

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: September 16, 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:

September 21, 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
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, September 21, 2010 beginning at 8:30 a.m., local time, for the following purposes and other matters that may come before the Boards.

**Agenda
September 21, 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 | 8:45 |

POA

- | | |
|---|-------|
| 1) Minutes | 8:50 |
| a) CVCPOA Annual Meeting – July 6, 2010 | |
| b) CVCPOA Regular Meeting – August 17, 2010 | |
| c) CVCPOA Special Meeting – August 31, 2010 | |
| 2) Hearing for Lot 18, Filing No 2 | 9:00 |
| 3) Legal | 9:15 |
| 4) POA Projects | 9:20 |
| a) UERWA Water Tank | |
| 5) DRB and Covenant Enforcement Report | 9:30 |
| 6) Financial Report | 9:45 |
| a) Financial Report | |
| b) Accounts Payable | |
| c) Other Financial Reports (Information Only) | |
| i) AR Aging | |
| ii) Monthly RETA Report | |
| 7) Real Estate Report | 10:00 |

Joint

- | | |
|--|-------|
| 1) Projects | 10:15 |
| a) West Entrance Fence | |
| b) Security System Upgrade Project | |
| c) Berm Project Update | |
| i) Agreement with Club for Easement, Water and Maintenance | |
| ii) County PUD Process | |
| d) CVC PUD Amendment for ERWSD | |
| i) Budget for Future Work on the Project | |
| ii) Project Status Report | |
| e) Lights and Signage Project | |
| f) Engineers Estimate for Road Overlay Costs and Timing | |
| g) Other Capital Projects | |
| 2) Operations Report | 10:30 |
| 3) Public Safety Report | 10:40 |
| a) Replacement Vehicle | |

Metro

- 1) Minutes 11:00
 - a) CVCMD Special Meeting – August 13, 2010
 - b) CVCMD Regular Meeting – August 17, 2010
 - c) CVCMD Special Meeting – August 23, 2010
- 2) Financial Report 11:15
 - a) Open Work Orders
 - b) Financial Report
 - c) Accounts Payable
 - d) Reimbursement Resolution
- 3) Legal Matters 11:30
 - a) November Election
 - b) Executive Session (If Necessary)
- 4) Adjournment 11:40

Trial Format

TO: The Board of Directors of the
CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT
and the Secretary of State

FROM: _____

RE: Disclosure of Potential Conflict of Interest

I, _____, am a member of the Board of Directors of the Cordillera Valley Club Metropolitan District (the "District") and I hereby give notice to the District and the Secretary of State of disclosures of potential conflict of interest as answered in the following questions

FINANCIAL INTERESTS

<p>Do you have an ownership interest in any business or businesses which may become involved with or are affected by the activities of the District?</p> <p>If YES, please list the business or businesses involved and the percentage of the extent of your ownership interest for each business. List only businesses in which you have a majority interest, and which are or may become involved with or affected by the activities of the District.</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>YES</p> <p>NO</p> <p>Circle one</p>
<p>Do you have any directorships or officerships in any business or businesses which may become or are currently involved with or are affected by the activities of the District?</p>	<p>YES</p>

<p>If YES, please list those entities that you are a director and/or an officer. List only those businesses that may be affected by the affairs of the District. If an officership is listed, indicate the title of the office (<i>i.e. president, secretary</i>).</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>NO</p> <p>Circle One</p>
<p>Do you personally have a loan or debtor interest which may be affected by Board action?</p> <p>If YES, please list those entities that you have loaned money to, or that have loaned money to you and the amount of the loan or debtor interest. List only those loans that may be affected by board action.</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>YES</p> <p>NO</p> <p>Circle One</p>
<p>Do you have a creditor interest in any insolvent business or businesses which are involved with or may become involved with or are affected by the activities of the District?</p> <p>If YES, please list the insolvent business or businesses involved and the amount of your creditor or debtor interest.</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>YES</p> <p>NO</p> <p>Circle One</p>
<p>Are you currently employed or have you begun negotiations for prospective employment with any business or businesses that are involved or may become involved with or are affected by the</p>	<p>YES</p>

<p>activities of the District?</p> <p>If YES, please list the business or businesses involved and the type of compensation (<i>i.e. salary; bonus or compensation based on profitability of business; and/or other compensation</i>) you receive or will receive. List only those employers who are related to development in the District, or are otherwise connected with District activity.</p> <hr/> <hr/> <hr/> <hr/>	<p>NO</p> <p>Circle One</p>
<p>Do you have an interest in real or personal property which is located in the District or is affected by the activities of the District?</p> <p>If YES, please describe the real or personal property involved and the percentage of the extent of your personal interest. List only the interests and property that may be reasonably expected to be directly affected by activities of the District. Attach a legal description, if necessary.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	<p>YES</p> <p>NO</p> <p>Circle One</p>
<p>Do you provide services to any business or businesses or entities which may become or are currently involved with or are affected by the activities of the District?</p> <p>If YES, please complete the following chart. List only services provided to entities which are or may be affected by the District=s activities</p>	<p>YES</p> <p>NO</p> <p>Circle</p>

				One
Services Provided	To Whom Services Provided	Purpose	Time Period	Type of Compensation Rec=d

OTHER INFORMATION

Additional information, if any, that describes my financial or personal interests that may present a conflict of interest in District activities is as follows:

This form describes my activities that may be of interest to the District and/or for a particular District transaction. If a particular transaction is involved, an attachment to this statement describes the nature of that transaction. It is intended that this disclosure, and to the best of my knowledge and belief, this disclosure does satisfy the requirements of ' 32-1-902, C.R.S., ' 31-25-1209(3), C.R.S., 18-8-308, C.R.S., Part 1 of Article 18 of Title 24, C.R.S. (specifically including ' 24-18-110, C.R.S.) and the Constitution of the State of Colorado as applicable.

Effective On or After this Date

**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
September	Regular Meeting (3rd Tuesday)	September 21, 2010
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

Sep-10						
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26	27	28	29	30		

Oct-10						
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31						

Nov-10						
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Dec-10						
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Jan-11						
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Feb-11						
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Mar-11						
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May-11						
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Jun-11						
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Jul-11						
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31						

Aug-11						
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28	29	30				

Indicates Holiday

Indicates Meeting

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 are in being drafted to be executed for the berm irrigation, landscaping, maintenance, and easements. CVC has received formal approval from Eagle County for the berm. The berm was 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 to improve the security system to allow CVC full control of security.

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

RECORD OF PROCEEDINGS

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

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 the on 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.

The excavation hole has been filled and the landscaping has been completed on the Weber property. The weeds have been removed and Mr. Weber is working to complete re-vegetation of the property.

RECORD OF PROCEEDINGS

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

Access to the pond for fishing is available with parking at the golf maintenance facility. Lonestar 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 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. Voters would need to approve a bond issue to fund the berm or any other capital projects.

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.

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%.

RECORD OF PROCEEDINGS

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

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

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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

RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
Of the Board of Directors of
Cordillera Valley Club Property Owners Association
August 17, 2010**

The Meeting of the Board of Directors of the Cordillera Valley Club Property Owners Association, Eagle County, Colorado, was held August 17, 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
- Bob Engleby
- Tom Marcin
- Art Greenfeder

The following Directors were absent::

- Tim Benedickt

Also in attendance were:

- Cordillera Valley Club MD
 - Jay Morten
 - Rick Pirog
 - John O'Brien
 - Emilie Egan
 - Brian Judge
- Robertson & Marchetti, P.C.
 - Ken Marchetti & Cheri Curtis (Arrived at 11:00 a.m)
- CMD
 - Nanette Kuich, President; Ken Ulickey, Treasurer; Joe Wilson, Manager
- VAg, Inc.
 - Stephanie Lord-Johnson
- Operations & Security Personnel
 - Dan Carlson, Rick Adams and Todd DeJong
- Others
 - Clarkson Mosley

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.

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CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION August 17, 2010 Meeting Minutes

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 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

Agenda

Financial issues at the Club at Cordillera was added as a joint agenda item.

Club Issues

Joe Wilson, Cordillera Metropolitan District (CMD) and Cordillera Property Owners Association (CPOA) Manager, attended the meeting to discuss current financial issues related to the Club at the Cordillera. Mr. Wilson distributed a resolution that has been adopted by the CPOA Board related to formation of a committee with a mission to develop plans for a private solution to the Club issues, to evaluate plans that may be proposed by others with respect to private solutions for the Club, and to advise the CPOA, CVCPOA, and the Timber Springs POA as to the viability of such

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CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION August 17, 2010 Meeting Minutes

plans so as to protect and enhance property values for all Cordillera property owners.

Bob Engleby left at 9:45

After discussion, by motion duly made and seconded, it was unanimously

RESOLVED that CVC is in full support of the CPOA Resolution and the appointed committee and intends to act in concert with CPOA to enhance property values for all Cordillera property owners.

Public Input

Mr. Clarkson Mosley, 161 Fall Creek Road, attended the meeting to discuss trees near his home in Fall Creek which are obscuring his view. He attended a Board meeting about a year ago about this issue. Following that meeting he approached the Fall Creek Association about the issue and he got a letter back from them saying they wouldn't do anything and in particular they do not want to top any trees. The Fall Creek Association said he could pay for development of a long range plan but implementation of the plan would be at their discretion. He reported he has lived in his Fall Creek home two years.

His attendance at today's meeting is for the purpose of appealing to the CVC Board to do something to protect his views. The Board referred this matter to the DRB.

Minutes

The Board reviewed the meeting minutes of June 15, 2010. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the meeting minutes of June 15, 2010 as presented.

Upcoming Meetings

The Board reviewed the schedule for the upcoming 2010 meetings. There were no changes to the meeting schedule.

Financial Report

The Board reviewed the July 31, 2010 financial statements.

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CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION August 17, 2010 Meeting Minutes

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

RESOLVED to approve the accounts payable as presented.

Public Safety The accident report involving the District vehicle was distributed along with estimated cost for replacement vehicles. Mr. DeJong reported the water tank traffic count is at 640 vehicles with 262 vehicles with more than two axles. Mr. Greenfeder stated dust control needs to improve. Mr. Pirog will pass that comment on at the next construction meeting.

DRB Report Ms. Lord-Johnson reported the response from residents who received letters regarding landscaping issues has been positive.

Ms. Lord-Johnson is working with Greg Perkins to address the owners of 1398 Beard Creek Trail who have failed to complete their landscaping plan. The DRC passed a motion to proceed with “self-help” for the property, if necessary.

Ms. Lord-Johnson also reported that Mr. Carlson, on behalf of the District, will be receiving a letter from the DRB on items which the District needs to correct.

**Upcoming
Metro District
Election**

The Board noted that a communication plan needs to be established to communicate with constituents related to the upcoming CVCMD election. CPOA is creating documents that can be modified to meet the CVC needs. There is a Cordillera Town Hall meeting that will be held on August 24, 2010.

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 17th day of August, 2010.

Respectfully submitted,

Cheri Curtis
Secretary for the meeting

RECORD OF PROCEEDINGS

Minutes of the Member Meeting of Cordillera Valley Club Property Owners Association August 31, 2010

A Member Meeting of the Cordillera Valley Club Property Owners Association, a Colorado non-profit corporation, was held August 31, 2010 at 4:00 p.m., at the Cordillera Valley Clubhouse, 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
- Art Greenfeder
- Bob Engleby

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 August 31, 2010, at 4:00 p.m.

Club Issues Based on recent financial correspondence from the owners of the Club at Cordillera, Joe Wilson, Cordillera Metropolitan District and Cordillera Property Owners Association Manager gave an overview of the advisory committee formation to investigate the options for acquiring the Club at Cordillera assets, if necessary.

Ed O'Brien who is on the advisory committee, stated the committee is investigating private options to acquire the assets. The committee plans to have a report for property owners by the end of September. The Advisory Committee has requested \$100,000 for independent legal counsel. Mr. Siegfried questioned how the committee can proceed without legal advice or financial information. Mr. Wilson stated although there are no attorneys on the committee, a group of pro bono attorney's have been advising the committee members.

Residents questioned how the committee could receive financial information without signing a non-disclosure and whether the Wilhelm Family Partnership would even provide financial information. Mr. O'Brien stated the committee is looking at dues options. With the Gypsum Creek Golf Course recently being sold to the Town of Gypsum, the committee is able to obtain some information on golf operations. The Wilhelm Family Partnership has a \$12 million loan with Alpine Bank for

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association August 31, 2010 Member Meeting Minutes

the assets and an additional \$7.5 million which has been advanced by the owner for operating costs.

November Election Information was presented on the three issues on the CVC November ballot that would allow the District to issue bonds for the purchase of the Club assets and collect property taxes to cover a portion of the operating expenses. If CMD and CVCMD are successful in receiving voter approval at the November election, bonds could be issued for up to \$15 million to purchase the distressed assets. The voter approval is being sought as a last resort option to purchase the assets if all private options fail.

For Cordillera Valley Club, registered voters will first need to approve the issues on the November ballot and then a follow-up election will be held allowing all property owners to vote. It will take a simple majority of those voting to pass the election.

If the Club at Cordillera is purchased by the Metropolitan Districts, the courses would become public. Mr. Wilson explained that the District's would be able to set constraints on public play with preferential rates for tax paying residents. There was a question on segregating the assets and Mr. Wilson indicated that would be up to the owner.

Ballot Initiatives Mr. Marchetti presented information on Proposition 101, and Amendments 60 and 61, which are statewide initiatives that will be on the November ballot. Mr. Wilson and Mr. O'Brien provided additional information. The initiatives are believed to be presented by Douglas Bruce, who is in ardent opposition to all taxes in the State of Colorado.

Proposition 101 would eliminate the specific ownership tax and the State tax rate would be reduce 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.

It was noted the passages of any or all of these initiatives could be detrimental to services provided by Governmental entities including CVCMD.

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association
August 31, 2010 Member Meeting Minutes

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 31st day of August, 2010.

Respectfully submitted,

Cheri Curtis
Secretary for the Meeting

RECORD OF PROCEEDINGS

Cordillera Valley Club Property Owners Association August 31, 2010 Member Meeting Minutes

Members in Attendance:

- Suzie Apple 0001 Sanctuary Lane
- Sarah Baker 1914 Beard creek Trail
- Bart Barnett 0181 Spring Creek Lane
- John Batts 1710 Beard Creek Trail
- McKenna Berlanti 0119 Juniper Lane
- Jack & Judith Chain 0142 Spring Creek Lane
- Mary Margaret Clay 1656 Beard Creek Trail
- Stanley Dickerson 0349 Legends Drive
- Emilie Egan 0010 Sanctuary Lane
- Catherine Gassman 1912 Beard Creek Trail
- Arthur Greenfeder 1225 Beard Creek Trail
- John Gurash 0019 Pinnacle Point
- Jonathan Haerter 0854 Beard Creek Trail
- Amy Hermes 1848 Beard Creek Trail
- Matthew Hulsizer 0001 Spring Creek Lane
- Heather Hutto 0084 Legacy Trail
- Chris Hynes 0381 Legacy Trail
- Brian Judge 0106 Juniper Lane
- Paul Kessenich 0100 Legacy Trail
- Peter Kyle 0941 Beard Creek Trail
- John Mayer 0073 Juniper Lane
- Judith Meredith 0161 Legacy Trail
- William Mimeles 1916 Beard Creek Trail
- Joseph Morten 0235 Legacy Trail
- Janet Myers 0965 Beard Creek Trail
- Ed O'Brien 3 Properties
- Allison Navarro 0306 Legacy Trail
- John O'Brien 1665 Beard Creek Trail
- Mark Pancratz 0110 Spring Creek Lane
- Dennis & Sue Parker 0006 Sanctuary Lane
- Rick Pirog 0335 Legends Drive
- Deborah Shields 0062 Elk Run
- Julie Siegfried 0028 Legends Court
- Jane Sims 0101 Fall Creek Road
- Sharon Watson 0666 Beard Creek Trail

Others in Attendance:

- Joe Wilson, Manager CMD
- Robertson & Marchetti, P.C.
Ken Marchetti, & Cheri Curtis

Sherman & Howard L.L.C.

ATTORNEYS & COUNSELORS AT LAW
1000 SOUTH FRONTAGE ROAD WEST, SUITE 200
VAIL, COLORADO 81657
TELEPHONE: (970) 476-7646
FAX: (970) 476-7118
WWW.SHERMANHOWARD.COM

Gregory Perkins
Direct Dial Number: (970) 790-1608
E-mail: GPerkins@ShermanHoward.com

August 27, 2010

VIA CERTIFIED MAIL

Tom and Sybil Roach
Roach Family Trust
79418 Cetrino
La Quinta, CA 92253

Re: **NOTICE OF MEETING**; Lot 18, Cordillera Valley Club Filing No. 2; 1398
Beard Creek Trail

Dear Mr. and Mrs. Roach:

This law firm represents the Cordillera Valley Club Property Owners Association, Inc. (the "Association"). As owners of property within Cordillera Valley Club, you are members of the Association.

You have received multiple communications from the Association's design review board ("DRB") regarding the fact that landscaping on your property is not in compliance with the Association's design guidelines. In the DRB's last letter to you, you were notified that, as a result of your failure to respond to the DRB and rectify the noncompliance, at the DRB's August 17 meeting it would consider referring this matter to the Association's executive board for a determination of whether to exercise self-help remedies. You did not attend the DRB's August 17 meeting nor contact DRB staff prior to the meeting. Therefore, at the meeting the DRB referred this matter to the Association's executive board.

YOU ARE HEREBY NOTIFIED THAT THE EXECUTIVE BOARD OF THE ASSOCIATION WILL CONSIDER THIS MATTER AT ITS MEETING TO BE HELD ON TUESDAY SEPTEMBER 21, 2010 AT 8:30 A.M., MOUNTAIN TIME, AT THE CORDILLERA VALLEY CLUB CLUBHOUSE, CHAPARRAL RESTAURANT, 0101 LEGENDS DRIVE, EDWARDS, COLORADO. You are invited and encouraged to attend this meeting.

Sherman & Howard L.L.C.

Tom and Sybil Roach

August 27, 2010

Page 2

At this meeting, the executive board will consider, pursuant to Section 9.5 of the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Cordillera Valley Club, whether to enter upon your property and perform such work as is reasonably required to remedy your noncompliance. If it does so, you will be liable to the Association for all costs incurred in undertaking such actions. If you fail to pay those costs when demanded by the Association, those sums will be secured by a lien against your property, which may be foreclosed by the Association. Foreclosure could result in your loss of ownership of your property.

I welcome a call from you or your counsel prior to the meeting to discuss this matter. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'G Perkins', written over a horizontal line.

Gregory Perkins

GP:lm

cc: Executive Board, Cordillera Valley Club Property Owners Association, Inc.

ROBERTSON & MARCHETTI, P.C.

Certified Public Accountants

September 17, 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 August 31, 2010 and the related statement of revenues, expenditures and changes in fund balance with budgets for the eight 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 August 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: **09/17/10**

	<u>12/31/09</u>	<u>08/31/10</u>
Current Assets		
Cash - Unrestricted Portion		
Cash - Checking FBOA	61	101
Cash - Petty Cash Checking	1,606	1,606
Cash - Savings FBOA	45,949	227,812
Cash - Savings Wells Fargo	0	0
Cash - Restricted Portion		
Cash - Savings FBOA	65,700	42,900
Total Cash in Banks	<u>113,316</u>	<u>272,418</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>281,043</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>281,043</u>
Liabilities and Fund Equity		
Current Liabilities		
DRB Deposits	65,700	42,900
DRB Deposits Contra Account	(6,526)	(7,119)
DRB Interest Payable	0	0
Deferred Assessments	0	0
Accounts Payable	24,046	109,064
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>144,845</u>
Fund Equity		
Working Capital Contributions	63,300	63,050
Fund Balances	(17,748)	73,148
Total Fund Equity	<u>45,552</u>	<u>136,198</u>
Total Liabilities and Fund Equity	<u>128,772</u>	<u>281,043</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:

	YTD Actual Thru 12/31/09	YTD Budget Thru 08/31/10	YTD Actual Thru 08/31/10	Variance Favorable (Unfavor)	2010 Amended Budget	After Amend. Remaining Budget	2011 Prelim Budget	2012 Forecast
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)	200,000	200,000
Design Review Fees	800	767	1,150	383	1,150	0	0	2,000
Club Impact Fee	26,863	27,938	27,938	0	27,938	0	29,056	29,927
Interest Income - Operating	3,153	788	753	(35)	1,182	(429)	3,000	1,124
Developer Settlement		59,272	59,272	0	59,272	0	0	-
Guidelines/Fines/Other Revenue	3,146	333	380	47	500	(120)	500	500
Total Revenues	449,243	497,098	470,501	(26,597)	498,042	(27,541)	424,556	425,552
Administrative Expenses								
Accounting, Admin & Management	33,497	23,250	21,835	1,415	34,500	12,665	34,500	35,000
Audit/Tax Prep Fees	650	650	0	650	650	650	650	670
Bad Debts Expense	0	0	0	0	0	0		-
Bank Charges	2,280	2,400	2,190	210	2,400	210	2,400	2,472
Community Marketing	24,000	24,000	24,000	0	24,000	0	24,000	24,720
Homeowner Relations	117	333	0	333	500	500	500	515
Income Tax Expense	717	900	0	900	900	900	900	927
Ins Expense, incl. D&O Liab.	2,383	2,625	2,403	222	2,625	222	2,625	2,704
Legal Fees	15,200	8,000	3,384	4,616	12,000	8,616	12,000	12,000
Meeting Expenses	351	467	604	(137)	700	96	700	721
Office Supplies & Expense	1,457	2,047	2,161	(114)	3,070	909	3,000	3,090
Total Administrative Exp.	80,652	64,672	56,577	8,095	81,345	24,768	81,275	82,818
DRB Expenses								
DRB Submittals	4,606	597	1,322	(725)	1,023	(299)	1,000	1,030
DRB Minor Modification	1,480	1,420	3,624	(2,203)	2,435	(1,189)	2,000	2,060
DRB General Overhead	14,412	7,000	8,601	(1,601)	12,000	3,399	12,000	12,360
DRB Special Projects	7,632	0	0	0	0	0		
Covenant Enforcement & General	1,847	3,500	0	3,500	6,000	6,000	6,000	6,180
Rewrite DRB Guidelines		0	0	0	0	0		
POA Meeting Updates	4,142	1,400	4,588	(3,188)	2,400	(2,188)	2,400	2,472
DRB Storage	2,400	1,400	1,400	0	2,400	1,000	2,400	2,472
DRB Landscape Architect Consultant Fees		0	0	0	0	0	0	-
DRB - Director Fees	2,025	1,313	600	713	2,250	1,650	2,250	2,318
DRB - Meeting Expenses	958	1,167	0	1,167	2,000	2,000	2,000	2,060
Legal Fees	1,283	750	951	(201)	1,500	549	1,500	1,545
Total DRB Expenses	40,785	18,546	21,085	(2,538)	32,008	10,923	31,550	32,497
Public Safety								
Public Safety		0		0	4,000	4,000	4,000	4,120
Payment to MD for Public Safety	258,128	148,668	148,668	0	198,224	49,556	188,313	193,962
Total Public Safety	258,128	148,668	148,668	0	202,224	53,556	192,313	198,082
Community Operations								
Recreation/Fishing	1,815	2,724	2,724	0	2,724	0	2,750	2,833
Community Operations Bonus	7,830	0	0	0	0	0		-
Total Community Ops Exp	9,645	2,724	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		
Water Tank Expenses-Architectural	8,070	20,448	20,448	0	20,448	0		
Water Tank Expenses-Legal G&H	1,825	61,683	61,683	0	61,683	0		
Water Tank Expenses-Legal S&H	2,779	11,138	11,138	0	11,138	0		
Water Tank Expense Reimbursement	0	0	0	0	0	0		
Recreation Path Requirement per PUD		0	0	0	0	0		
Garden/Water Feature		0	0	0	0	0		
Open Space/Fishing Rights	0	0	0	0	0	0	0	
Transfer RETA for operations	0	0	0	0	0	0	0	
Transfer RETA for Capital	10,000	50,000	50,000	0	50,000	0	100,000	100,000
Total Capital Expenditures	29,028	150,551	150,551	0	150,551	0	100,000	100,000
Total Expenditures	418,238	385,161	379,605	5,556	468,852	89,247	407,888	416,230
Excess of Revenues over Exp. After Capital	31,005	111,937	90,896	(21,041)	29,190	61,706	16,668	9,322
Beginning Fund Balance	(48,753)	(17,748)	(17,748)	0	(17,748)	0	11,442	28,109
Ending Fund Balance	(17,748)	94,189	73,148	(21,041)	11,442	61,706	28,109	37,431

See accompanying accountant's report.

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**CORDILLERA VALLEY CLUB PROPERTY OWNERS ASSOCIATION, INC
SEPTEMBER 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>
Club at Cordillera	08/31/10	09/21/10	100.00	Meeting Expense	Finance & Administration Committee
CVCMD	09/17/10	09/21/10	50,000.00	Operations	Board at Meeting
	09/17/10	09/21/10	49,556.00	DRB Submittals	
CVCMD Total			<u>99,556.00</u>		
Postmaster		09/21/10		Post Box Rental	Finance & Administration Committee
Robertson & Marchetti, P.C.	08/31/10	09/21/10	4,480.01	Accounting & Administration	Finance & Administration Committee
Sherman & Howard	08/27/10	09/21/10	950.60	Legal	Board at Meeting
VAg, Inc	07/31/10	09/21/10	298.62	DRB Submittals	Board at Meeting
	07/31/10	09/21/10	1,449.75	DRB Overhead	
	07/31/10	09/21/10	1,188.75	Minor Modifications	
	07/31/10	09/21/10		Special Projects	
	07/31/10	09/21/10		Water Tank Architectural	
	07/31/10	09/21/10	200.00	Storage	
VAg Total			<u>3,977.87</u>		
Current Accounts Payable Total			<u>109,064.48</u>		

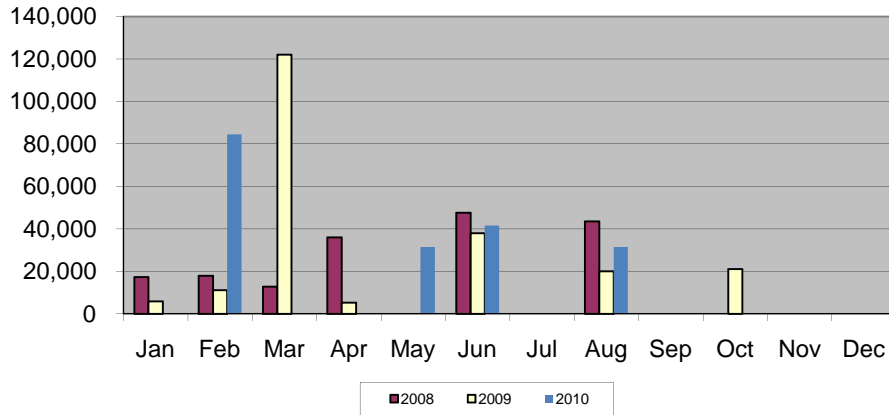
Cordillera Valley Club Property Owners A/R Aging Detail

As of September 17, 2010

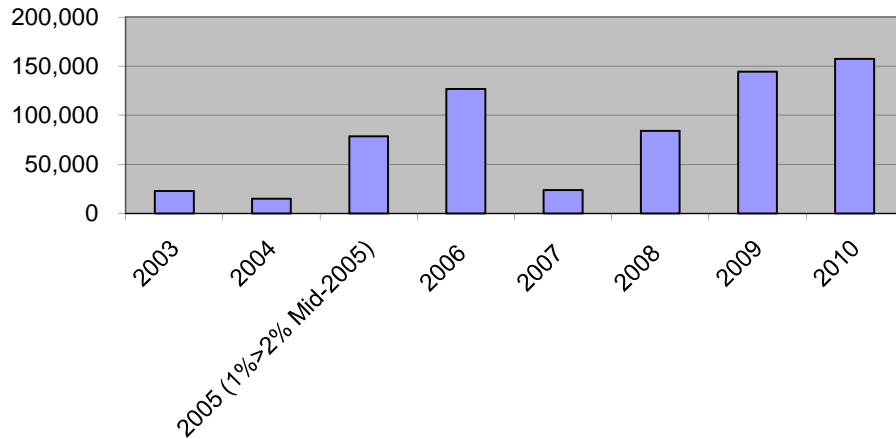
<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Name Contact</u>	<u>Due Date</u>	<u>Open Balance</u>
Stmnt Charge	01/01/2010	F1 L01	William Fleischer	01/01/2010	1,500.00
Stmnt Charge	01/01/2010	F1 L22	Thomas & Laura O'Hara	01/01/2010	1,500.00
Stmnt Charge	01/01/2010	F1 L07	David & Monica Gully	01/01/2010	1,500.00
Stmnt Charge	01/01/2010	F4 L11	Thomas & Linda Barrow	01/01/2010	1,500.00
Stmnt Charge	01/01/2010	F4 L04	Mr. & Mrs. Thomas Barrow	01/01/2010	1,500.00
Stmnt 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 August, 2010**

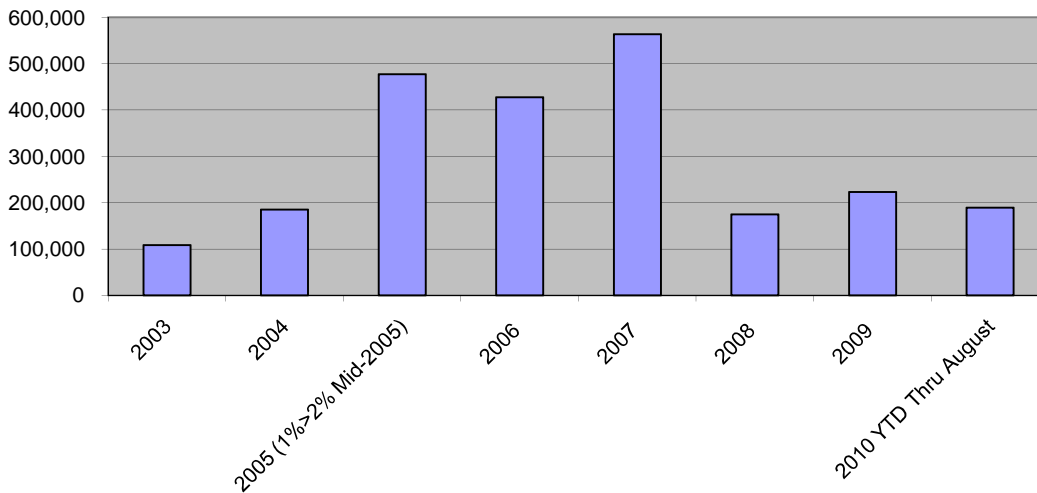
CVC Real Estate Transfer Assessments Monthly Comparison



YTD Total Thru August



RETA Annual Total ('10 YTD)



**Cordillera Valley Club Property Owners Association
Real Estate Transfer Fees
September 17, 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 Leiwewe	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>

CVC Incident Summary

Unsecured Door	Club	17
No Test Signal	Pinnacle Point	1
Intrusion Alarm	Sanctuary	2
Electrical Flash	East Gate	1
Intrusion Alarm	Spring Creek	1
Traffic Issue	East Gate	1
Vandalism	Workout Room	1
Speeding	Beard Creek	13

Water Tank Traffic

Vehicles to Date	884
Vehicles over 2 axles	291

Updated 9/15/2010

RECORD OF PROCEEDINGS

Minutes of the Special Meeting Of the Board of Directors of Cordillera Valley Club Metropolitan District August 13, 2010

A Meeting of the Board of Directors of the Cordillera Valley Club Metropolitan District, Eagle County, Colorado, was held August 13, 2010 at 1:00 p.m., at the Office of Robertson & Marchetti, P.C., 28 Second Street, Suite 211, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance

The following Directors were present and acting:

- Rick Pirog (Arrived at 1:25 p.m.)
- Emilie Egan
- Brian Judge
- Jay Morten
- John O'Brien

Also in attendance were:

- Ken Marchetti, Robertson & Marchetti, P.C., Secretary for the Meeting

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.

Director Egan questioned whether Mr. Judge was performing services for the Wilhelm Family Partnership. Director Judge responded that he is not currently working for them.

The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT August 13, 2010 Meeting Minutes

Budget

Amendment

Mr. Marchetti presented an amended budget for consideration by the Board. After review and upon motion duly made and seconded, it was

RESOLVED to approve the attached resolution to amend the 2010 budget with Directors Egan, Morten, O'Brien, and Pirog voting in favor of the resolution. Director Judge was out of the room at this time.

Work Orders

Mr. Marchetti presented Work Orders 2010-1, 2010-2, 2010-3 and 2010-4 (copy attached) which reflects the unexpended portion of capital projects in the amended budget. By motion duly made and seconded, it was

RESOLVED to approve Work Orders 2010-1, 2010-2, 2010-3 and 2010-4 (copy attached) with Directors Egan, Morten, O'Brien, and Pirog voting in favor of the resolution. Director Judge abstained.

Fence

Construction

With the budget amendment there are currently no budgeted funds for further work on the West Gate project. After discussion and by motion duly made, it was

RESOLVED to that the 2010 budget is hereby amended to designate the \$12,000 originally budgeted for Other Capital Projects to be used for construction of a fence on the west side of the road at the West Entrance with Directors Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

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 13rd day of August, 2010.

Respectfully submitted,

Ken Marchetti
Secretary for the Meeting

**CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT
RESOLUTION FOR SUPPLEMENTAL BUDGET and
APPROPRIATION**

(Pursuant to Section 29-1-109, C.R.S.)

A RESOLUTION APPROPRIATING ADDITIONAL SUMS OF MONEY TO DEFRAY EXPENSES IN EXCESS OF AMOUNTS BUDGETED FOR THE CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT, COLORADO.

WHEREAS, the Board of Directors of Cordillera Valley Club Metropolitan District appropriated funds for fiscal year 2010 as follows:

GENERAL FUND:

Current Operating Expenses	\$741,519
Debt Service Expenditures	\$22,135
Capital Expenditures	<u>\$77,000</u>
TOTAL	\$840,654

WHEREAS, the necessity has arisen for additional expenditures requiring the expenditure of funds in excess of those appropriated for the fiscal year 2010; and

WHEREAS, the unanticipated additional expenditures are contingencies which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, additional sources of revenues and surplus funds are available to fund the additional expenditures shown below.

NOW THEREFORE BE IT RESOLVED that the Board of Directors of Cordillera Valley Club Metropolitan District shall and hereby does amend the budget for fiscal year 2010, as follows:

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

	2010 Adopted Budget	2010 Amended Budget	2010 Budget Change	Explanation
Revenues				
Interest Income	7,200	2,000	(5,200)	Lower rates than budgeted
General and Administrative Expenses				
Accounting and Administration	34,500	38,000	(3,500)	Additional Time Incurred
Elections	2,000	114	1,886	Cancellation of election
Ins Expense, incl Govt Officials	3,800	3,916	(116)	Adjust to actual costs incurred
Office Supplies & Expense	600	3,000	(2,400)	Adjust to actual costs incurred
Community Operations Expenses				
Walls & Planters Maintenance	0	12,500	(12,500)	Rock walls Fall Cr, W Gate, Mtce
Road Asphalt Patch & Crack Seal	13,500	19,912	(6,412)	Adjust to actual costs incurred
Engineering - Special Projects	5,000	7,325	(2,325)	Adjust to actual costs incurred
Engineering - PUD Mapping	0	6,615	(6,615)	Adjust to actual costs incurred
Snow Plow Material, Eq Rent, Xtras	12,000	6,000	6,000	Budget savings, not used
Gate Maintenance and Transponders	5,000	10,000	(5,000)	Adjust to actual costs incurred
Contingency	25,000	12,500	12,500	Use 1/2 of Contingency
Capital Expenditures and Projects				
RFID Sys (Repl Transponders)		20,354	(20,354)	Bring Forward from 2009 Budget
Camera System		15,842	(15,842)	Bring Forward from 2009 Budget
Berm Design/PUD	5,000	25,000	(20,000)	Per resolution in April 20 Minutes
Berm Design-Marcin		1,200	(1,200)	
Berm Design-Soils & Struct Engr		6,650	(6,650)	
Lighting & Signage Design		20,525	(20,525)	Reapply lighting budget to West Gate improvements
Lighting Materials & Installation	60,000	13,000	47,000	Preliminary costs only
Signage Upgrade		1,006	(1,006)	
West Gate Design		9,084	(9,084)	Capital Budget Committee
West Gate Design-Engineering		2,000	(2,000)	
Overall Budget Change			<u>(73,343)</u>	
Funding Sources Available				
Funds brought forward from 2009 Budget			72,682	
Overall Budget Change			<u>(662)</u>	

BE IT FURTHER RESOLVED that any director of the District may execute individual resolutions appropriating funds for each specific project as identified above.

BE IT FURTHER RESOLVED that such sums are hereby appropriated from the revenue of the District to the proper funds for the purpose stated.

Dated this 13th day of August, 2010.

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT

By: *Richard P. Gray*
Title: *President*

RECORD OF PROCEEDINGS

Minutes of the Regular Meeting Of the Board of Directors of Cordillera Valley Club Metropolitan District August 17, 2010

The Regular Meeting of the Board of Directors of the Cordillera Valley Club Metropolitan District, Eagle County, Colorado, was held August 17, 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
- Rick Pirog
- John O'Brien
- Emilie Egan
- Brian Judge

Also in attendance were:

- Cordillera Valley Club POA
Wally Carey, Tom Marcin, Bob Engleby, Art Greenfeder
- Robertson & Marchetti, P.C.
Ken Marchetti & Cheri Curtis (Arrived at 11:00 a.m.)
- CMD
Nanette Kuich, President; Ken Ulickey, Treasurer; Joe Wilson, Manager
- VAg, Inc.
Stephanie Lord-Johnson
- Operations & Security Personnel
Dan Carlson, Rick Adams and Todd DeJong
- Others
Clarkson Mosley

Call to Order

The Meeting of the Board of Directors of Cordillera Valley Club Metropolitan District was called to order by Director Pirog, 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

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT August 17, 2010 Meeting Minutes

Meetings The Board reviewed the schedule for the upcoming 2010 meetings. There were no changes to the meeting schedule.

Minutes The Board reviewed the meeting minutes of July 20, 2010. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the meeting minutes of July 20, 2010 as revised with Directors Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

Public Input There was no public input.

Capital Projects The capital project list was distributed and reviewed. In addition to the items on the list, the Board indicated they would like to install a temporary fence on the east side of the road at the west gate project. By motion duly made and seconded it was

RESOLVED to approve a work order establishing a budget of \$12,000 for the east side fencing with Director Egan voting against the resolution and Directors Judge, Morten, O'Brien, and Pirog voting in favor of the resolution

Ms. Lord-Johnson reported that \$6,000 of the VAg billing that was originally reported as being associated with the lighting project is actually related to another project and the design expense for the lighting should only be \$12,000.

Mr. Carlson presented a proposal of \$1,500 to install the additional two light poles. By motion duly made and seconded it was

RESOLVED to authorize \$1,500 to have Mr. Carlson install the two additional light poles with Directors Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution.

The guard rail project will be considered in the 2011 budget but has been removed from the 2010 budget. The design of the berm is completed and no additional expenditures are authorized at this time for further work on berm design.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT August 17, 2010 Meeting Minutes

- Audit** The Board reviewed the 2009 Audited Financial Statement prepared by Chadwick, Steinkirchner, Davis & Co. P.C. By motion duly made and seconded it was unanimously
- RESOLVED** to approve the 2009 Audit as presented, subject to Director Egan's conference with the auditors.
- Financial Report** The Board reviewed the July 31, 2010 financial statements. It was agreed to table the bond issue at this time. The capital projects that could be funded with bonds will be tracked separately for possible future reimbursement with bond proceeds.
- Accounts Payables** The Board questioned the coding on the invoice from Grimshaw and Haring. Director Egan suggested only one Director should be the central point to contact the attorneys for the Board. It was noted that the invoices need to be reviewed by the committee members. Upon motion duly made and seconded, it was
- RESOLVED** to approve the accounts payable list as presented with Directors Egan, Judge, Morten, O'Brien, and Pirog voting in favor of the resolution
- Public Safety** The accident report involving the District vehicle was distributed along with the estimated cost for a replacement vehicle. Mr. Adams reported the vehicle will most likely be totaled with an estimated value between \$10,000 and \$12,000. Lonestar Security offered to provide a vehicle for the District to use until a decision is made on a replacement vehicle. Staff was directed to inquire whether Loss of Use is provided under the District insurance policy.
- Mr. DeJong reported the water tank traffic count is at 640 vehicles with 262 vehicles with more than two axles. Mr. Greenfeder stated dust control needs to improve. Mr. Pirog will pass that comment on at the next construction meeting.
- Club at Cordillera** The Board discussed the issues related to issuing bonds to purchase the Club at Cordillera. It was debated whether the asset would be a benefit to the community. The deadline to put an election question on the November ballot is September 3, 2010.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT August 17, 2010 Meeting Minutes

Director Egan stated the Board needs a legal opinion as to whether the Board could use the remaining \$3.8 million in bond authorization previously approved by voters. By motion duly made and seconded it was

RESOLVED to adopt an election resolution with terms similar to the election resolution adopted by CMD using 13% of the amounts in the CMD resolution, with a formal election resolution to be prepared by the District's counsel with Director Egan voting against the resolution and Directors Judge, Morten, O'Brien and Pirog voting in favor of the resolution.

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 17th day of August 2010 at 12:55 p.m.

Respectfully submitted,

Cheri Curtis
Secretary for the Meeting

RECORD OF PROCEEDINGS

Minutes of the Special Meeting Of the Board of Directors of Cordillera Valley Club Metropolitan District August 23, 2010

A Meeting of the Board of Directors of the Cordillera Valley Club Metropolitan District, Eagle County, Colorado, was held August 23, 2010 at 11:00 a.m., at the Office of Robertson & Marchetti, P.C., 28 Second Street, Suite 211, Edwards, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance

The following Directors were present and acting:

- Brian Judge
- Rick Pirog
- Emilie Egan
- John O'Brien
- Jay Morten

Also in attendance were:

- Wally Carey
- John Messervey
- CMD
Nanette Kuich, President, Ken Ulickey, Treasurer,
- Robertson & Marchetti, P.C.
Ken Marchetti and Cheri Curtis, Secretary for the Meeting

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

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

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT August 23, 2010 Meeting Minutes

November Election Based on receiving notice that the owners of the Club at Cordillera are having financial difficulty, the Board has determined to proceed with placing ballot issues on the November ballot which would authorize the District to issue bonds to participate in the acquisition of the assets of the Club at Cordillera as a last resort measure if all other financing measures fail. CMD has added a third ballot question to allow an intergovernmental agreement between the District's to jointly purchase or manage the golf courses and suggested CVC also add a third question to the ballot. Mr. Matt Dalton provided language to be used by CVCMD for this matter.

The Board reviewed the wording of the election questions and called Mr. Dalton to discuss the wording and the amounts in the ballot questions. It was agreed to us \$1.95 million for the authorization for issuance of bonds and \$195,000 for the annual operating tax authorization.

If Amendment 61 passes, which is on the November state-wide ballot, the District would only be able to issue bonds up to 10% of the District's assessed value but CMD has reported that their existing bonds already exceed 10% of their assessed value and they will not be able to issue any further bonds if Amendment 61 passes.

Grimshaw and Haring will coordinate the election with Dawn Fredette as Designated Election Official. By motion duly made and seconded it was unanimously

RESOLVED to adopt the election resolution in substantially the form discussed but subject to minor revisions as may be agreed upon by the District's attorney and the CMD attorney. A copy of the formal election resolution is incorporated herein by this reference.

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT August 17, 2010 Meeting Minutes

potential conflict of interest. The Board noted, for the record, that this 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

Agenda Club at Cordillera financial issues was added as a joint agenda item.

Club Issues Joe Wilson, Cordillera Metropolitan District (CMD) and Cordillera Property Owners Association (CPOA) Manager, attended the meeting to discuss the possible acquisition by CMD of the assets of the Club at Cordillera, as an option of last resort. Mr. Wilson reported that CMD adopted a resolution on August 16, 2010 calling an election to be held on November 2, 2010 for the purpose of authorizing an increase in the operations and maintenance mill levy to raise an additional \$1.5 million annually in operating funds and to authorize CMD to incur additional debt up to \$15 million for the purpose of purchasing the assets of the Club at Cordillera. After discussion, by resolution duly made and seconded it was

RESOLVED to approve support of forming a committee to investigate acquiring the assets of the Club at Cordillera.

The Board discussed the options that include joint financing with CVC contributing 13% or CVC acquires a portion with a joint use agreement.

Upcoming

RECORD OF PROCEEDINGS

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT August 23, 2010 Meeting Minutes

The Board discussed the cost of conducting the election with Mr. Dalton and Mr. Marchetti. By motion duly made and seconded it was unanimously

RESOLVED to authorize a work order up to \$12,500 for election expenses.

Account Payable Director Judge requested approval of the Irrigation Technology invoices related to calculation of the water requirements for the berm. By motion duly made and seconded it was unanimously

RESOLVED to approve the payment of the Irrigation Technology invoices in the amount of \$1,625.

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 23rd day of August, 2010.

Respectfully submitted,

Cheri Curtis
Secretary for the Meeting

**Cordillera Valley Club Property Owners Association
 Open Work Order Report
 8/31/10**

Number	Description	Contractor	Work Order Amount	Amount Spent To Date	Amount Remaining
2010-08-01	Berm Design & PUD Amendment	VAg	25,000.00	24,844.01	155.99
2010-08-02	Lighting and Signage Design	VAg	20,525.00	21,309.22	-784.22
2010-08-03	Lighting Materials and Installation	CED and Carlson	14,500.00	13,984.15	515.85
2010-08-04	West Gate Design	VAg	9,084.25	9,852.28	-768.03
2010-08-05	West Gate Construction Administration	VAg	4,500.00	0.00	4,500.00
2010-08-06	West Gate Fencing Project	To Be Determined Grimshaw & Harring / Robertson & Marchetti	12,000.00	0.00	12,000.00
2010-08-07	November 2, 2010 Election		12,500.00	2,256.65	10,243.35
	Total		98,109.25	72,246.31	25,862.94

ROBERTSON & MARCHETTI, P.C.

Certified Public Accountants

September 17, 2010

Board of Directors
Cordillera Valley Club Metropolitan District

I have compiled the accompanying balance sheet of Cordillera Valley Club Metropolitan District as of August 31, 2006 and the related statement of revenues, expenditures and changes in fund balance with budgets for the eight 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 August 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 Printed:
ALL FUND TYPES AND ACCOUNT GROUPS 09/17/10
For the Dates Indicated Below

		8/31/10			
		2009	Fixed		
		Combined	General	Assets &	Total
		Actual	Fund	Debt	8/31/10
Assets					
1100.1	Checking - First Bank	501	335		335
1110.1	Money Market - First Bank		18,000		18,000
1120.1	Colostrust - Savings	175,501	336,329		336,329
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	99,556		99,556
	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
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	475,350	1,078,518	1,553,868
Liabilities					
2100.1	Accounts Payable - GF	6,029	52,321		52,321
2200.1	Account Payable - CVCPOA	555	0	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	72,751	99,410	172,161
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	402,599		402,599
	Total Net Assets	1,142,956	402,599	979,108	1,381,707
	Total Liabilities and Fund Equity	1,914,994	475,350	1,078,518	1,553,868
		=	=	=	=

See Accompanying Accountant's Report.

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

General Fund		YTD Actual 12/31/09	YTD Budget 8/31/10	YTD Actual 8/31/10	Variance Favorable (Unfavor)	2010 Amended Budget	Remaining Budget	2010 Forecast Budget	2010 Variance Fav (Unfav)	2011 Prelim Budget	2012 Forecast
Revenues											
	Beginning Assessed Value										26,113,400
	New Construction										(5,222,680)
	Valuation Changes										
	Ending Assessed Value	20,865,150		0		25,957,960		25,957,960	0	26,113,400	20,890,720
	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	1.060
	Total Mill Levy	0.000	0	0	0	25.000		25.000	0	25.000	26.060
4110.1	Property Taxes - Operations	519,972	622,991	628,519	5,528	648,949	(20,430)	648,949	0	652,835	522,268
	Property Taxes - Debt Service						0			0	22,136
4130.1	Specific Ownership Taxes	21,197	17,035	14,667	(2,368)	29,203	(14,536)	29,203	0	26,113	24,498
4180.1	Other Income	0	0	19,387	19,387		19,387		0		
4190.1	Interest Income - Operating	1,729	1,333	4,199	2,865	2,000	2,199	2,000	0	7,200	7,123
4500.1	Payment from CVCPOA	258,128	148,668	148,668	0	198,224	(49,556)	198,224	0	188,313	193,962
4600.1	Xfer RETA (for operations)	0	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	100,000
	Total Revenues	811,026	840,027	865,440	25,412	928,376	(62,936)	928,376	0	974,461	869,988
Administrative Expenses											
5050.1	Accounting, Admin & Mgmt	35,574	27,333	30,370	(3,037)	38,000	7,630	38,000	0	38,000	38,000
5150.1	Audit	5,750	6,000	5,750	250	6,000	250	6,000	0	6,000	6,180
5225.1	Dues & Subscriptions	771	900	527	373	900	373	900	0	900	927
5170.1	Elections	0	12,614	2,257	10,357	12,614	10,357	12,614	0	6,000	2,000
5250.1	Ins Expense, incl Govt Officials	3,511	3,916	3,916	0	3,916	0	3,916	0	4,000	4,120
5300.1	Legal Fees	1,190	4,400	5,134	(734)	6,600	1,466	6,600	0	6,600	6,600
5350.1	Meeting Expenses	2,248	1,600	1,233	367	2,400	1,167	2,400	0	2,400	2,472
5400.1	Office Supplies & Expense	236	2,000	1,133	867	3,000	1,867	3,000	0	3,000	3,090
5500.1	Treasurer's Fees	15,684	18,690	18,972	(283)	19,468	496	19,468	0	19,585	16,332
	Total Administrative Exp.	64,964	77,453	69,293	8,161	92,898	23,606	92,898	0	86,485	79,721
Public Safety											
6370.1	Gate House Staffing & Patrols	382,797	264,299	266,438	(2,139)	396,449	130,011	396,449	0	376,626	387,925
6380.1	Vehicle Operating Expense	2,794	3,859	1,525	2,334	5,789	4,263	5,789	0	5,789	5,962
	Total Public Safety	385,591	268,158	267,963	195	402,237	134,274	402,237	0	382,415	393,887

See accompanying accountant's report.

Cordillera Valley Club Metro District
Statement of Revenues and Expenditures
Actual, Budget and Forecast for the Periods Indicated
General Fund (Continued)

Modified Accrual Basis

	YTD Actual 12/31/09	YTD Budget 8/31/10	YTD Actual 8/31/10	Variance Favorable (Unfavor)	2010 Amended Budget	2010 Remaining Budget	2010 Forecast Budget	2010 Variance Fav (Unfav)	2011 Prelim Budget	2012 Forecast	
Community Operations:											
6200.1	Landscaping - Turf Area Maintenance	18,812	15,704	11,567	4,137	18,845	7,278	18,845	0	18,845	19,410
6250.1	Landscaping - Flowers Maintenance	33,900	34,150	27,500	6,650	34,150	6,650	34,150	0	34,150	35,175
6300.1	Lights, Signs, Guardrails, & Fences	5,167	5,333	2,176	3,157	8,000	5,824	8,000	0	8,000	8,240
6150.1	Holiday Lights	8,478	4,240	3,379	861	8,480	5,101	8,480	0	8,480	8,734
5450.1	Recreation	0	0	0	0	1,500	1,500	1,500	0	1,500	1,545
5360.1	Walls & Planters Maintenance	0	8,333	6,500	1,833	12,500	6,000	12,500	0	6,000	6,180
6400.1	Road Maintenance	15,699	9,188	1,238	7,950	10,500	9,263	10,500	0	10,500	10,815
6410.1	Road Asphalt Patch & Crack Seal	13,494	19,912	19,912	0	19,912	0	19,912	0	20,000	20,600
6420.1	Road & General Engineering	9,771	3,333	1,099	2,234	5,000	3,901	5,000	0	5,000	5,150
6425.1	Engineering - Special Projects	259	6,511	5,118	1,393	7,325	2,207	7,325	0	5,000	5,150
6426.1	Engineering - PUD Mapping	0	6,615	6,615	0	6,615	0	6,615	0	0	0
6430.1	Interchange Representation	0	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	25,956
6460.1	Snow Plow Material, Eq Rent, Xtras	6,498	6,000	0	6,000	6,000	6,000	6,000	0	12,000	12,360
6500.1	Weed & Pest Control	10,288	6,667	8,220	(1,553)	10,000	1,780	10,000	0	10,000	10,300
6160.1	Tree Care	14,380	12,000	4,536	7,465	12,000	7,465	12,000	0	12,000	12,360
6350.1	Operations Management	43,757	29,172	29,171	0	43,757	14,586	43,757	0	43,757	45,070
6360.1	Operations Cell Phone	252	360	(77)	437	540	617	540	0	540	556
6050.1	Gatehouse Utilities - Cable TV	1,227	867	878	(11)	1,300	422	1,300	0	1,300	1,339
6070.1	Utilities - Electric	3,917	4,120	1,774	2,347	6,180	4,407	6,180	0	6,180	6,365
6080.1	Utilities - Water	7,093	5,291	4,571	720	8,016	3,445	8,016	0	8,016	8,257
6060.1	Utilities - Telephone	1,745	1,030	1,504	(474)	1,545	41	1,545	0	1,545	1,591
6100.1	Gate Maintenance and Transponders	4,806	10,000	8,984	1,016	10,000	1,016	10,000	0	5,000	5,150
7140.4	Building Maintenance and Repairs	0	7,500	0	7,500	7,500	7,500	7,500	0	7,500	7,725
	Operating Contingency		0	0	0	0	0	0	0	25,000	25,750
	Total Community Ops Exp	223,940	213,965	161,464	52,501	264,865	103,401	264,865	0	275,513	283,779
Debt Service											
8050.2	Debt Service - Principal 2003 Loan (\$	16,375	17,095	17,095	(0)	17,095	(0)	17,095	0	17,847	18,633
8100.2	Debt Service - Interest 2003 Loan (\$2	5,760	5,040	5,040	0	5,040	0	5,040	0	4,288	3,503
8300.2	Debt Service - Vehicle Purchase Prin	0	0	0	0	0	0	0	0		
8350.2	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	581,712	520,855	60,857	782,136	261,281	782,136	0	766,548	779,523
	Rev over Exp. before Capital	114,396	258,316	344,585	86,269	146,240	198,344	146,240	0	207,913	90,465

See accompanying accountant's report.

**Cordillera Valley Club Metro District
Statement of Revenues and Expenditures
Actual, Budget and Forecast for the Periods Indicated
General Fund (Continued)**

Modified Accrual Basis

	YTD Actual 12/31/09	YTD Budget 8/31/10	YTD Actual 8/31/10	Variance Favorable (Unfavor)	2010 Amended Budget	2010 Remaining Budget	2010 Forecast Budget	2010 Variance Fav (Unfav)	2011 Prelim Budget	2012 Forecast
Capital Expenditures & Spec Projects										
7000.4	Gate House & Equipment	3,177	0	0	0	0	0	0		
	Security Vehicle	0	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	0	0	
7040.4	Berm Design/PUD-Vag	4,046	25,000	24,844	156	25,000	156	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	
7045.4	Berm Legal Expense	2,990	0	6,412	(6,412)		(6,412)		0	
	Berm Construction Management		0	0	0	0	0	0	0	
7050.4	Berm Construction	0	0	0	0	0	0	0	0	
	Berm Contingency		0	0	0	0	0	0	0	
	Road Settlement Repairs	0	0	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	0	0	
7901.4	Road Engineering	0	0	0	0	0	0	0	0	
	Road Overlay - Beard Creek Trail		0	0	0	0	0	0	0	
	Road Overlay - Side Roads		0	0	0	0	0	0	0	
7801.4	Landscape Master Plan	0	0	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	21,309	(784)	20,525	(784)	20,525	0	
7913.4	Lighting - Materials & Installation		14,500	13,984	516	14,500	516	14,500	0	85,000
7904.4	Signage Upgrade		1,006	984	23	1,006	23	1,006	0	45,000
7905.4	Signage - Vag		0	0	0	0	0	0	0	
	Open Space/Fishing Rights		0	0	0	0	0	0	0	
	Guard Rail Juniper Ridge to Legacy *		0	0	0	0	0	0	0	
	Equipment Storage Area/Shed		0	0	0	0	0	0	0	
	Retain Wall/Planter Juniper Ridge Rd		0	0	0	0	0	0	0	30,000
	Rock Wall Beard Creek & Juniper		0	0	0	0	0	0	0	10,000
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	0	0	0	0	0	4,500
7220.4	W Gate Improvements		12,000	12,000	0	12,000	12,000	12,000	0	153,000
	Other Capital Projects		0	0	0	0	0	0	0	12,000
	Total Capital Expenditures	12,038	128,161	122,929	5,232	128,161	5,233	128,161	0	169,500
	Rev over Exp After Cap	102,358	130,155	221,656	91,501	18,079	203,577	18,079	0	(79,535)
Other Financing Sources & Uses										
	Bond/Loan Proceeds	0	0	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	0	0	0
9100.1	Transfer To Debt Service Fund	0	0	0	0	0	0	0	0	0
9200.2	Transfer From General Fund	0	0	0	0	0	0	0	0	0
9150.1	Transfer to Cap Projects Fund	0	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	311,098	402,599	91,501	199,022	203,577	199,022	0	237,435
	=	=	=	=	=	=	=	=	=	=

See accompanying accountant's report.

**CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT
SEPTEMBER 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	08/14/10	9/21/2010	333.07	6060.1	Gatehouse Phone	Dan Carlson/Operations Committee
DirecTV	08/16/10	9/21/2010	203.96	6050.1	Gatehouse TV	Dan Carlson/Operations Committee
Eagle River Water & Sanitation	08/31/10	9/21/2010	520.73	6080.1	Gatehouse Water	Dan Carlson/Operations Committee
Holy Cross Electric	07/28/10	9/21/2010	114.61	6070.1	Gatehouse Electric	Dan Carlson/Operations Committee
Total Gatehouse Utilities			<u>1,172.37</u>			
<u>Operations Expenses</u>						
		9/21/2010				
The Club at Cordillera	08/17/10	9/21/2010	152.50	5350.1	July Meeting	Finance & Administration Committee
Chadwick, Steinkirchner, Davis	08/26/10	9/21/2010	5,750.00	5150.1	2009 Audit	Ken Marchetti / Finance & Administratic
Colorado Mosquito Spray	07/18/27	9/21/2010	1,500.00	6500.1	Mosquito Spraying	Dan Carlson/Operations Committee
Colorado Vegetation Management	07/30/10	9/21/2010	6,120.00	6500.1	Weed Spraying	Dan Carlson/Operations Committee
Consolidated Electrical Distributors	08/13/10	9/21/2010	4,725.45	7913.4	Light Project Materials	Dan Carlson/Operations Committee
	08/13/10	9/21/2010	7,034.55	7913.4	Light Project Materials	Dan Carlson/Operations Committee
Total CED			<u>11,760.00</u>			
Eagle River Water & Sanitation	08/31/10	9/21/2010		6600.1	Corner of Wilmore/Beard Creek Trail	Dan Carlson/Operations Committee
	08/31/10	9/21/2010		6600.1	613 Beard Creek Trail Irrigation	
	08/31/10	9/21/2010	283.95	6600.1	619 Beard Creek Trail Irrigation	
	08/31/10	9/21/2010	91.19	6600.1	801 Beard Creek Trail Irrigation	
	08/31/10	9/21/2010	328.19	6600.1	1051 Beard Creek Trail Irrigation	
	08/31/10	9/21/2010	112.08	6600.1	1313 Beard Creek Trail Irrigation	
	08/31/10	9/21/2010	9.34	6600.1	1519 Beard Creek Trail Irrigation	
	08/31/10	9/21/2010	9.34	6600.1	1793 Beard Creek Trail Irrigation	
Total Eagle River Water & Sanitation			<u>834.09</u>			
Garden Creations	08/31/10	9/21/2010	4,250.00	6250.1	Monthly Flower Bed Maintenance	Dan Carlson/Operations Committee
Grimshaw & Harring	08/31/10	9/21/2010	2,032.04	5300.1	General Legal	Board at Meeting
	08/31/10	9/21/2010	1,898.56	5170.1	Elections	
Total Grimshaw & Harring			<u>3,930.60</u>			
Gupp's Portable Welding	09/13/10	9/21/2010	700.00	7913.4	New Light Pole Installation Materials	Finance & Administration Committee
Holy Cross Energy	08/25/10	9/21/2010	43.81	6300.1	Street Lighting	Dan Carlson/Operations Committee
	08/18/10	9/21/2010	181.73	6300.1	0033 Wilmore Drive	
Total Holy Cross Energy			<u>225.54</u>			
Home Depot	09/10/10	9/21/2010	65.94	7913.4	New Light Pole Installation Materials	Dan Carlson/Operations Committee
Lone Star	09/01/10	9/21/2010	32,738.39	6370.1	Security	Contractual Agreement
Orkin	09/10/10	9/21/2010	100.00	6500.1	Pest Control	Dan Carlson/Operations Committee
Robertson & Marchetti, P.C.	08/31/10	9/21/2010	6,017.68	5050.1	Accounting & Administration	Finance & Administration Committee
SFB, Inc.	09/01/10	9/21/2010	3,646.42	6350.1	Operations Services	Contractual Agreement
	09/10/10	9/21/2010	42.94	7913.4	New Light Pole Installation Materials	Operations Committee
	09/10/10	9/21/2010	800.00	7913.4	New Light Pole Installation	Operations Committee
Total SFB, Inc.			<u>4,489.36</u>			
STI Services	07/31/10	9/21/2010	1,880.45	6200.1	Turf Area Maintenance	Dan Carlson/Operations Committee
The Best Electric	09/14/10	9/21/2010	248.47	6100.1	Gate Repairs	Rick Adams/Operations Committee
VAG, Inc	07/31/10	9/21/2010	3,029.03	7903.4	T&M Related to Light & Sign Project	Board at Meeting
	07/31/10	9/21/2010	2,305.00	7210.4	T&M Related to West Gate	
	07/31/10	9/21/2010	41.11	7040.4	T&M Related to Sound Barrier Design	
	07/31/10	9/21/2010	2,552.00	7040.4	T&M Related to Berm	
Total SFB, Inc.			<u>7,927.14</u>			
Accounts Payable Total			<u>89,862.53</u>			

REIMBURSEMENT
RESOLUTION

WHEREAS, the Board of Directors (the "Board") of the Cordillera Valley Club Metropolitan District (the "District"), has determined and hereby determines and declares that the interest of the District and the public interest and necessity require that certain improvements be acquired and constructed for the District and its inhabitants; and

WHEREAS, the Board has determined that it is necessary to make capital expenditures to acquire and construct such improvements prior to the time that long-term bonds are issued to finance the improvements; and

WHEREAS, it is the Board's reasonable expectation that when such long-term bonds are issued, the capital expenditures will be reimbursed with the proceeds of the long-term bonds; and

WHEREAS, in order to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), it is the Board's desire that this resolution shall constitute the "official intent" of the Board to reimburse such capital expenditures within the meaning of Treasury Regulation §1.150-2;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT, EAGLE COUNTY, COLORADO:

Section 1. Project Description; Maximum Principal Amount of Obligations. The Board intends to make capital expenditures to acquire and construct road and landscape improvements (the "Project"). The maximum principal amount of obligations expected to be issued by the District for the Project will be \$100,000 (the "Obligations").

Section 2. Reasonableness of Official Intent. The Board reasonably expects that such capital expenditures will be reimbursed with the proceeds of the Obligations.

Section 3. Reimbursement Period. The reimbursement allocation with respect to such capital expenditures will be made not later than 18 months after the later of: 1) the date the original expenditure is paid; or 2) the date the project is placed in service or abandoned, but in no event more than 3 years after the original expenditure is paid. If the Obligations qualify for the \$5,000,000 small issuer exception contained in Section 148(f)(4)(D) of the Code, the 18 month period set forth above is changed to 3 years and the 3 year maximum reimbursement period is disregarded.

Section 4. Anti-abuse rules. The District shall not use reimbursed moneys for purposes prohibited by Treasury Regulation §1.150-2(h).

Section 5. Declaration of Official Intent. This Resolution is intended to be a declaration of "official intent" to reimburse expenditures within the meaning of Treasury Regulation §1.150-2.

Section 6. Repealer. All acts, orders, ordinances, resolutions, or parts thereof, of the District that are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

Section 7. Effective Date. The provisions of this Resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this 21st day of September, 2010.

(S E A L)

CORDILLERA VALLEY CLUB METROPOLITAN DISTRICT

President

ATTEST:

Secretary