

CORDILLERA METROPOLITAN DISTRICT
CONTINUED REGULAR BOARD MEETING MINUTES
FRIDAY, SEPTEMBER 29, 2017
408 CARTERVILLE ROAD, CORDILLERA, COLOARD

The Regular Meeting of the Board of Directors of the Cordillera Metropolitan District (CMD) that was called and held Friday, September 22, 2017, was continued Friday, September 29, 2017, in accordance with the applicable statues of the State of Colorado.

ATTENDANCE

Present: Judy McBride, President
Bob Egan, Treasurer
David Bentley, Secretary

Via phone David Davies, Vice President
Kitty George, Assistant Treasurer/Assistant Secretary

ALSO PRESENT

CPOA Board Members: Ed Shriner, Michael Grier, Larry Brooks, Rick Smith, Jerri More.

Others Present:

Alan Pogue, legal counsel; Rachel Oys, general manager; Joe Helminski, recreation directory; Trevor Broersma, community operations director; Jaime Walker, communications manager; and 14 members of the public.

CALL TO ORDER

Director McBride called to order the Continued Regular Meeting of the Cordillera Metro District at 8:32 a.m.

DECLARATION OF QUORUM/DIRECTOR QUALIFICATIONS

Director McBride noted for the record a quorum was present to conduct the business of the Cordillera Metro District.

ACKNOWLEDGEMENT OF RECEIPT OF NOTICE OF MEETING AT LEAST 72 HOURS IN ADVANCEMENT OF THE MEETING

All Board members acknowledged receiving notice of the special meeting at least 72 hours in advance. No conflicts of interest were noted.

EXECUTIVE SESSION

8:35 a.m. Director Egan and Director George moved to enter into Executive Session pursuant to Section 24-6-402(4)(b), C.R.S. for the purpose of receiving legal advice regarding the Rule 106 Judicial Appeal.
10:00 a.m. Director Egan and Director Bentley moved to conclude Executive Session

Present: Ed Shriner, Michael Grier, Larry Brooks, Rick Smith (via phone) and Jerri More (via phone).

Director Shriner noted that the Board had an Executive Session with CPOA/CMD attorneys and Tom Wilner. He opened the public portion of the meeting with Public Comment.

PUBLIC INPUT

Terry Boyle, 283 Elk Springs Trail, is working with Tom Wilner on the lawsuit representing the Benson group. He explained that the court ruling was not a surprise as Rule 106 are set up to favor the decisions of Board of County Commissioners (BOCC) and that District Courts are likely to affirm the decisions unless there is clear abuse. The Benson group is asking for a Declaratory Judgement. If the court finds the BOCC is correct, then the 2009 amendment notice should be void. The Benson group believes this will have a higher level of success upon appeal. The Benson group requests that the CPOA support their appeal.

Carol Curtis, 285 Little Andorra, stated her belief that appeals typically fail. She asked if the CPOA/CMD are involved in licensing procedure. She encouraged finding experts to confirm the out/in patient designation of the treatment facility.

Terry Eubank, 337 Black Bear Trail, thought that that original position presented to the Board of County Commissioners was weak. He believes that anything the CPOA could appeal would further delay the process of acquiring the Grouse on Green and resuming normal operations of the Short Course. Continuing the legal fight might take up to two years. He proposes opposing the licensing procedure rather than going to court for an appeal.

Cassie Gray, 57 Hawks Leap, agrees with the statements made by Eubank and Curtis. She also questioned if offers were made to the community to buy the Grouse on the Green.

Director Shriner acknowledged that there was an offer, however it was not without conditions; because of the 108 he could not elaborate further.

Russ Schmeiser, 170 Casteel Ridge, thanked the Boards for their attention to the Lodge matter. He believes getting the Short Course Clubhouse operating again should be a priority. He further supports Mr. Boyle's statement about the two separate cases. He emphasized that the Rule 57 case/Benson appeal, which goes back to the 2009 amendment, is really important. He strongly urged the Board to allocate financial assistance and to communicate that the way the PUD was amended affects the entire community.

Greg Murphy, 190 Alcazar Drive, implored the Board to protect the PUD and encouraged them to support the Rule 57 appeal to preserve the PUD for the community. He hopes the Board will fund an appeal.

Andy Cruce, 963 Forest Trail, stated that the PUD is the issue, not the designation of in/out patient. There is clear CO law regarding the notice of PUD change. The deposition by Behringer Harvard shows there was no intent to allow a rehab facility, but rather a focus on offering Botox. About 100 people from the community have contributed \$333,000 to the Benson group's effort. The CPOA should take that as community interest and support the effort.

Director McBride stipulated that CMD is not going to continue with the Rule 106 appeal as it is a CPOA issue and therefore a CPOA appeal.

CMD ITEMS

Traffic Calming and Round About Pilot

Rachel Oys, general manager, lead the discussion on this topic by presenting its history. In April 2015 staff suggested a stop sign at Club House Drive and Fenno. The Board directed a comprehensive traffic study throughout the community. McDowell Engineering did an analysis and offered traffic calming strategies, one of which was a pilot roundabout that was implement during the summer of 2017.

During the August 3 meeting, Kerri McDowell presented that a nationally recognized expert in roundabouts supported the permanent use of a roundabout at the intersection. Removing the pilot roundabout, installing a stop sign or considering a formal larger roundabout were discussed. McDowell Engineering informed staff and the board that a stop sign at the intersection does not meet federal standard and therefore is not permitted. Legal counsel has since advised that a stop sign would be permitted.

Since the meeting, staff learned that a permanent roundabout would require extensive work which would involve water mains and other utility easements; the cost estimate increased to \$170,000. Alternatively, a stop sign could be inexpensively installed.

Director Egan made a motion to remove the roundabout.

Discussion ensued about the merits of doing nothing, installing a stop sign, speed bumps or speed tables.

Trevor Broersma, operations director, explained that speed bumps can function well in the summer but not in the winter because of the amount of snow. They take a day to install and could be installed in May and removed in October.

Both Directors Bentley and McBride did not support the idea of not doing nothing, rather they supported the idea of a stop sign or a speed bump. Director McBride suggested using more than one speed bump to slow traffic.

Director McBride moved to remove the roundabout, install speed bumps that can be removed in the winter and for staff to research the best solution for the speed bump product. Seconded by Director Bentley. Upon motion duly made and seconded, the Board voted four to one to **Approve** installing speedbumps; Director George dissented.

GRISONI PROPERTY

Director McBride changed agenda to address the Grisoni property consolidation and property tour. Several board members had independently toured the property. However, CMD and staff had not received information from the county and did not have cost comparison information. Therefore, the item was tabled.

JOINT ITEMS

Community Survey

Rachel Oys, general manager, opened the community survey discussion with a recap of information that was included in the Board packet. She recommended using Andrej Brujilin for expediency. His firm has conducted several community surveys. She pointed out that several community members have requested a survey with some wanting to postpone until the litigation regarding the Lodge is settled.

Director McBride expounded on the validity of a survey given the issues with the Lodge, Grouse on the Green and Short Course, pointing out that results of the survey could be influenced by the hopes of community members wanting to return to the way things were. The ambiguity surrounding the future of the properties does not lend itself to accurate results for long term planning.

Director More supported a survey now pointing out that it could be effective at garnering what people think in general and how and where CMD/CPOA should spend money. She thinks a general survey could give a sense if the community wants a centralized or decentralized planning effort. Director Egan echoed this point.

Both Director Egan and Director Smith remark on hiring an outside firm to provide a strategic outside perspective of trends, what types of amenities are appropriate for communities like Cordillera and/or what amenities are attractive to homebuyers. Both also thought a survey could be useful after the information is provided to the community and with the right questions.

Director Grier echoed the concerns of reliable results adding that the community and the Boards should be thinking about a master plan. Mature communities have master plans that provide guidance.

John Warren, 235 Saddle Ridge Road, previously volunteered to assist with survey creation and sit on a committee. He submitted a draft strategic planning process which included outside experts, input from realtors and input from homeowners. He pointed out surveys are situational depending conditions and are not useful for long term planning. Rather, surveys give board ideas based on owner thinking for the future; they offer input in strategic process; and offer the opportunity for owner input. Their downside is that the survey builds expectations that data will be used for something.

Nancy Alexander, 101 Red Draw, noted that surveys were conducted each year in the past.

General Manager Oys announced that staff will revise the schedule for the survey to be brought back to the board. Multiple communication will be sent to encourage a high response rate.

Both Director Grier and Director More encourage the creation of an ad hoc board to work with the professional for input on the survey development.

Director Brooks asked if the maintenance shed at the Divide and the immediate surrounding area has restricted use and could it be converted for public use. Director Egan noted that it is not in the PUD.

Joint CMD and CPOA Meetings

Director More requested this topic be on the agenda for two reasons. 1. What is the reasoning for meeting together? And, how can the meetings be structured to best use peoples' time.

Director Shriner noted that he had the same questions when he joined the board, but over time realized there are great staff, financial and strategic efficiencies to having the meetings together. The CPOA represents all 830 property owners and gets to know and have input on what the CMD board is doing. Director Egan and Director McBride echoed these points, adding that the CMD board has taxing authority while the CPOA has assessment authority; the joint meetings work for Cordillera community because operations and finances are intertwined.

Director More requested that the meetings could be structured in a way to keep topics together so people can attend the discussion on their topic of interest. General Manager Oys and Director Shriner both noted that is typically how the agendas are set. Director Grier pointed out that the Boards are currently in the middle of a lawsuit and budget planning, both of which time intensive topics.

2018 Budget Planning and Discussion

General manager Oys continued a presentation on the budget which is attached following the minutes. The budget was designed as a cafeteria plan for consideration along with requisite improvements. After the Boards provide guidance, staff will make necessary revisions. There are department worksheets that support each item.

CMD and CPOA is integrated as a team during day to day work to enhance and provide service to community. The department workplan are key highlight and provide a road map for work, the majority of which remains the same with addition of special projects each year. From the work plans, the budget is formulated.

The discussion on the CPOA Capital improvement began by identifying needs versus wants at the ACC. Staff acknowledged that pool decks and lockers at the ACC could be considered discretionary. Director Grier advocated not putting in locks if they were going to be torn out with any potential remodel of the facility. Director Shriner suggested earmarking the ACC for approval later.

Continuing the conversation from the September 22 meeting about the Trailhead deck repair, Operations Director Broersma again pointed out that there are needed mechanical repairs as well as areas that need to be bought up to code. He further explained that when construction starts, it will be closed all summer. If construction is done over two years as previously discussed, then costs will increase as crews and equipment will be mobilized twice. Director Shriner also earmarked this item for future discussion and Board decision.

Discussion about the Short Course water features and irrigation pond construction continued. The lowest pond provides the golf course its irrigation; this is where the 12,000-gallon leak is occurring. The other three ponds are for ascetics and help keep water moving to prevent algae from growing. The lower pond recycles enough water that algae is not a concern.

In the communications budget, the webcams, which can be viewed on the website, are the second most visited page on CordilleraLiving.com. The Cordillera Valley Club does not contribute to the annual maintenance cost showing the Valley course; despite this Director Shriner recommended keeping the camera until it breaks, noting that the Summit course might be a better location in the future.

Communications Manager Jaime Walker offered the option to have Board meetings video recorded by TV5 and broadcast via the internet to increase transparency for the community. Although a nominal cost to video, Director More suggested using Skype, GoTo Meeting or Zoom as an even less expensive option.

Director More questioned if a printed paper directory could be pulled from the current online directory. Communications Manager Walker explained that this was not possible with the system. The choice to move to an online directory was made earlier in the year for several reasons including added security and the ability to keep information current. Director McBride does not think the online directory is easy to use.

Director More asked about the possibility of an online, community forum on the website. Director Egan remarked that the Boards receive a lot of public comment either at the meetings or by email; he did not think the forum was necessary. Director Bentley recalled that a previous community website had a forum feature during the lawsuit in 2012, however, no one used it.

Director Shriner advanced the idea of a golf tournament in partnership with The Club that would be held for the Realtors of the valley. The concept is to promote the community. Support for this was echoed by several Board members.

Director More suggested creating several volunteer community committees such as a new homeowner committee and a hiking committee. Directors McBride and Shriner supported the idea. Director Brooks suggested adding this to the community survey to see if people would be interested.

Recreation Director Joe Helminski explained that operational expenses for The Athletic Center at Cordillera increased as usage greatly increased. Usage of the facility is up 9 percent compared to last year. Discussions occurred about initiating class fees and how the fees would be managed. The budget proposes an additional 40 hours of staff time to improve monitoring of the facility. Director Brooks pointed out that residents, renters and guests use the facilities, sometime abusing it.

Director Grier urged raising the cost of the non property owner rate for Cordy Camp pointing out that there is more wear and tear on the facility with additional children; it is a \$10 difference in rates. Director Helminski explained that there is a maximum of 50 campers per day, but they can accommodate up to 10 more property owner children if necessary.

Director More offered the suggestion of a food truck at the Trailhead during the summer months.

Recreation Director Helminski explained that the Vail Gondola Club lease allowed for three, five-year terms; initially a \$100,000 payment was made to allow for this option. Director Shriner shared that the Club is a marketing tool and several community members believe the name should include Cordillera.

Director Shriner explained that the CPOA is in the final year of a three-year contract with Troon to manage the Short Course.

Director Grier noted the he observed people walking the course and believed that the walking format was well received. He also urged allowing the public to use the course to offset expenses.

Director More questioned how DRB candidates are selected. Director Shriner explained that the DRB current board vets any candidate and then advances the candidate to the CPOA Board for approval. There has not been a committee member change in five years; two years ago, two alternates were selected.

Director Grier highlighted the tax efficiency of the CMD and the assessment ability of the CPOA, urging tax efficiency by considering transferring amenities from CPOA to the CMD. Director McBride explained how Tabor restricts the CMD's ability to increase taxes and the 5.5 percent year over year limited increase. The district relies on RETA and the service agreement to balance the budgets. Director Egan explained that if amenities were to be transferred to the other entity, a bond election would be required to raise taxes.

The discussion on board roles and responsibilities began with several board members questioning if Fly Fishing Outfitter was bringing non property owners onto the Cordillera beats. It was shared that public safety should be called if this is witnessed.

Director Shriner provided a history of the decision to allow Club members to use the beats through the end of the year. Director More thought this topic should be one of many discussed with Troon. Director McBride stated that beat use should be a privilege of Cordillera ownership and should not be for the club to help sell memberships. Director Grier echoed this point. The renegotiation of the contract will this coming year.

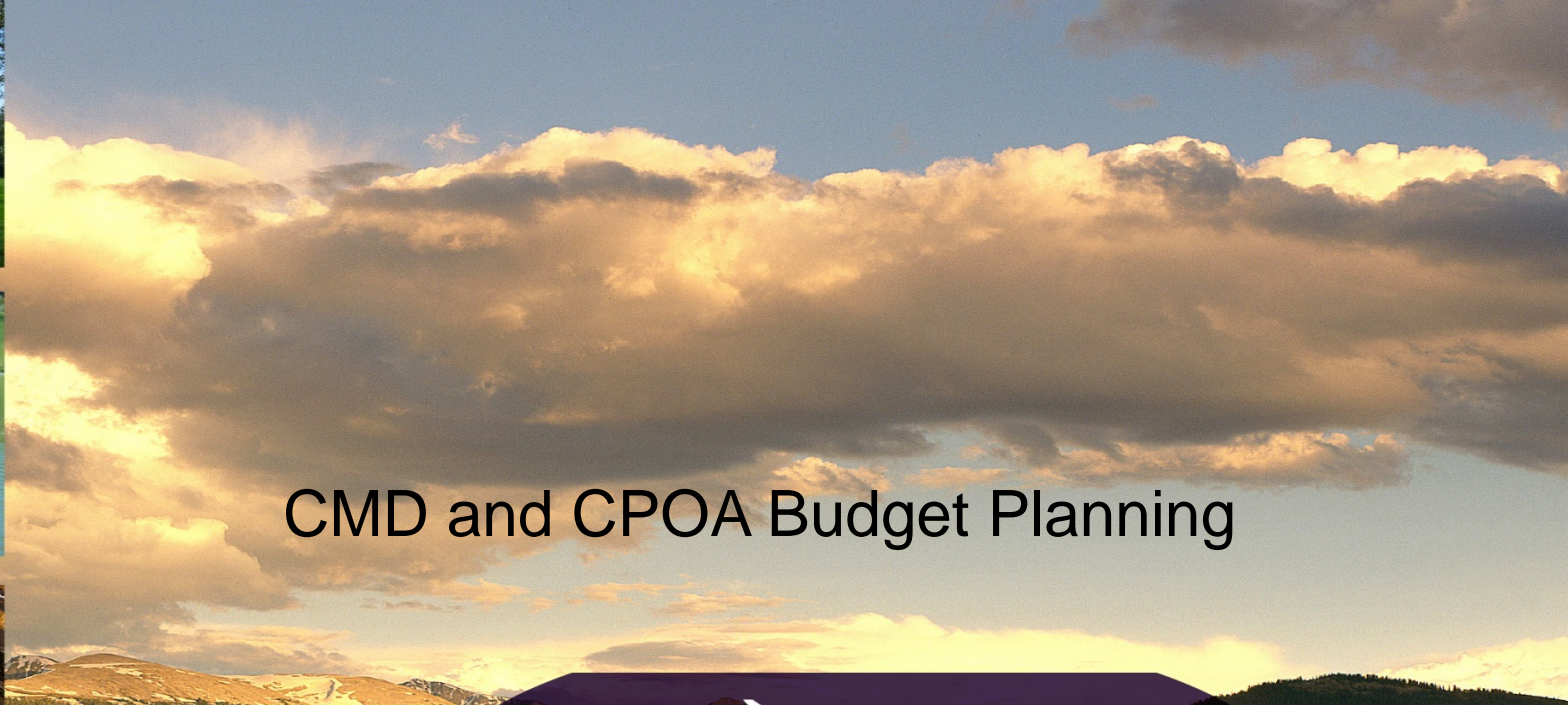
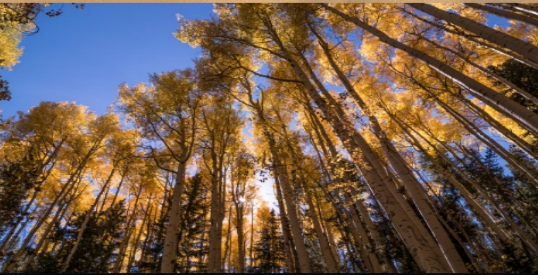
ADJOURNMENT

Director Egan moved to adjourn the Continued Regular Meeting of the Cordillera Metro District. Seconded by Director McBride. Upon motion duly made and seconded, the Board unanimously agreed to **Adjourn** the Regular Meeting of the Cordillera Property Owners Association at 3:57 p.m. on Friday, September 29, 2017.

Respectfully submitted,



Jaime Walker
Communications Manager



CMD and CPOA Budget Planning



September 22, 2017

Agenda

- ❖ Organizational Review
- ❖ CMD and CPOA 2018 Budget Overview
- ❖ Department Budget Overview
- ❖ What is Missing? Items to Add
- ❖ End of Year Follow Up

Organizational Review

Administration

- Board of Directors
- Front Desk/Post Office
- Communications
- Finance
- IT
- Human Resources
- Design Review Board
- Custodial

Operations

- Facilities
- Fleet
- Operations
- Ponds and River Parcel

Recreation

- Community Enrichment
- Athletic Center
- Vail Gondola Club
- Trailhead
- Cordy Camp
- Short Course
- Equestrian Center

Public Safety

- Security
- Patrol
- DRB Compliance
- Wildfire Mitigation
- Cordillera Valley Club

2018 Approach

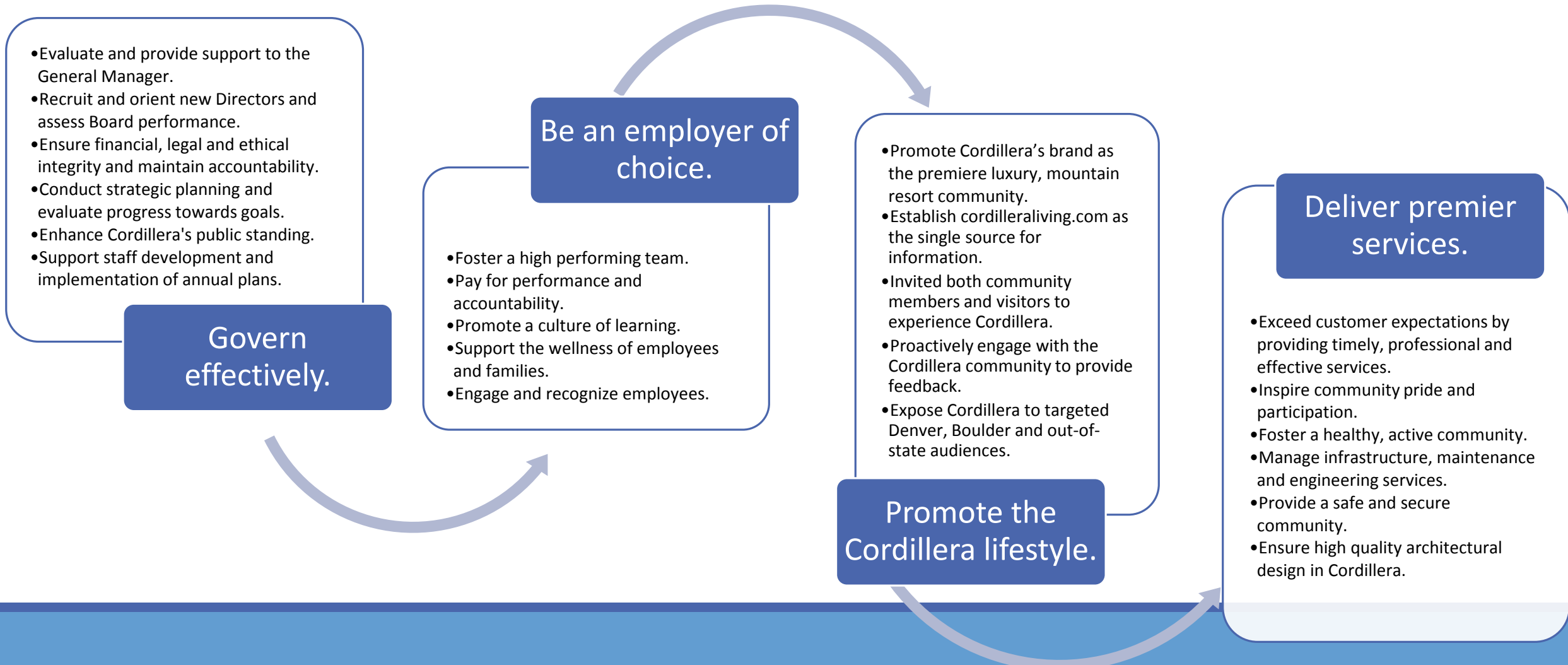
WORK PLANS

- ❖ Roadmap to advance our mission
- ❖ Identifies goals, strategies, action steps, timeframes, responsibility, evaluation indicators and target group
- ❖ Ultimate outcomes:
 - ❖ Maximize each team member's strengths, foster integration and promote a positive, accountable culture
 - ❖ Encourage cooperation, collaboration and integration within the community and Vail Valley
 - ❖ Progressively position the community for future opportunities
 - ❖ Exceed community expectations

BUDGET

- ❖ Address the community's current needs and position for future needs
- ❖ Make strategic investments in our human resources to attract and retain a qualified workforce
- ❖ Plan and fund investments in the capital assets of the community that maximize the use and life
- ❖ Adhere to fund balance, debt service and other financial policies
- ❖ Ensure the ongoing financial health of the community
- ❖ Protect the bond rating

2018 Work Plans



Budget Process and Timeline

Due Date	FY 2018 Planning Item	Responsible Party
August 1	Review Budget Process with Board Presidents and Treasurers	RO
August 2	MT Meeting/Budget Kick Off Present Work Plan and Budget Guidance	RO
August 2	Worksheets and Instructions Department Worksheets Available to MT	ST
August 3	Review Budget Process with Boards	RO
August 7	Budget Think Tank; Small Conference Room and Email- Employee Ideas Collected	RO, MT
August 16	MT Meeting	RO, MT
August 26	County Assessed Valuations released	ST
August 28	Draft Budgets Due	MT submit to RO
September 8	Draft Personnel Sheet (with benefits)	BG, ST, RO
September 8	Draft Work Plans Due	MT submit to RO
September 11	Department Budget Meetings	MT, RO, ST
September 18	Board Packet Disseminated	RO, ST, MT
September 22	Board Meetings- Tour Facilities and Present Initial Draft of Budget and Considerations	RO, ST, MT
September 27	MT Meeting- Review Board Direction	RO, MT, ST
October 4 or 10	Budget Board Presidents/Treasurers Review (Revisions Incorporated and Recommend to Full Board)	RO, ST
October 13	Email Final Draft to Full Board (meet Oct. 15 requirements)	RO, ST
October 13-27	Prepare Presentation	RO, ST
October 27 or November 3	Presentation to Board for Approval/Budget Hearing	RO, ST
December 1	Send CPOA/CMD Budgets and Memo to Property Owners (Service Plan)	RO, ST
December 15	Board Meetings; 2017 Supplemental Changes	RO, ST
December 15	CMD Certified Levies due to Eagle County	ST
December 31	Service Plan Due	ST

CMD Proposed 2018 Budget

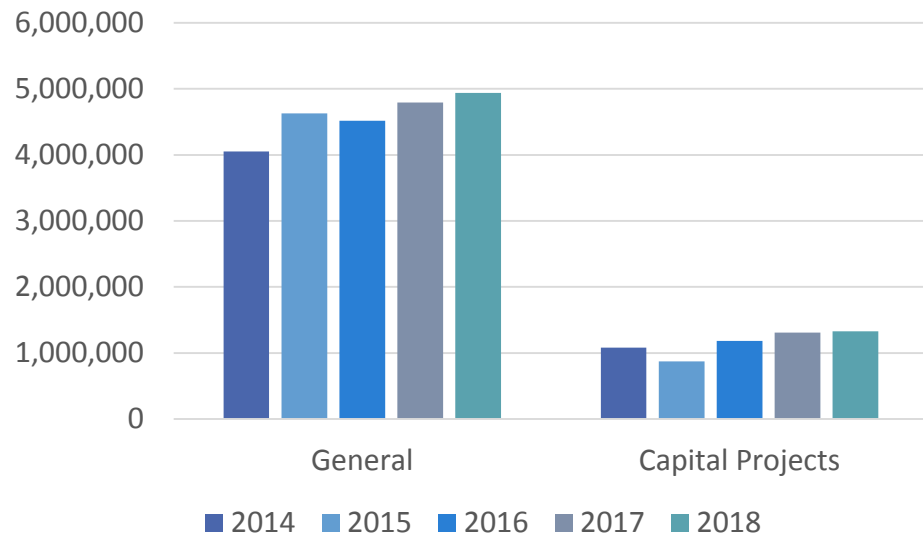
2018 Proposed Budget

CMD	2018 Proposed Budget			Increase (Decrease)	12/31/2018 Projected Fund Bal
	Revenues	Expenditures	Transfers In/Out	Fund Bal	Fund Bal
General or Operating Fund	6,145,522	-4,938,796	-1,253,818	-47,092	1,977,807
CMD - Debt Service Fund	1,691,211	-2,059,916	325,926	-42,779	24,807
CMMD - Debt Service Fund	794,361	-1,001,836	126,899	-80,576	15,213
Debt Service Reserve Fund	0	0	-52,825	-52,825	0
Water Enterprise Fund	247,000	0	0	247,000	2,316,024
Capital Projects Fund	0	-1,327,477	1,253,818	-73,659	0
Equestrian Center Fund	Closed in 2017				
	8,878,094	-9,328,025	400,000	-49,931	4,333,851

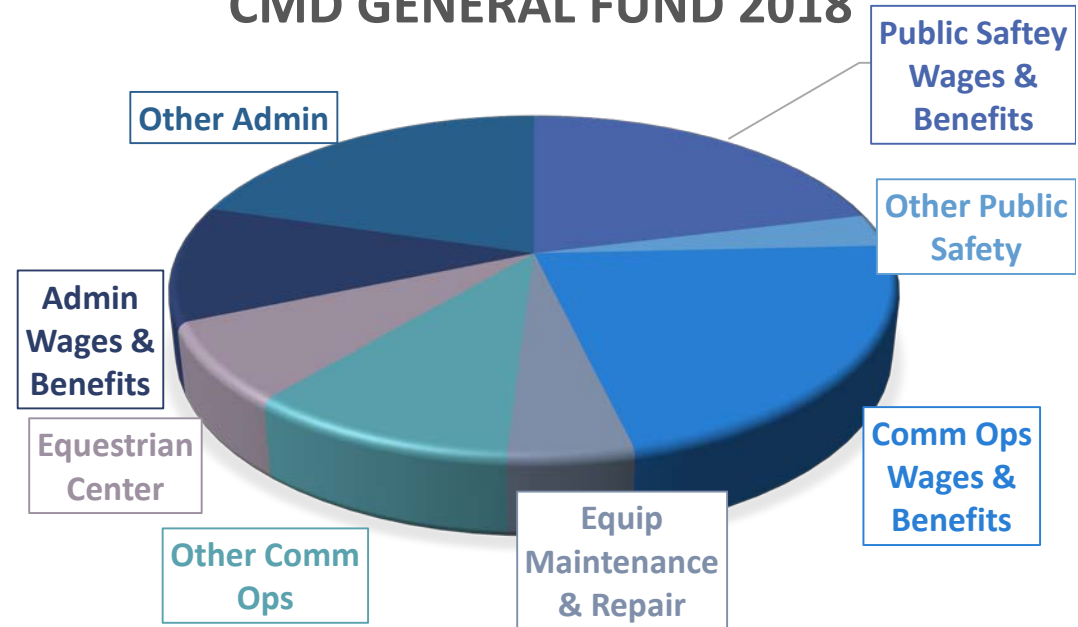
Revenues by Fund	Projected 2017	Proposed 2018	Increase Decrease
General Fund	5,896,687	6,145,522	4.22%
CMD Debt Service Fund	1,691,211	1,691,211	0.00%
CMMD Debt Service Fund	794,361	794,361	0.00%
Water Fund	247,000	247,000	0.00%
Total Revenues	8,629,259	8,878,094	2.88%
Expenses by Fund			
General Fund	4,793,999	4,938,796	3.02%
CMD Debt Service Fund	1,786,521	1,733,990	-2.94%
CMMD Debt Service Fund	794,313	874,937	10.15%
Debt Reserve Fund	115,000	52,825	-3.83%
Capital Projects Fund	1,380,388	1,327,477	-3.83%
Water Fund	-	-	
Total Expenses	8,870,221	8,928,025	0.65%
Increase (Decrease) in Fund Balance	(240,962)	(49,931)	-79.28%

CMD Historical Expenditures

FUND	Historical Expenditures				
	2014	2015	2016	2017	2018
General	4,051,102	4,629,025	4,515,284	4,793,999	4,938,796
Capital Projects	1,080,568	873,484	1,179,580	1,308,388	1,327,477
	5,131,670	5,502,509	5,694,864	6,102,387	6,266,273



CMD GENERAL FUND 2018



Mill Levy

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
CMD Operating Mill Levy	25.231	24.306	22.009	22.933	20.691	21.135	31.478	31.579	39.691	42.091	36.111	38.034	41.510
CMD Debt Mill Levy	12.121	27.034	23.165	23.165	19.663	19.663	26.535	22.72	25.48	25.74	21.574	20.797	21.880
CMMD Debt Mill Levy	35.893	50.981	37.22	37.22	33.273	33.273	60.728	56.804	57.011	54.928	41.589	41.478	39.850

District	Mill Rate	\$ per \$1M Home	\$ per \$100K Lot
CMD Consolidated	41.51	\$2,988.72	\$1,203.79
CMD Debt	21.88	\$1,575.36	\$634.52
CMMD Debt	39.85	\$2,869.20	\$1,155.65

CPOA Proposed 2018 Budget

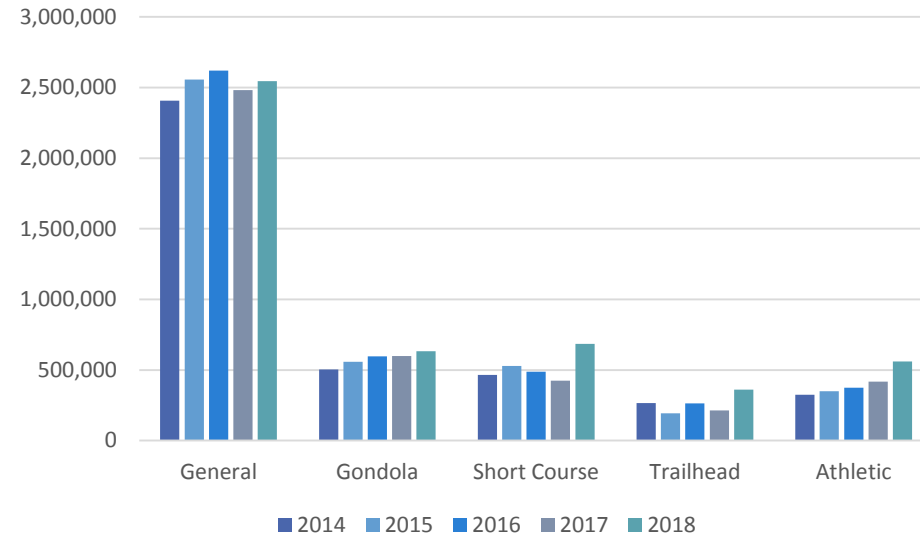
2018 Proposed Budget

	Revenues	Expenditures	Transfers In/Out	Increase (Decrease) Fund Bal	12/31/2018 Projected Fund Bal
Operating Fund	3,049,360	-3,465,977	416,617	-	-
Capital & Debt Reserve	1,250,000	-879,442	-816,617	-446,059	2,880,365
	4,299,360	-4,345,419	-400,000	-446,059	2,880,365

	Projected 2017	Proposed 2018	Percent Change
Revenues			
Dues & Other Revenue	2,311,250	2,309,750	-0.1%
RETA	1,250,000	1,250,000	0.0%
Vail Gondola Club	644,752	648,815	0.6%
Trailhead	85,200	89,045	4.5%
Athletic Center	1,750	1,750	0.0%
Short Course	84,506	-	-100.0%
Total Revenues	4,377,458	4,299,360	-1.8%
Expenses			
Communication	296,939	247,726	-16.6%
CMD Service Agreement	1,116,666	1,116,760	0.0%
Debt Service	400,000	400,000	0.0%
DRB	67,430	67,430	0.0%
Administrative	495,225	547,733	10.6%
Healthy Forest	66,770	127,000	90.2%
Vail Gondola Club	599,712	633,231	5.6%
Trailhead	214,600	360,226	67.9%
Athletic Center	418,717	559,858	33.7%
Short Course	425,166	685,455	61.2%
Total Expenses	4,101,225	4,745,419	15.7%
Increase (Decrease) in Fund Balance	276,233	(446,059)	-261.5%

CPOA Historical Expenditures

Activity	Historical Expenditures				
	2014	2015	2016	2017	2018
General	2,406,859	2,555,336	2,620,629	2,482,416	2,546,005
Gondola	504,007	558,870	596,403	599,712	633,231
Short Course	466,209	528,381	487,843	425,166	685,455
Trailhead	265,512	194,627	263,177	214,600	360,226
Athletic	324,037	350,212	374,625	418,717	559,858
	3,966,624	4,187,426	4,342,677	4,140,611	4,784,775



Homeowner Assessments & RETA

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	Proposed											
CPOA Annual Assessment (per property)	\$1,030	\$1,040	\$1,040	\$1,560	\$2,080	\$3,100	\$2,600	\$2,600	\$2,800	\$2,800	\$2,800	\$2,800
RETA Revenue	\$2,706,066	\$1,445,431	\$1,212,080	\$1,387,228	\$642,755	\$708,443	\$1,107,880	\$1,380,788	\$1,334,461	\$1,400,762	\$1,250,000	\$1,250,000

Water Fund

Key Topics for Board Discussion:

- Fund balance error
- Working with ERWSD

Water Fund	2014	2015	2016	2017	2018
Revenue					
Water Usage Fees	249,353	247,000	254,128	247,000	247,000
Total Revenue	249,353	247,000	254,128	247,000	247,000
Expenses	-	-	-	-	-
Revenue Over (Under) Expenses	249,353	247,000	254,128	247,000	247,000
Ending Fund Balance	1,575,024	1,822,024	2,076,152	2,323,152	2,570,152

Administration

CMD

Administrative Expenses	2014	2015	2016	2017	2018
Wages	374,853	459,204	471,479	505,035	448,170
Benefits	527,682	86,853	82,018	99,611	98,164
Legal	166,199	146,273	258,038	206,000	206,000
Utilities	79,598	91,656	82,124	75,356	76,363
Other Operating Expenses	297,318	412,796	613,334	709,445	723,793
	<u>1,445,650</u>	<u>1,196,782</u>	<u>1,506,993</u>	<u>1,595,447</u>	<u>1,552,490</u>

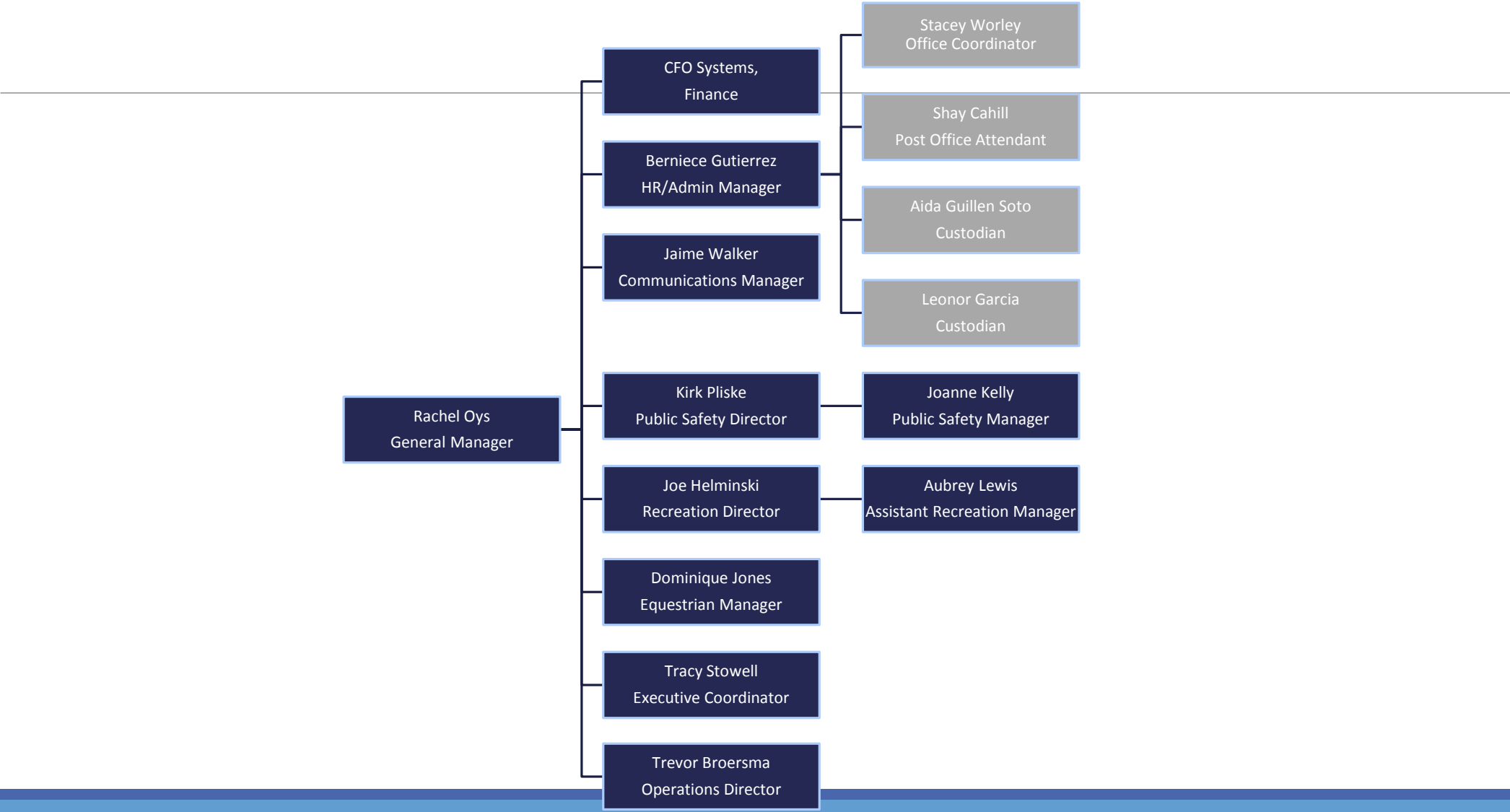
Key Topics for Board Discussion:

- Awaiting insurance quotes
- Legal
- Healthy Forest (discuss with Public Safety)
- Post Office (capital)

CPOA

	2014	2015	2016	2017	2018
General					
Revenues					
Net Assessments	2,131,600	2,150,500	2,141,300	2,138,800	2,138,800
RETA Revenue	1,380,788	1,334,461	1,400,762	1,250,000	1,250,000
DRB	70,690	78,283	69,026	62,000	62,000
Post Office	38,835	41,414	43,784	39,356	39,356
CTC Reimb.					
Misc. Revenues	121,520	134,480	96,651	110,450	108,950
	<u>3,743,433</u>	<u>3,739,138</u>	<u>3,751,523</u>	<u>3,600,606</u>	<u>3,599,106</u>
Expenditures					
CMD Contract	1,000,417	1,258,267	1,190,923	1,116,666	1,116,760
Debt Service	400,000	400,000	400,000	400,000	400,000
Trash & Recycling Program	123,706	124,003	125,964	151,308	154,964
Wages & Benefits Rec. Mgmt	85,324	76,527	80,276	66,382	57,269
Legal	49,382	67,172	228,997	118,700	118,700
DRB	73,284	62,841	65,219	67,430	67,430
Healthy Forest Program	134,345	69,279	79,447	66,770	127,000
Post Office & Market	181,514	66,138	66,139	62,343	120,879
Community Enrichment	21,427	23,772	32,318	19,375	17,900
River Parcel & Pond Mgmt	27,590	27,096	26,270	28,525	28,560
Communications	214,484	270,083	235,286	296,939	247,726
Insurance	66,298	57,791	60,444	63,093	62,121
Misc. Operating Expenses	29,088	85,390	29,346	24,885	26,696
	<u>2,406,859</u>	<u>2,588,359</u>	<u>2,620,629</u>	<u>2,482,416</u>	<u>2,546,005</u>
Revenue Over (Under) Expenses	1,336,574	1,150,779	1,130,894	1,118,190	1,053,101

Management Team/ Administration



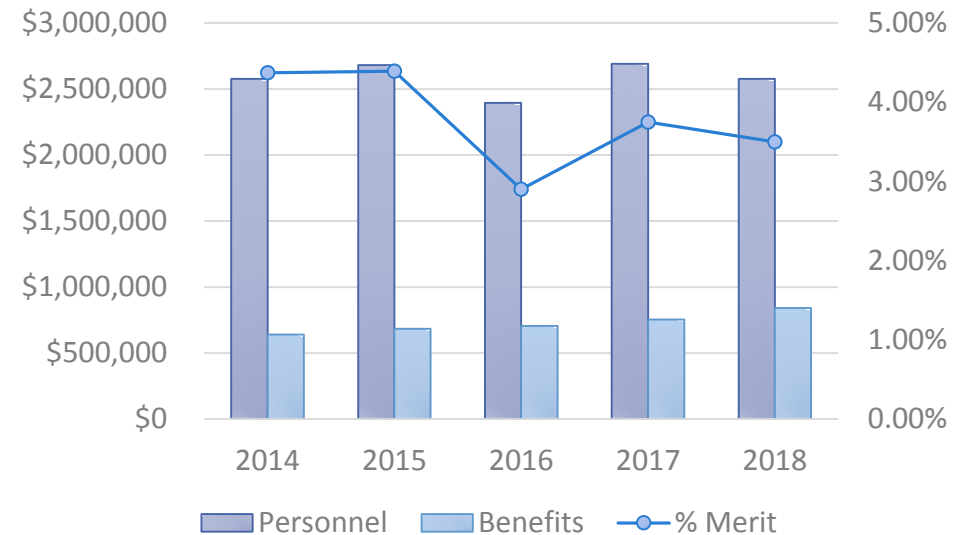
Personnel

	2013	2014	2015	2016	2017	2018
Personnel	\$2,461,347	\$2,576,490	\$2,679,831	\$2,394,000	\$2,691,887	\$2,576,519
Benefits	\$598,922	\$639,615	\$683,324	\$704,950	\$755,088	\$842,100
% Merit	4.11%	4.37%	4.39%	2.90%	3.75%	3.50%
FTE	53.54	54.77	56.81	55.43	53.56	50.56

Administration	\$604,646	\$546,334
Communications	\$143,488	\$94,496
Operations	\$1,042,355	\$1,088,985
Equestrian	\$171,012	\$204,437
Public Safety	\$1,079,046	\$1,042,561
Recreation	\$66,382	\$71,122
Vail Gondola Club	\$131,123	\$144,569
Athletic Center	\$99,642	\$109,006
Trailhead	\$92,981	\$100,809
Overtime	\$92,500	\$102,000
Merit	\$93,692	\$89,578
Adjustments	\$40,858	\$0
Benefits	\$755,088	\$842,100
Full Time Employees	53.56	50.56

Key Topics for Board Discussion:

- 2017 benefit enrollment 35 (45 lives); budgeted 27 2016
- Workers Compensation
- Medical Benefits budgeted 25% (Oct. 12 quotes)
- Merit (3.5% pool)
- Total Comp Study/Adjustments (\$10,000 budgeted)
- FTE modifications



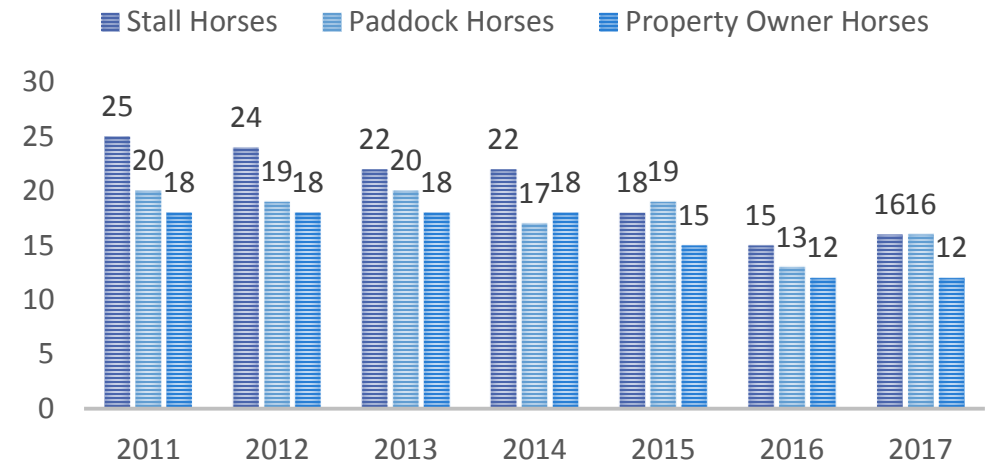
Equestrian Center

Revenues					
Total Revenues	405,119	323,350	305,435	373,256	414,764
Expenditures					
Wages & Benefits	212,139	202,926	173,690	171,012	204,437
Administrative Expenses	18,689	11,166	5,684	14,555	32,071
Boarding Expenses	77,642	67,885	63,603	67,991	83,956
Maintenance	34,022	14,553	19,034	24,825	16,244
Utilities	44,534	24,774	21,666	29,178	27,694
Admin Fee (Internal Service Fee)	26,620	22,916	-	-	-
Total Operating Expenses	391,860	344,220	283,677	307,561	364,402
Revenue Over (Under) Expenses	13,259	(20,870)	21,758	65,695	50,362

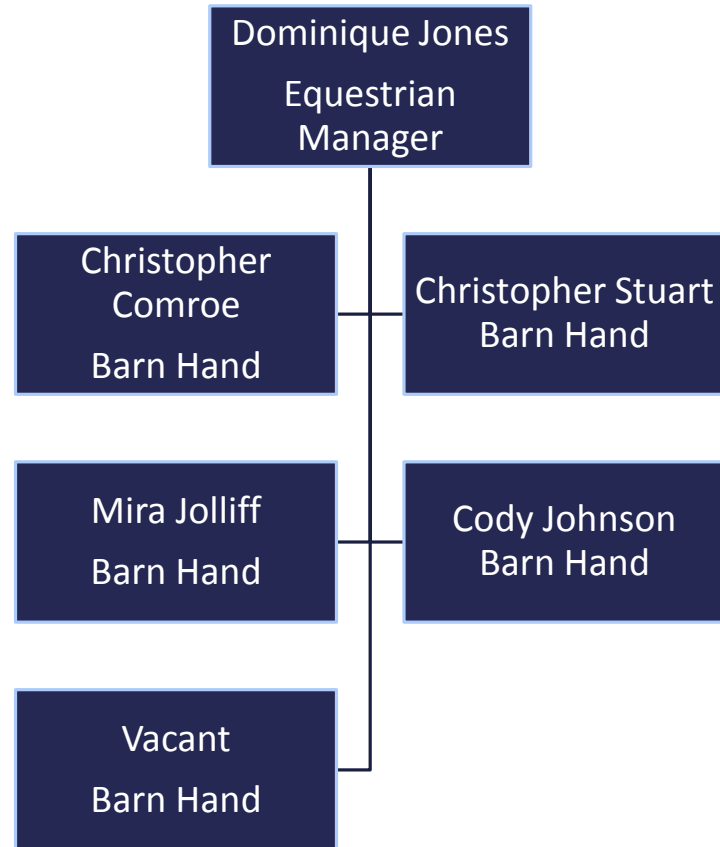
Key Topics for Board Discussion:

- Staffing/service efficiencies
 - Partial care to paddocks
 - Full care stalls
- Staffing/service satisfaction
 - Purchase 3 horses
 - Offer clinics and lessons (revenue)
 - Footing maintenance added
 - Manure

EQUESTRIAN BOARDING



Equestrian Center Team



Public Safety

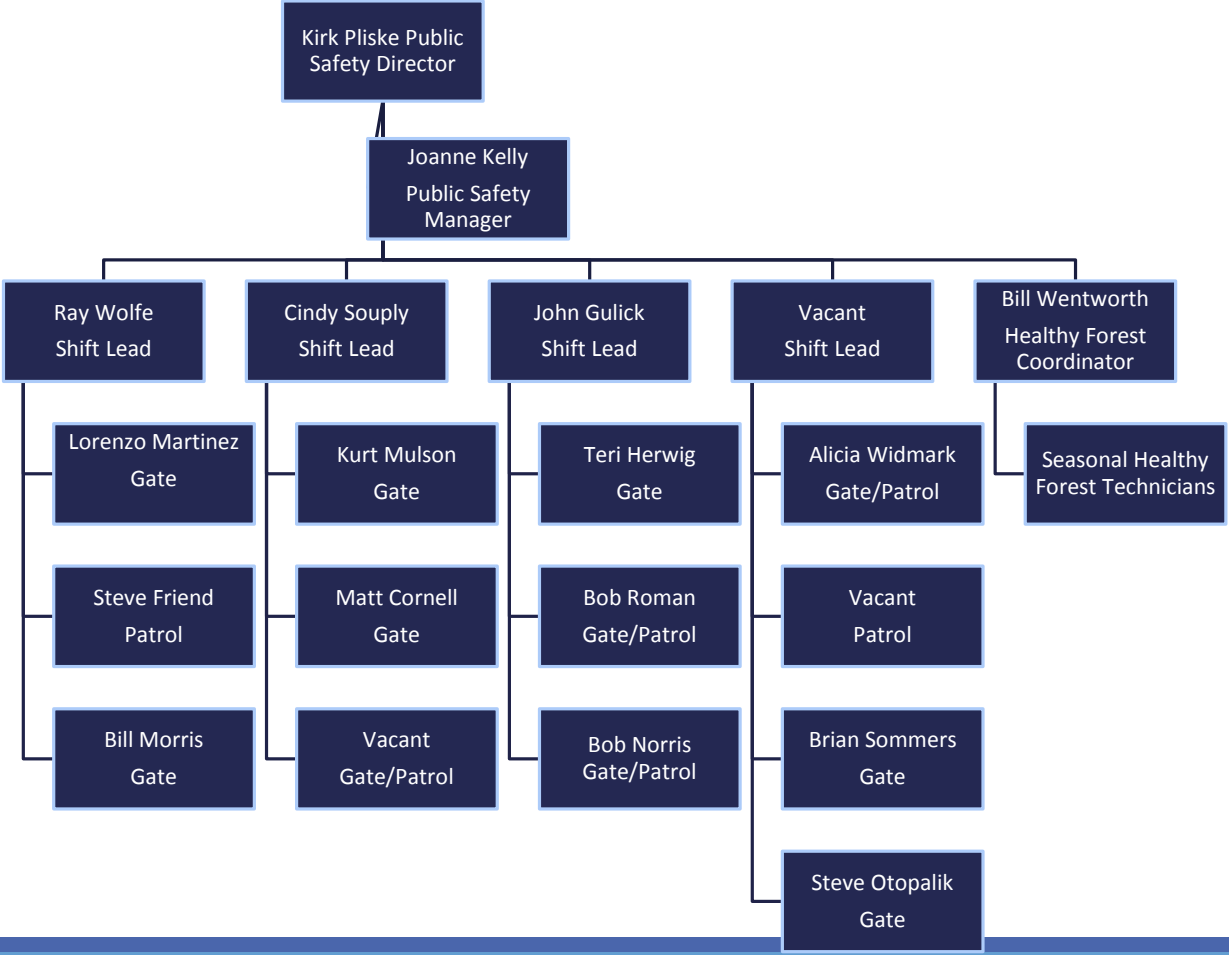
Public Safety	2014	2015	2016	2017	2018
Wages	781,112	813,400	814,459	814,459	755,678
Benefits	-	283,833	264,587	224,893	286,883
Other Operating Expenses	43,776	50,985	55,649	55,649	154,267
	824,888	1,148,218	1,134,695	1,095,001	1,196,828

Key Topics for Board Discussion:

- CVC 2018 Contract
- Citadel

Intrusion Alarms	Traffic Contacts
Intrusion	Parking
Alarms/False	Gate Incident
Fire	DRB Rule Violation
Fire Alarms/False	DRB - Contacts
Low	Animal Issue
Temperature/Environmental	Soliciting / Trespassing
Panic / 911 Call	Trash Violation
Assault	Trash Violation - Contacts
Complaint	Water Violation
Damage to Property	Wildlife Report
Found Property	Burst Pipe/Water Leak
Supra Box	Chemical Spill
Usage/Lockout	Gas Leak
Suspicious	Homeowner Assist
Activity/Person	Injury/Medical Call
Theft	Undefined
Vehicle Assistance	Unsecured Areas
Traffic Accident	

Public Safety Team



Operations

Community Operations	2014	2015	2016	2017	2018
Wages	858,607	887,226	774,478	808,161	803,391
Benefits	-	242,330	207,811	199,060	285,594
Fuel & Fluids	115,806	69,759	69,580	84,261	83,494
Parts & Supplies - Equip	106,426	120,196	129,735	128,309	132,732
Roads - Snow & Maintanar	116,820	128,966	119,145	128,779	131,618
Flowers & Landscaping	141,477	144,880	164,154	163,657	180,638
Other Operations	135,268	146,550	159,876	244,690	207,609
	<u>1,474,404</u>	<u>1,739,907</u>	<u>1,624,779</u>	<u>1,756,917</u>	<u>1,825,076</u>

40 miles of road

Hiking Trails:

- Ranch – 17 miles of winter and 16 miles of summer trails.
- Divide – 8 miles of winter and 9 miles of summer trails.
- Summit – 4 miles of winter and 7 miles of summer trails.
 - 29 Miles of winter trails
 - 32 miles of summer trails

Opens Space Acreage: 3,237 acres

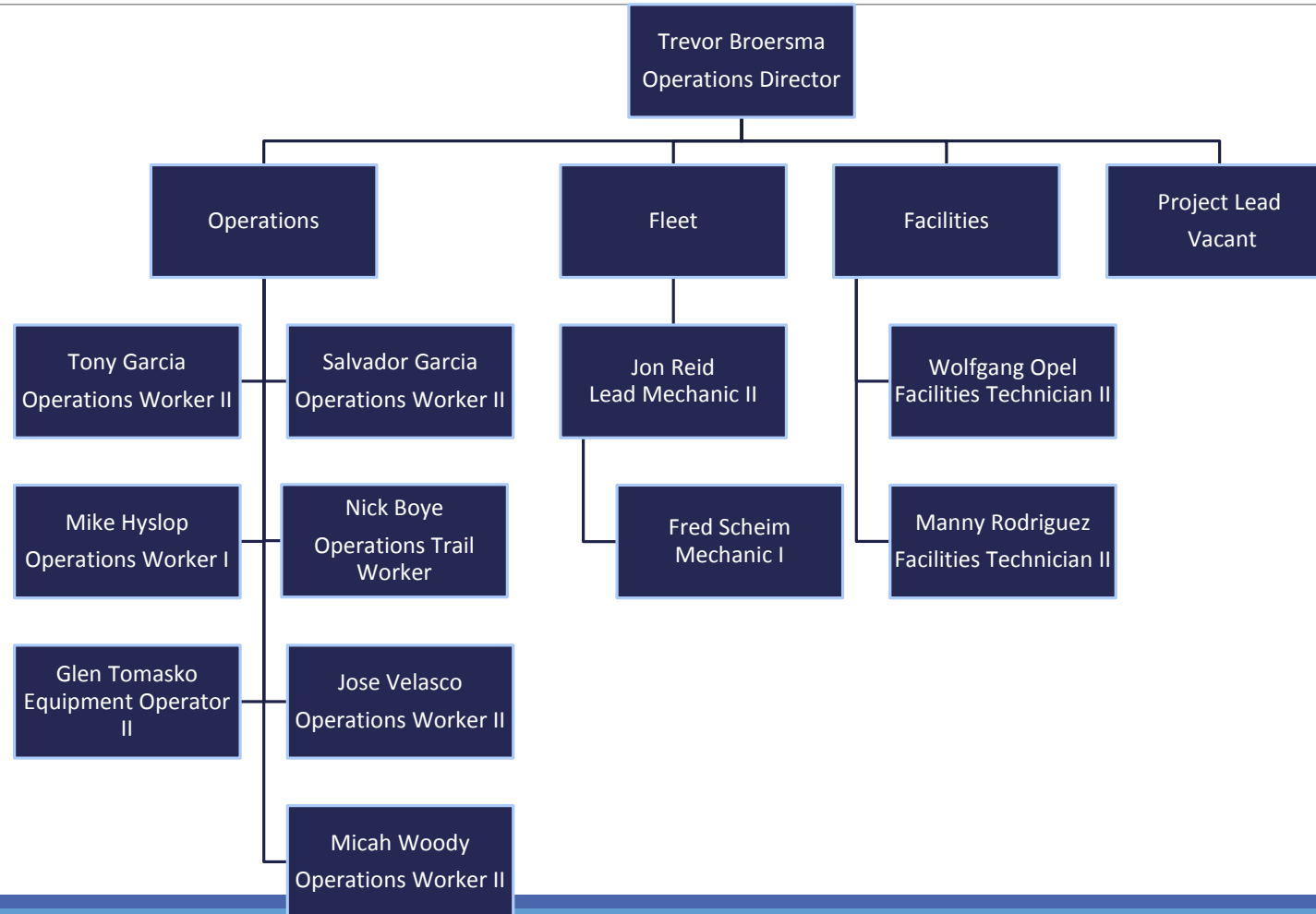
Total Acres: 7,263

River Parcel: 1.3 miles (CMD/CPOA owns both sides, 2.6 miles of river property counting both sides)

Fleet Size:

- 3 - Admin Vehicles
- 4 - Public Safety Vehicles
- 4 - Equestrian Equipment
- 5 - Snowplow/Pickups
- 5 - Large Dump/Snowplow trucks
- 8 - Com Ops pickups
- 12 - Pieces of Heavy Equipment
- 14 - Misc. Road/Trail Equipment

Community Operations Team



CMD Capital Improvements

\$1,327,477

\$10,000	Vehicle Storage Siding Fix (will be removed)
\$666,267	Road Program: Fenno to Cimмерon, Winchester Trail, CEC parking lot
\$6,500	Aeration pumps for Red Draw and Bearden ponds
\$5,000	Trail signage
\$16,000	Divide gatehouse roof
\$16,000	Radio replacement (14)
\$12,000	AED's (4)
\$5,000	Administration windows
\$8,210	Administration trash bin enclosure
\$5,000	Human resources fire resistant filing cabinet
\$23,300	Equestrian: Painting upper barn exterior, interior and 11 sheds
\$22,900	Equestrian: Build 3 new tack up stalls, 2 quarantine stalls, repair exterior trim, install new human door, build new dutch door, replace 2x6 posts in front of dutch doors, repair siding south garage door
\$4,000	Equestrian: Repair roof
\$4,500	Equestrian: Mirror installation arena

Fleet:

\$8,000	Rock hound Attachment
\$132,000	Oshkosh Snow Blower
\$40,000	Swap Loader H2O tank
\$12,000	Trails ATV
\$189,000	International 7400
\$36,000	F-350
\$36,000	F-350
\$21,500	Toyota Tacoma
\$8,300	Monroe V-box Sander

Key Topics for Board Discussion:

- Modified total of worksheet (\$5,000 more); remove vehicle storage siding
- Traffic calming

CPOA Capital Improvements

\$879,442

\$127,000	Healthy Forest: Douglas Fir Beetle	\$100,000	Trailhead: Replace roof, deferred from 2016, cost increased
\$88,374	ACC: Building Boilers	\$8,210	Trailhead: Trash bin enclosure and storage shed
\$54,117	ACC: Pool Boilers	\$18,000	Trailhead: Conceptual design and estimating for pool remodel
\$17,900	ACC: Pool furniture	\$15,784	Post Office: New office workspace desk, new parcel locker shelves and chinking in market repair
\$18,000	ACC: Pool deck new surface/repair (optional)	\$8,154	Post Office/Café: New patio door
\$13,800	ACC: Tennis court crack repair and windscreen	\$14,421	Post Office: Trash bin enclosure
\$26,200	ACC: Keyless locker locks (optional)	TBD	Café: Tables chairs for indoors and outdoors (will be removed)
\$16,500	ACC: Common area flooring	\$18,000	Café: Automatic coffee machine
\$8,210	ACC: Trash bin enclosure	\$300,000	Short Course: Water feature and irrigation pond construction (further evaluation to occur)
\$11,000	ACC: Fitness classroom flooring		
\$15,772	Trim Work, new front reception work area		

Key Topics for Board Discussion:

- Trailhead pools
- ACC improvements/expansion

Douglas Fir Beetle

- MOST DESTRUCTIVE BARK BEETLE OF MATURE DOUGLAS-FIR
 - Range from southern Canada to northern Mexico
 - Tends to attack mature trees typically in small groupings
 - Major attacks can happen and involve 100 or more trees in an area
- LIFE CYCLE OF THE DOUG-FIR BEETLE
 - Adults emerge in the spring when temperatures reach 50 degrees or higher
 - They usually fly during June or July
 - Adult females fly to another tree and bore thru the bark where they mate with a male and lay their eggs under the bark
 - Larvae that survive the winter developed into adults and will then fly out to another tree in the spring

- PHEROMONES
 - Chemicals produced by beetles for communicating to others
 - They have been synthetically reproduced
 - Used to disrupt the attraction of incoming beetles
 - Packets are attached to individual trees to reduce attacks
- PREVENTIVE SPRAYS
 - CSFS recommends only spraying high-value trees
 - Overuse may have negative environmental impact
 - Spraying is not effective on currently infested trees
 - Significant rain immediately after application can wash it away
- TRAP TREES
 - Serve as traps for recently emerged beetles
 - Baited with a Douglas-Fir beetle chemical attractant
 - After infestation the trees are removed and destroyed
 - Effective but requires significant time and effort
- MECHANICAL TREATMENTS
 - Felling and removal of trees
 - Thinning of forest for better tree health
- If nothing is done adverse effects could be:
 - Increase in dead and dried fuels and therefore higher risk of fires
 - Standing dead trees pose a falling danger
 - Change in habitat may adversely affect wildlife and migratory animals
 - Large numbers of dead trees can affect water yields and quality, increase soil erosion and reduce soil stability

COMMUNICATIONS

Key Topics for Board Discussion:

- CMD contribution
- CVC webcams
- Videoconferencing and/orTV8
- Directory
- Website forums
- Marketing
 - Golf Tournament or other
 - Video and photo production
 - Air Alliance

	2014	2015	2016	2017	2018
Program Staff	116,680	111,174	96,739	143,488	94,496
Advertising	13,029	34,509	21,462	42,428	41,838
P/R	43,650	59,687	72,272	52,600	47,400
Broker Program	2,798	0	0	0	0
Collateral	6,389	24,862	10,532	14,615	14,378
Promotions	2,094	9,316	5,092	27,900	21,589
Production	12,411	6,336	1,850	2,683	15,920
Web Site	13,443	24,130	27,338	13,225	12,105
Creative/	3,990	70	0	0	0
	214,485	270,084	235,285	296,939	247,726

Property Owner

- Website
- Directory
- New Home Owner Welcome
- Logo Giveaways
- Crisis Communications
- Cordillera Connection/Flashes
- Monitors
- Social Media

Events

- Networking and Business Meetings
- Sponsorships
- Nordic Event
- Concert Series
- Community Day
- Equestrian Center

Vail Valley Presence

- Vail Daily
- Cordillera Spirit
- Bravo!
- Vilar
- Local Radio KYZR
- Vail/Beaver Creek Magazine
- Mountain Living
- Public Radio KUNC
- Vail Valley Partnership
- Eagle County Public Information Officers

Community Enrichment

Key Topics for Board Discussion:

- Committees
- Other events

Community Enrichment Expenditures				
2014	2015	2016	2017	2018
\$21,427	\$23,772	\$32,318	\$19,375	\$17,900

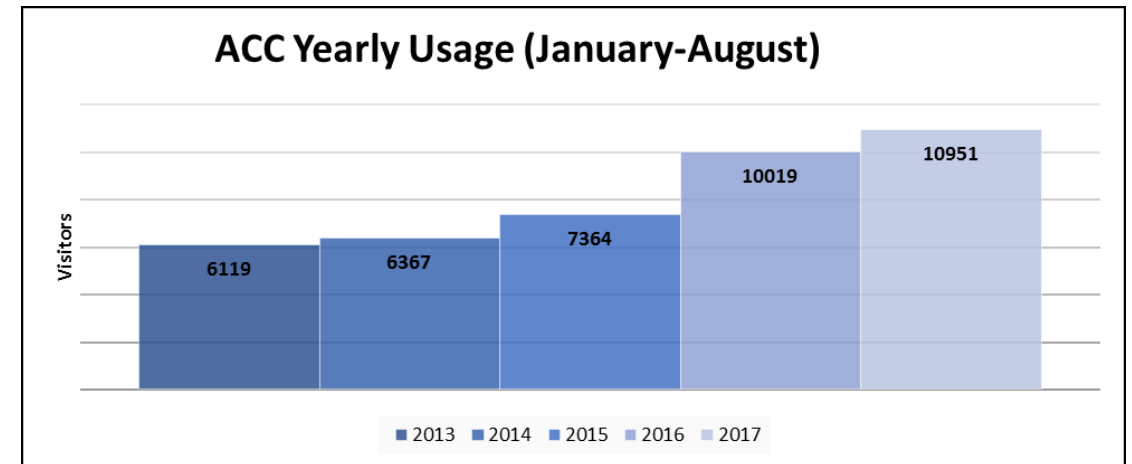


Athletic Center at Cordillera

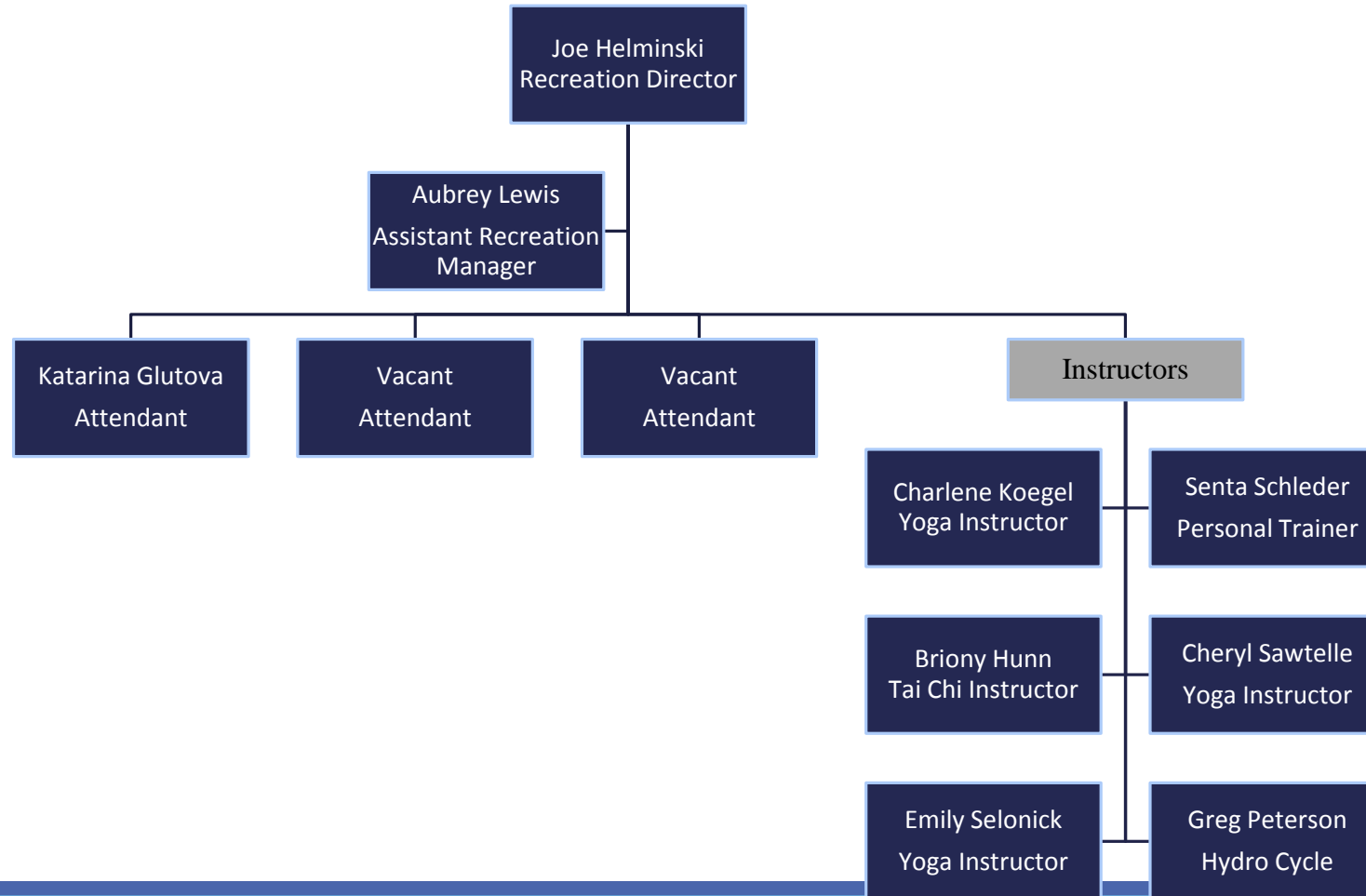
	2014	2015	2016	2017	2018
Athletic Center					
Revenues		2,845	2,265	1,750	1,750
	-	2,845	2,265	1,750	1,750
Expenditures					
Wages & Benefits	75,609	78,192	85,737	99,642	109,006
Repairs and Maintenance	56,230	22,473	42,151	37,062	43,167
Operating Supplies and Expenses	36,127	39,336	44,659	48,078	66,857
Fitness Center	14,011	6,269	4,830	6,835	12,275
Utilities	53,330	59,175	51,949	57,996	58,680
Facility Improvements & Equip	88,730	173,428	145,299	169,104	269,873
	324,037	378,873	374,625	418,717	559,858
Revenue Over (Under) Expenses	(324,037)	(376,028)	(372,360)	(416,967)	(558,108)

Key Topics for Board Discussion:

- Projected revenue \$8,000
- Class fees and memberships
- ACC hours of operation and regulations
- Add a ACC FTE
- Vail Valley Athletic Center Comparisons (separate spreadsheet)

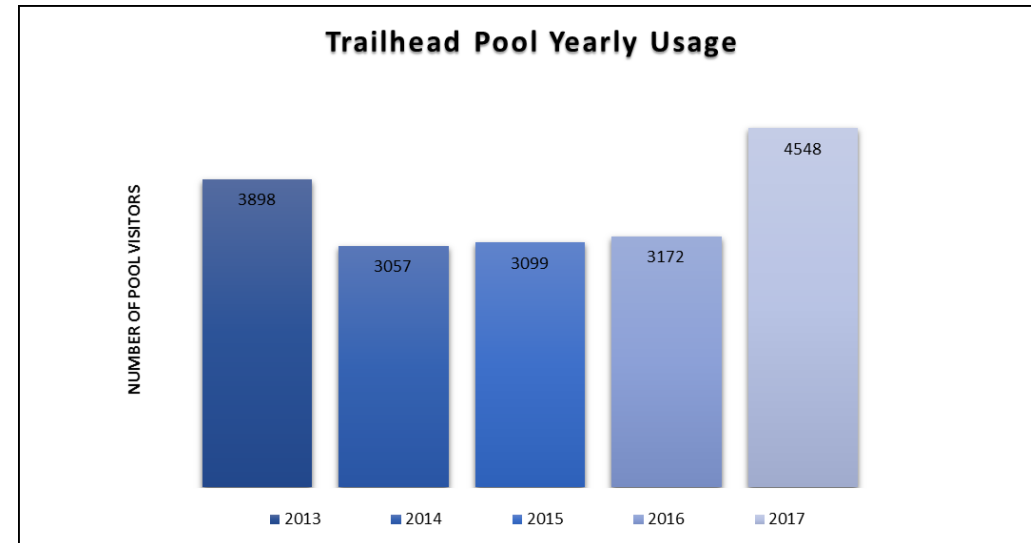
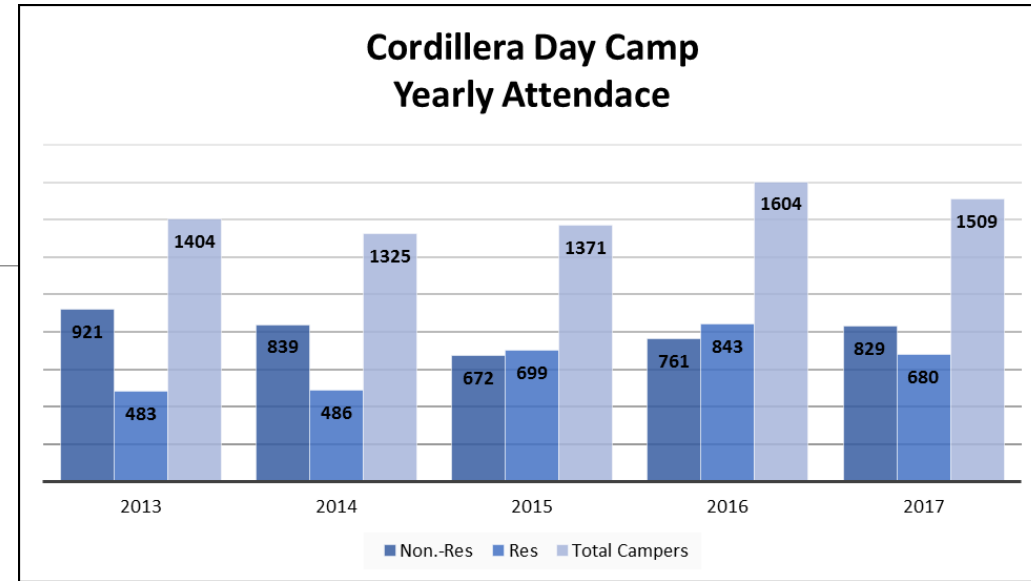


ACC Team



Trailhead & Cordy Camp

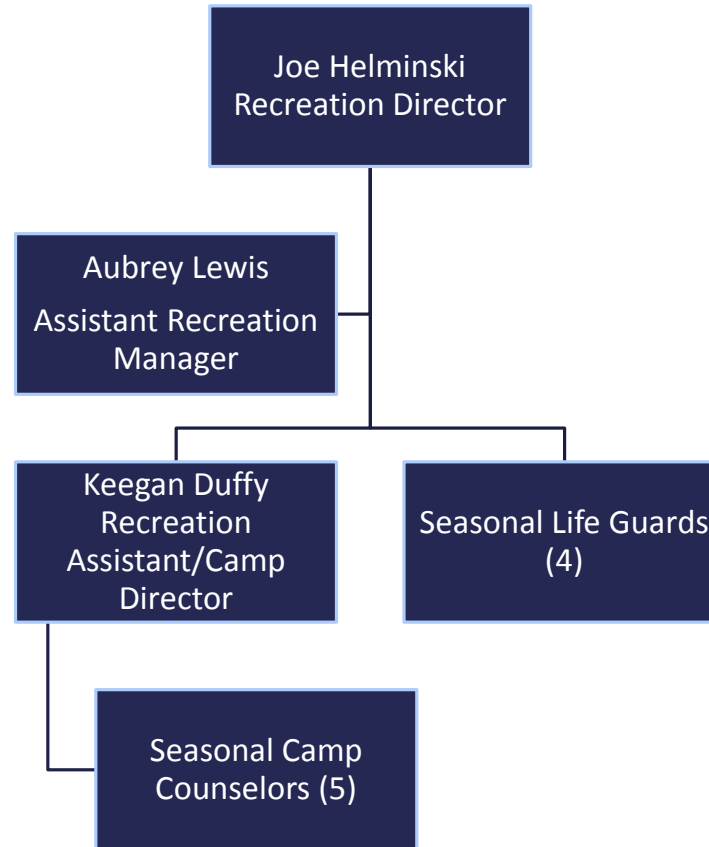
	2014	2015	2016	2017	2018
Trailhead					
Revenues	67,800	67,680	82,415	85,200	89,045
	67,800	67,680	82,415	85,200	89,045
Expenditures					
Wages & Benefits	94,575	67,749	57,676	92,981	100,809
Operating Supplies and Expenses	56,137	34,962	36,479	49,589	58,802
Repairs and Maintenance	20,585	8,078	25,845	16,636	17,978
Utilities and Telephone	32,782	29,102	30,071	29,746	29,806
Camp Expenses	17,732	22,803	20,715	25,305	26,621
Facility Improvements & Equip	43,701	12,912	92,391	343	126,210
	265,512	175,606	263,177	214,600	360,226
Revenue Over (Under) Expenses	(197,712)	(107,926)	(180,762)	(129,400)	(271,181)



Key Topics for Board Discussion:

- Cordy Camp rates
- Pool regulations
- Food truck

Trailhead and Cordy Camp Team

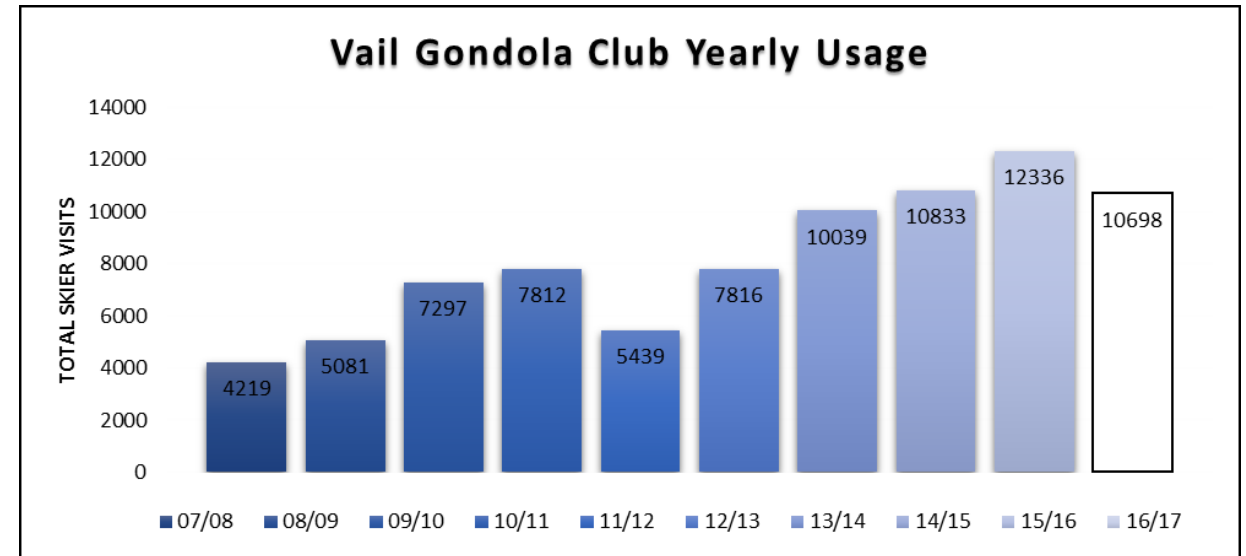
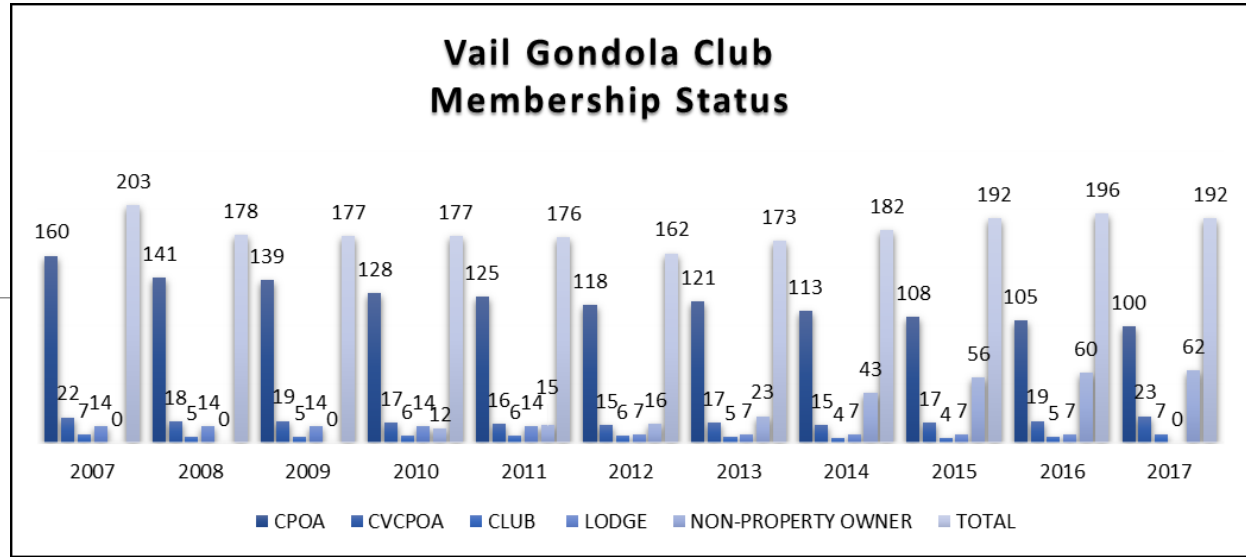


Vail Gondola Club

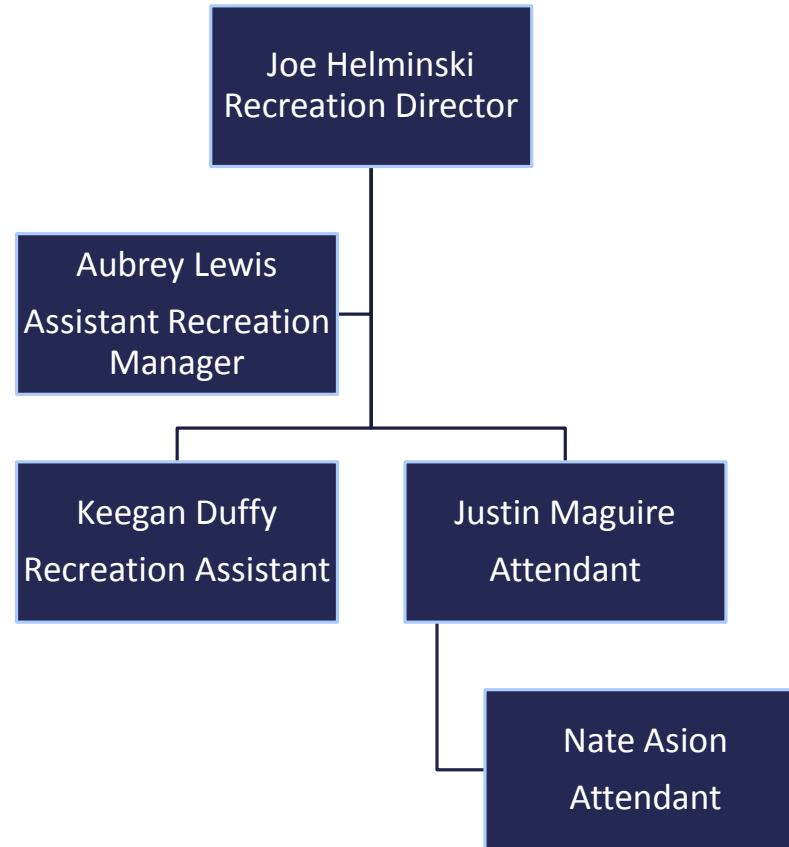
	2014	2015	2016	2017	2018
Vail Gondola Club					
Revenues					
Membership Dues	511,093	633,075	638,979	624,102	625,795
Lease & Locker Rental	23,313	27,931	21,927	20,650	23,020
	<u>534,406</u>	<u>661,006</u>	<u>660,906</u>	<u>644,752</u>	<u>648,815</u>
Expenditures					
Wages & Benefits	83,475	104,175	126,009	131,123	144,569
Lease Expense	290,733	279,400	290,757	299,479	308,475
Repairs and Maintenance	67,285	70,064	70,671	74,854	78,571
Food and Beverage	34,642	41,718	53,126	54,766	60,919
Other Operating Expenses	27,872	121,772	55,840	39,490	40,697
	<u>504,007</u>	<u>617,129</u>	<u>596,403</u>	<u>599,712</u>	<u>633,231</u>
Revenue Over (Under) Expenses	30,399	43,877	64,503	45,040	15,584

Key Topics for Board Discussion:

- Renaming and branding
- 2018 lease



VGC Team

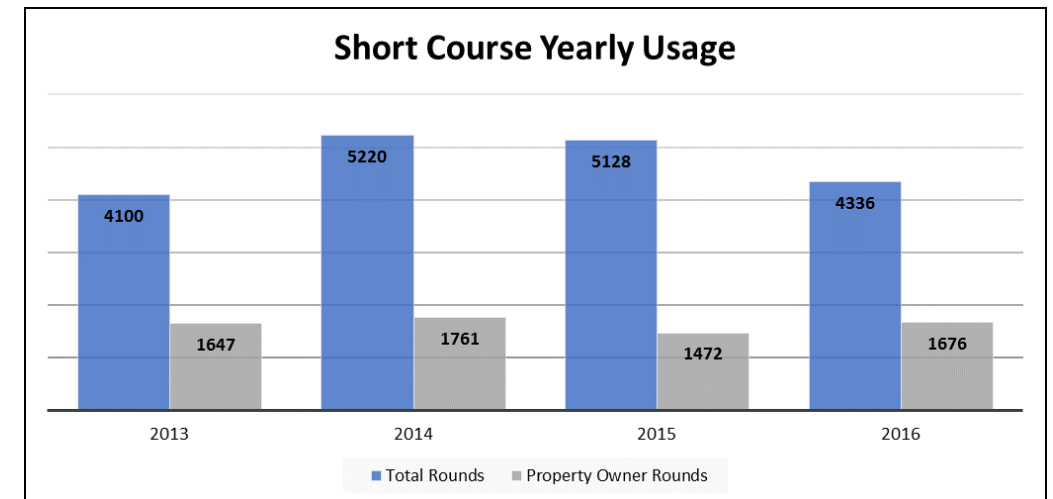


Short Course

Key Topics for Board Discussion:

- \$400,000 operating plan with Troon
- Similar service to 2016, including carts
- Open to public
- Projected \$50,000 revenue
- \$15,000 in preopening expenses for temporary structure (hole 10 area)

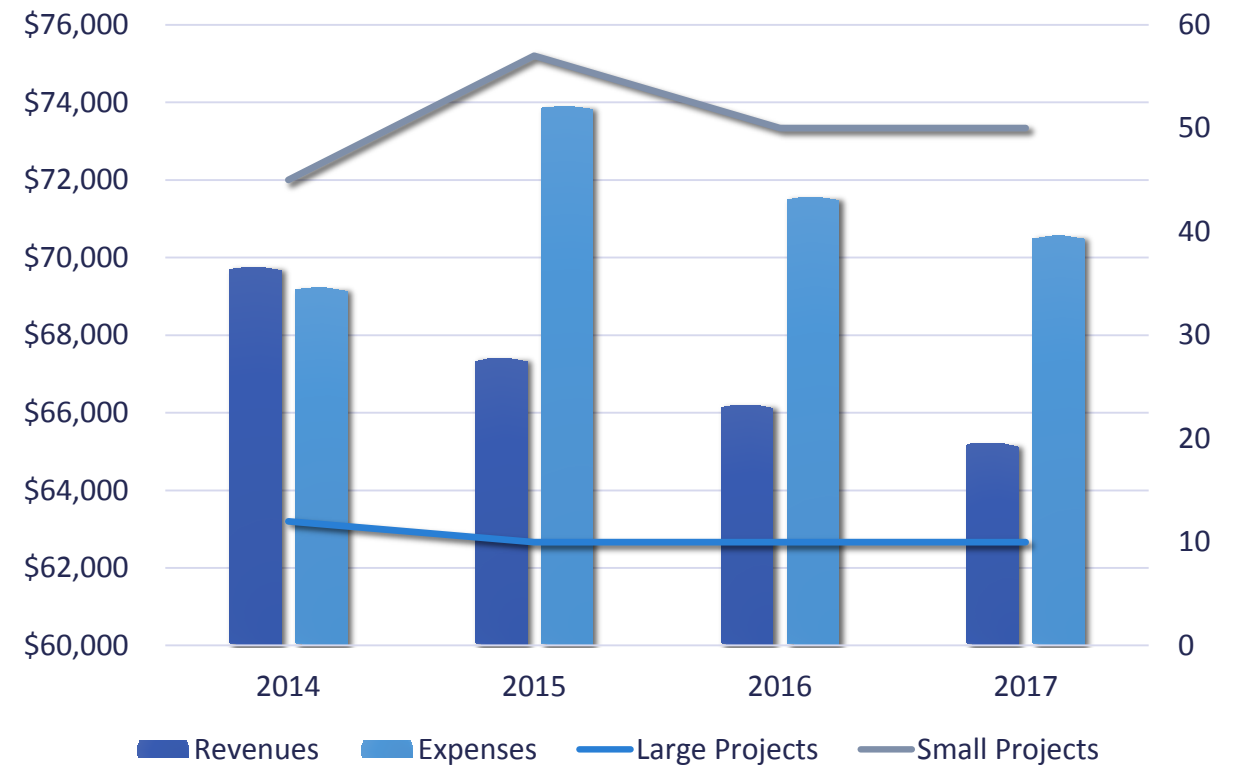
	2014	2015	2016	2017	2018
Short Course					
Revenues	37,558	64,953	130,940	84,506	
	37,558	64,953	130,940	84,506	-
Expenditures					
Short Course Contract	375,000	425,000	447,407	300,000	350,000
Irrigation	35,145	31,716	33,360	33,360	33,360
Other Operating Expenses	56,064	40,289	7,076	3,310	3,149
Facility Improvements & Equip		32,566	-	89,550	300,000
	466,209	529,571	487,843	426,220	686,509
Revenue Over (Under) Expenses	(428,651)	(464,618)	(356,903)	(341,714)	(686,509)



Key Topics for Board Discussion:
 - Compliance

Design Review

	2014	2015	2016	2017	2018
Revenues	\$69,750	\$67,399	\$69,026	\$62,000	\$62,000
Expenses	\$69,218	\$73,900	\$65,219	\$67,430	\$67,430
Large Projects	12	10	7	7	7
Small Projects	45	57	47	47	47



Draft Service Agreement

	Proposed 2017 Budget	PCT	Proposed 2017 Fee	Proposed 2018 Budget	PCT	Proposed 2018 Fee
Wages & Benefits						
Administration	528,591	47%	247,104	470,703	50%	235,352
Public Safety	755,536	50%	377,768	782,852	50%	391,426
Public Safety Patrol Contract				98,098	50%	49,049
Facilities	756,800	27%	190,363	251,162	30%	75,349
Custodian's				93,949	50%	46,975
Fleet				157,985	10%	15,799
Finance Consultant	30,000	40%	12,000	132,000	50%	66,000
Total Benefits & Wages	<u>2,070,927</u>		<u>827,234</u>	<u>1,986,749</u>		<u>879,948</u>
Admin & General Expenses			-			-
Strategic Planning	120,000	50%	60,000	20,000	50%	10,000
Employee Morale	33,500	40%	13,400	36,674	47%	17,237
Payroll Admin	24,844	40%	9,938	25,613	40%	10,245
Board Meeting Expenses	9,800	50%	4,900	11,610	50%	5,805
Dues & Subscriptions	12,229	15%	1,834	11,253	20%	2,251
Employee Recruitment	14,436	40%	5,774	20,913	40%	8,365
Insurance Expense			-	-		-
MIS & Computer Fees	49,725	40%	19,890	60,437	40%	24,175
Misc. Office Equipment	25,670	40%	10,268	42,000	40%	16,800
Office Supplies	17,810	40%	7,124	18,787	47%	8,817
Postage & Courier	4,470	50%	2,235	4,470	50%	2,235
Printing	245	40%	98	925	40%	370
Copier Mtce	6,227	40%	2,491	6,227	40%	2,491
Seminars & Education	30,355	40%	12,142	36,000	25%	9,000
Safety	3,000	50%	1,500	3,303	50%	1,652
Maintenance and Repairs - Facilities	15,884	50%	7,942	16,913	50%	8,457
Legal Fees - attend monthly meetings			-	-		-
Telephone	29,120	40%	11,648	28,880	25%	7,220
Election	3,944	100%	3,944	12,064	50%	6,032
Utilities	76,365	40%	30,546	76,365	40%	30,546
Total Admin & General Expenses	<u>357,624</u>		<u>205,674</u>	<u>432,434</u>	47%	<u>171,696</u>
Public Safety Non - Payroll Expenses						
Utilities	17,694	50%	8,847	18,168	50%	9,084
Public Safety Related Supplies	7,710	50%	3,855	7,410	50%	3,705
Signage - Public Safety	750	50%	375	750	50%	375
Sticker Expense	1,490	50%	745	1,449	50%	725
Uniforms - Public Safety	10,996	50%	5,498	11,495	50%	5,748
Public Safety Equip Mtce & Fuel	40,587	50%	20,294	40,587	50%	20,294
Maintenance and Repairs - Gates	4,850	100%	4,850	4,738	100%	4,738
Total Public Safety non-Payroll	<u>84,077</u>	50%	<u>42,039</u>	<u>84,597</u>	50%	<u>44,668</u>
Other Operating Expenses			-			-
Nordic Trail Maintenance	18,000	100%	18,000	18,000	100%	18,000
Post Office Employee	58,414	100%	58,414	64,844	100%	64,844
Total Expenditures	<u>2,709,042</u>		<u>1,151,361.15</u>	<u>2,586,624</u>		<u>1,179,156</u>
Increase (Decrease) From Prior year			(38,639)			27,795
CMD Contribution						
Communciations	87,988.00	50%	43,994.00	94495	50%	47247.5
Collateral	14,615.00	50%	7,308.00	14378	50%	7189
Website	13,225.00	50%	6,613.00	15920	50%	7960
		Total	57,914.00		Total	62,397
		Total 2017	1,093,447.00		Total 2018	1,116,760

Roles and Responsibilities

CMD- MILL LEVY

Facilities: Trailer parking, bocce ball, gardens, ice rink/dog park, community operations building, administration building, equestrian center, gates houses

Open space and trails

Bearcat

Post office/café land (lease with CPOA)

Road Program

Fly fishing

Bearden, Grenada and Red Draw Ponds

Leases: Indian Summer Outfitters \$7,861

CPOA- ASSESSMENTS AND RETA

Facilities: Post office/café, trailhead, athletic center, short course and maintenance center, water feature and 3 ponds

Vail Gondola Club

Community enrichment

Communications and marketing

Fly fishing

Leases: Taste 5 Catering \$13,000; Fly Fishing Outfitters \$24,720; Slifer Smith and Frampton \$41,000

Looking Forward

WHAT IS MISSING?

Back Flow Inspections

Shuttle Service

Other

WHAT'S AHEAD?

FY 2018 Budget Hearing- October/November

2017 Amended Budget Adoption- December

Open Enrollment and Performance Evaluations-
December/January

2018 Meeting Calendar- December

2018 Contracts and Service Agreement-
December/January