

# Association of Angel Fire Property Owners

Board of Directors

Meeting Minutes

June 14, 2008

President Jim LeBus called the meeting to order at 3:45 at the Angel Fire Resort Hotel.

## 1. Roll Call

Jim LeBus, President, Present

Jack Fuehr, Treasurer, Present

Barry Rogers, Director, Present

Joan Ronchetti, Director, Present

Lovelle Upton, Director, Present

Chuck Verry, Director, Present

Spencer Hill, Absent

Robin May, Present

Harvey Wright, Present

Eight Present, Quorum Established

## 2. Acceptance of New Board Members

Lovelle made the motion to accept the new Board members, seconded by Barry Rogers, no discussion, motion carried unanimously.

## 3. Election of President

Chuck Verry nominated Barry Rogers for president, seconded by Joan Ronchetti. Since there were no other nominations, Lovelle made a motion to accept Barry as president by acclamation. Motion carried unanimously.

The gavel was passed from Jim LeBus to Barry Rogers.

#### **4. Election of Vice President**

Lovelle nominated Jim LeBus for vice president, seconded by Chuck Verry. Since there were no other nominations, Joan moved that the nominations be closed, seconded by Jack. Motion passed unanimously.

#### **5. Election of Treasurer**

Jim nominated Jack Fuehr for treasurer, seconded by Harvey Wright. Jim then moved that nominations be closed, seconded by Joan. There being no further discussion, the motion passed unanimously.

#### **6. Election of Secretary**

There was some discussion whether Jack should continue in his dual role as secretary-treasurer. The duties of the secretary were discussed and how those duties may change if a Board Administrative Assistant (BAA) is hired to do the "grunt" work. Neither Harvey nor Robin felt that they would be interested in assuming this position at this time.

There was further discussion of the role of the BAA. Tentatively, the Board will vote on an interim contract for a ninety (90) day period at the July Board meeting. Jim LeBus suggested that the BAA could serve as the secretary. However, since the secretary position is defined in the Bylaws as a member of the Board, that scenario was rejected.

Jim then offered to serve in the role of secretary until the BAA is hired if Jack does not want to continue in his role as secretary-treasurer. Jack then agreed to continue to serve for an indefinite period. Jim then nominated Jack to be secretary, seconded by Joan. Lovelle moved that nominations be closed, seconded by Harvey. Motion passed unanimously.

#### **7. Board Orientation**

Lovelle commented that Karen created the Board Member manuals last year and then conducted an orientation session with the new Board members. Joan and Chuck said that Karen had not conducted orientation for them. Barry and Lovell did attend an orientation session with Karen. Jack commented that Curtis Jones, the president of AAFPO at that time, conducted the orientation session for the new Board members in 2006. Barry then committed to create the new Board manuals and have them distributed to the new members of the Board.

#### **8. Committee Assignments**

Barry then encouraged the new Board members to consider what committee assignments would be a good match based upon their interests and job skills. Lovelle commented that he served early in the past year as a "Director without Portfolio" until he determined where his talents could serve the Board best.

A general discussion of possible appointments to Board committees and subcommittees ensued with a number of names being offered for potential positions.

Barry then commented that the Board members come from backgrounds where they had a lot to contribute, and should attempt to work as a team by not putting an undue burden on one or two individuals and respecting the expertise of others in the jobs they have to do.

## 9. Free for All

Lovelle asked if the 95% of the dues that are directed by the Resort are for capital projects or operations. Jack said that in prior years, the Resort had used a combination of operating expense and capital to prove to the membership that they had satisfied the requirement of the bankruptcy documents that the Resort must spend more money on the amenities than they receive in dues payments from the membership. Last year, the Resort agreed to use depreciation in lieu of capital since capital expenses varied widely year-to-year while depreciation was a "steady-state" condition. That is now the established mode of operation *vis a vis* AAFPO.

There was a brief discussion regarding the Tubing Area that is not currently considered an amenity even though the expense of the Tubing Area is included in the 95% spending by the Resort. This issue should be resolved by the Finance Committee in the year ahead.

Barry mentioned that the lot combination issue needed immediate staffing due to the impact on our members properties. Lovelle and Joan agreed to serve on the committee to meet with Dan Rakes to resolve this issue. Barry read from a 2005 letter from Terry Kamm that AAFPO should not back away from this issue since lot combinations have been a common practice in Angel Fire for many years. Jim commented that the Resort has also combined lots for their own benefit. Jack mentioned that lots in Elk Meadows were consolidated from three contiguous lots.

Lovelle then said that we should look at the type of clientele that we want to attract to Angel Fire in the next five to ten years. Would we prefer to have a person building a 1,700 sq foot cabin on a third of an acre lot or someone who is going to build a \$1.5M home on three acres? Jim said that the person who wanted a big lot would go to the Valley of the Utes or The Aspens. The bulk of our membership that wants to combine lots are people who want to buy an adjoining lot if it becomes available. Jack said the most pressing need is for people to combine very steep lots that could be considered unbuildable unless multiple lots are available to provide access.

Harvey then inquired about the Board meeting schedule. He further commented that the three new Board members all are employed in the area and beginning the meeting at 4 PM would be a hardship. Lovelle moved that the time of the Board meeting be moved back to 5 PM, seconded by Jim. Motion passed unanimously.

10. Adjournment

Meeting was adjourned at 4:15 PM.

Respectfully submitted by: Barry McCutchen

Date: 06/30/08

Approved by: Fakrul 7/9/08

Date: 07/11/08

## AAFPO Administrative Account

	FY2007 Actuals	Budget	FY2008 Actuals	Variance	FY2009 Budget
<b>Income</b>					
1% Net Collections	\$35,957	\$53,500	\$53,465	-\$35	\$51,000
Interest Income	\$1,870		\$1,627	\$1,627	\$900
Bank Fees	-\$26	-\$200	-\$4	\$196	
Tax Refund					
E/ACC Tax Reimbursement					
<b>Total Income</b>	<b>\$37,801</b>	<b>\$53,300</b>	<b>\$55,088</b>	<b>\$1,788</b>	<b>\$51,900</b>
<b>Annual Meeting</b>					
Advertising	\$131	\$200	\$190	-\$10	\$500
Election		\$2,000	\$1,070	-\$930	\$3,150
Postage					
Voting Incentive					\$2,300
<b>Annual Meeting</b>	<b>\$131</b>	<b>\$2,200</b>	<b>\$1,261</b>	<b>-\$939</b>	<b>\$6,004</b>
<b>Dues Billing</b>	<b>\$40,901</b>				
<b>Computer Expense</b>					
Hardware			\$91	\$91	\$100
Software			\$140	\$140	\$100
Supplies					
<b>Computer Expense</b>			<b>\$230</b>	<b>\$230</b>	<b>\$200</b>
<b>Insurance Expense</b>					
General Liability Insurance	\$5,363		\$6,797	\$6,797	\$6,725
Surety Bond (\$100,000)	\$272		\$272	\$272	\$275
<b>Insurance</b>	<b>\$5,635</b>	<b>\$7,000</b>	<b>\$7,069</b>	<b>\$69</b>	<b>\$6,997</b>
<b>Miscellaneous Expense</b>					
Appreciation Plaques			\$195	\$195	\$100
Continuing Education			\$160	\$160	\$200
Office Supplies	\$254		\$40	\$40	\$40
Business License & Permits	\$20	\$50	\$10	-\$40	\$10
Postage & Delivery	\$39	\$100	\$36	-\$64	\$36
Other		\$1,000		-\$1,000	
<b>Miscellaneous Expense</b>	<b>\$314</b>	<b>\$1,150</b>	<b>\$441</b>	<b>-\$709</b>	<b>\$386</b>
<b>Professional Fees</b>					
Legal Expenses	\$13,170	\$15,000	\$2,896	-\$12,104	\$4,000
Recording Secretary	\$175	\$420	\$385	-\$35	\$840
Tax Preparation	\$618	\$325	\$915	\$590	\$2,000
Income Tax	-\$2,968				\$5,000
Board Administrator					\$2,000
Administrative Assistant					\$1,000
Audit	\$0	\$10,000	\$3,652	-\$6,348	\$7,970
<b>Professional Fees</b>	<b>\$10,996</b>	<b>\$25,745</b>	<b>\$7,848</b>	<b>-\$17,897</b>	<b>\$17,810</b>
<b>Reimbursements</b>					
Board Office Supplies					\$1,500
Travel Expense	\$630	\$500	\$114	-\$387	\$400
<b>Reimbursements</b>	<b>\$630</b>	<b>\$500</b>	<b>\$114</b>	<b>-\$387</b>	<b>\$1,900</b>
<b>"The Mountain View"</b>					
Preparation					\$6,000
Layout					\$1,500
<b>"The Mountain View"</b>					<b>\$7,500</b>
<b>Contingency</b>		<b>\$1,200</b>		<b>-\$1,200</b>	
<b>Total Expense</b>	<b>\$58,607</b>	<b>\$37,795</b>	<b>\$16,963</b>	<b>-\$20,832</b>	<b>\$40,796</b>
<b>Net Income</b>	<b>-\$20,806</b>	<b>\$15,505</b>	<b>\$38,125</b>	<b>\$22,620</b>	<b>\$11,104</b>

## E/ACC Administrative Account

	FY2007 Actuals	Budget	FY2008 Actuals	Variance	FY2009 Budget
<b>Income</b>					
Administrative	\$110		\$55	\$55	
Variance & Inspection Fees	\$1,575	\$2,000	\$5,450	\$3,450	\$5,000
Fee Revenue - Other	\$25,050				
Building Fees		\$20,000	\$14,900	-\$5,100	\$20,000
Forfeitures	\$9,575	\$6,000	\$5,500	-\$500	\$4,500
Recoveries	\$1,500				
<b>Interest Income</b>					
FNB - MM - OCD	\$3,349		\$2,279		\$600
ISB - MM - OCD	\$3,323		\$933		\$2,150
ISB - CHK - OCD	\$77		\$39		
ISB Operating	\$141		\$104		
ISB Operating CD	\$199		\$121		
FNB - CD - OPS	\$1,379		\$2,081		\$2,000
<b>Interest Income</b>	<b>\$8,467</b>	<b>\$6,000</b>	<b>\$5,557</b>	<b>-\$443</b>	<b>\$4,750</b>
<b>Total Income</b>	<b>\$46,277</b>	<b>\$34,000</b>	<b>\$31,462</b>	<b>-\$2,538</b>	<b>\$34,250</b>
<b>Expense</b>					
<b>Administration</b>					
Administrative	\$1,466		\$80	\$80	\$1,500
Admin Assistant	\$11,350	\$14,000	\$15,202	\$1,202	\$18,000
Administrator (B.U.)	\$4,150	\$6,250	\$9,925	\$3,675	\$10,000
Gross Receipts Tax			\$215	\$215	\$200
AF E/ACC Telephone	\$813	\$1,000	\$1,187	\$187	\$1,250
Bank Charges	\$100	\$100		-\$100	\$100
Electricity - Kit Carson	\$1,223				
Office Supplies	\$1,023	\$1,000	\$221	-\$779	\$500
Miscellaneous	\$65	\$250	\$1,450	\$1,200	\$350
Depreciation	\$39				
Postage	\$269	\$350	\$201	-\$149	\$250
Printing	\$8	\$300	\$193	-\$107	\$300
Repair & Maintenance		\$250	\$187	-\$63	\$250
<b>Professional Fees</b>					
Audit			\$4,648	\$4,648	\$3,000
Tax Preparation		\$500		-\$500	\$300
Income Tax					
Legal		\$2,000	\$44	-\$1,956	\$1,000
<b>Inspections</b>					
Mileage	\$630	\$850	\$451	-\$399	\$500
Inspections - Other	\$7,169	\$7,500	\$3,900	-\$3,600	\$4,500
Inspections - phone	\$357	\$375	\$317	-\$58	\$325
<b>Expense</b>	<b>\$28,662</b>	<b>\$34,725</b>	<b>\$38,222</b>	<b>\$3,497</b>	<b>\$42,325</b>
<b>Net Income</b>	<b>\$17,615</b>	<b>-\$725</b>	<b>-\$6,760</b>	<b>-\$6,035</b>	<b>-\$8,075</b>