | 11,442 | 61,889 | 12,542 | (700) | 35,909 |

See accompanying accountant's report.

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**CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION, INC
OCTOBER 2010 ACCOUNTS PAYABLE**

Payables to be Approved

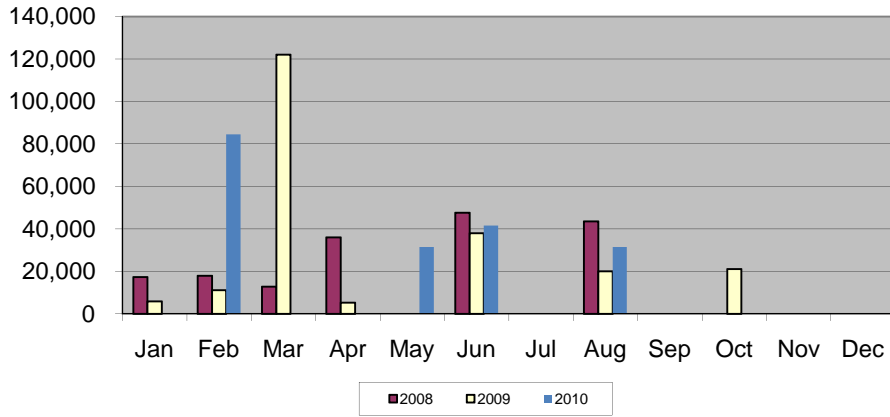
| <u>VENDOR</u> | <u>DATE</u> | <u>DATE PAID</u> | <u>AMOUNT</u> | <u>DESCRIPTION</u> | <u>Approved By</u> |
|---------------------------------------|-------------|------------------|-------------------------|-----------------------------|------------------------------------|
| CVCMD | 07/31/10 | 10/19/10 | 1,809.50 | Special Projects | Board at Meeting |
| Postmaster | | 10/19/10 | | Post Box Rental | Finance & Administration Committee |
| Robertson & Marchetti, P.C. | 09/30/10 | 10/19/10 | 2,934.03 | Accounting & Administration | Finance & Administration Committee |
| Sherman & Howard | 09/28/10 | 10/19/10 | 885.10 | Legal | Board at Meeting |
| VAg, Inc | 08/31/10 | 10/19/10 | 1,502.01 | DRB Overhead | Board at Meeting |
| | 08/31/10 | 10/19/10 | 282.50 | Minor Modifications | |
| | 08/31/10 | 10/19/10 | 725.00 | Special Projects | |
| | 08/31/10 | 10/19/10 | | O'Brien | |
| | 08/31/10 | 10/19/10 | 478.25 | POA Updates | |
| | 08/31/10 | 10/19/10 | | DRB Submittals | |
| | 08/31/10 | 10/19/10 | 200.00 | Storage | |
| | 08/31/10 | 10/19/10 | 282.50 | Roach Residence | |
| | 08/31/10 | 10/19/10 | 775.50 | Mosley Residence | |
| VAg Total | | | <u>4,245.76</u> | | |
| Darrell and Jacquelyn Watter | 10/15/10 | 10/19/10 | 1,000.00 | Compliance Deposit Release | Community Activities & Developmen |
| Current Accounts Payable Total | | | <u>10,874.39</u> | | |

Cordillera Valley Club Property Owners
A/R Aging Detail
As of October 15, 2010

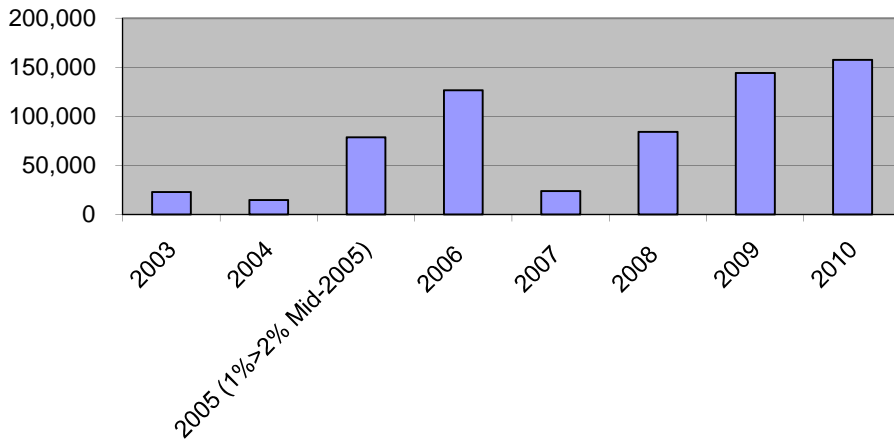
| <u>Type</u> | <u>Date</u> | <u>Name</u> | <u>Name Contact</u> | <u>Due Date</u> | <u>Open Balance</u> |
|--------------|-------------|-------------|--------------------------|-----------------|-------------------------------|
| Stmt Charge | 01/01/2010 | F1 L01 | William Fleischer | 01/01/2010 | 1,500.00 |
| Stmt Charge | 01/01/2010 | F1 L22 | Thomas & Laura O'Hara | 01/01/2010 | 1,500.00 |
| Stmt Charge | 01/01/2010 | F1 L07 | David & Monica Gully | 01/01/2010 | 1,500.00 |
| Stmt Charge | 01/01/2010 | F4 L11 | Thomas & Linda Barrow | 01/01/2010 | 1,500.00 |
| Stmt Charge | 01/01/2010 | F4 L04 | Mr. & Mrs. Thomas Barrow | 01/01/2010 | 1,500.00 |
| Stmt Charge | 01/01/2010 | F7 L06 | Amy Hermes | 01/01/2010 | 1,500.00 |
| Total > 90 | | | | | <u>9,000.00</u> |
| TOTAL | | | | | <u><u>9,000.00</u></u> |

**Cordillera Valley Club POA
Monthly RETA Report
Data Through October, 2010**

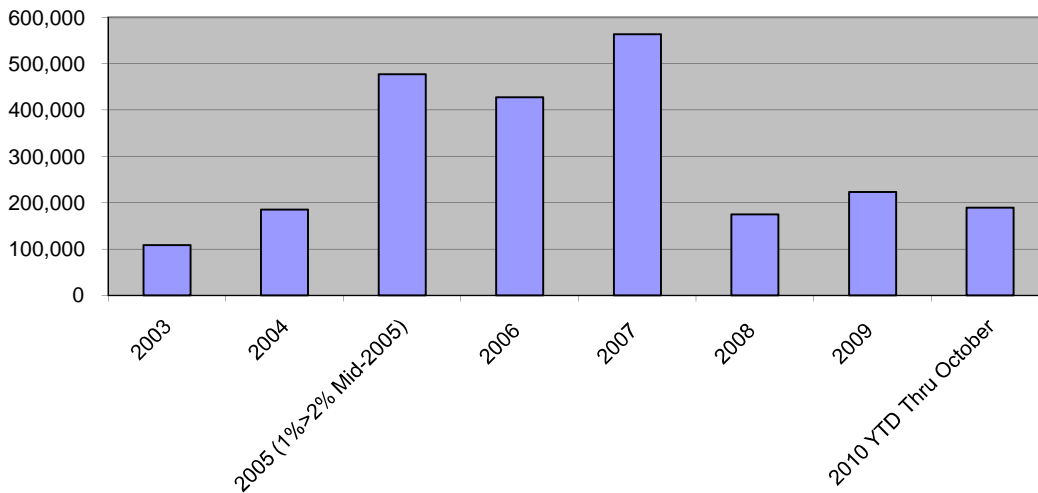
CVC Real Estate Transfer Assessments Monthly Comparison



YTD Total Thru October



RETA Annual Total ('10 YTD)



**Cordillera Valley Club Property Owners Association
Real Estate Transfer Fees
October 15, 2010**

| Date Sold | Lot Number | Seller | Buyer | Address | Amount |
|------------------|-------------------|------------------------------|------------------------------|------------------------|----------------------------|
| 02/05/10 | Filing 1, Lot 6 | Jonathan & Bethany Haerter | McKenna L Berlanti Trust | 119 Juniper Ridge Road | 54,000.00 |
| 02/05/10 | Filing 1, Lot 15 | Michael & Ann Lauterbach | Jonathan & Bethany Haerter | 0854 Beard Creek Trail | 30,500.00 |
| 05/28/10 | Filing 2 Lot 19 | Timothy & Bernadette Leiweke | Douglas & Audrey Fields | 1372 Beard Creek Trail | 31,500.00 |
| 06/21/10 | Filing 1 Lot 9 | Roy Faber Keithley | W. Lawrence & Andrea Elliott | 614 Beard Creek Trail | 41,508.00 |
| 08/27/10 | Filing 5 Lot 1 | Legends 232, LLC | Connie & Amy Dorsey | 232 Legends Drive | 25,200.00 |
| 08/27/10 | Filing 9 Lot 9 | TLH, Inc | Doug & Erin Blue | 280 Legacy Trail | 6,300.00 |
| | | | Total | | <u><u>\$189,008.00</u></u> |