



MINUTES OF THE TELLURIDE MOUNTAIN VILLAGE OWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING

NOVEMBER 14, 2018

BOARD MEMBERS PRESENT: Bill Jensen, Jeff Proteau, Tom Richards, Tim Kunda (via phone), Jim Royer (via phone) & Jeff Badger (via phone)

BOARD MEMBERS ABSENT: None

STAFF PRESENT: Anton Benitez, Garrett Brafford, Whitney Pearce & Heidi Stenhammer

STAFF ABSENT: None

OTHERS PRESENT: Emily Brafford, Laila Benitez & Doug Touley

1. Call to Order and Determination of Quorum

Chairman Jensen called the meeting to order at 4:32 p.m. MST and announced that a quorum had been established with six out of six board members present in person and via phone.

2. Approval of the Previous Meeting Minutes

1. Minutes from the September 19, 2018 Board of Directors Meeting

On **MOTION** by Director Royer to approve the minutes from the September 19, 2018 Board of Directors Meeting, seconded by Director Kunda, the **MOTION** carried unanimously (6-0).

3. Members Equity – Gondola / Chondola Reserve Balance

Director of Operations and Finance Brafford reported that TMV conducted an annual, internal reserve study for the Gondola and Chondola for TMVOA and TMV long-term planning. Each year, TMV is asked to revise the reserve study to estimate what is needed, which resulted in a true-up of \$636K for capital expenditures through December 31, 2027, resulting in a restricted equity total of \$3.4M for 2019-2027.

On **MOTION** by Director Kunda to approve an adjustment to the balance for the “Members’ Equity, board designated” account for capital expenditures related to the Gondola and Chondola through 2027 to \$3,423,965 per Schedule M in the proposed 2019 budget, the **MOTION** was seconded by Director Royer and carried unanimously (6-0).

4. 3rd Amended and Restated Investment Policy

Director of Operations and Finance Brafford reported that the 3rd Amended and Restated Investment Policy has been updated to reflect updates from the Investment Committee members. The major changes are on pages 10 and 11 and relate to the targets. Many targets were not being achieved due to market fluctuations and minimums and maximums have been added, as well as reporting requirements.

Mr. Bayles, TMVOA's rep with Morgan Stanley, will invest actively within the ranges and when TMVOA is outside of the range, he will rebalance no less than quarterly. If Mr. Bayles sees a situation where going outside the set targets would be beneficial to TMVOA, he will obtain approval from the Finance, Audit & Budget (FAB) committee. If there is a passive breach of the range due to market movement then it will be rebalanced, but there will be no active moving outside the ranges.

On **MOTION** by Director Proteau to approve the 3rd Amended and Restated Investment Policy, the **MOTION** was seconded by Director Richardson and carried unanimously (6-0).

5. TMVOA 2017 Tax Return 990

Accounting Manager Pearce reviewed the TMVOA 2017 Tax Return 990. The 2017 audit documents have been filed and are posted, along with the governance letter, to the TMVOA website. The 2017 tax return encompasses all of TMVOA's LLC's. CO Lot 161C-R Mountain Village, LLC will file a separate tax return next year.

On **MOTION** by Director Kunda to approve TMVOA's 2017 Tax Return, the **MOTION** was seconded by Director Royer and carried unanimously (6-0).

6. DAR Ridership Limits

Executive Director Benitez reported that TMVOA has 1,044 individual property owners. TMVOA provides Dial A Ride services as a member benefit which is seen as an economic enabler and a benefit to the environment. Since 2014, usage has increase by 80%. The current number of rides allowed per valid address is 200 per season. The FAB committee has reviewed ridership in depth and suggested putting a limit of 100 riders per year (combined winter and summer season) with the opportunity to purchase unlimited rides for \$1K. Staff conducted further analysis after the last FAB meeting and determined that offering 200 rides per one combined winter and summer season would adequately cover 97% of users.

A discussion ensued regarding various ridership limits, the effects of high VRBO usage and the cost per ride over the limit. It was determined that staff should further analyze the VRBO market for a full year to better understand the high users. Additionally, TMVOA is researching a Dial A Ride app that will help improve tracking and analysis.

On **MOTION** by Director Royer to cap complimentary Dial A Ride usage per valid address at 200 rides per combined winter and summer season with a charge of \$15 per ride after the 200 rides are met, the **MOTION** was seconded by Director Proteau and carried unanimously (6-0).

7. Blue Mesa Commercial Space

Mechanical overhaul from electric to gas

Director of Operations and Finance Brafford reported that he was unable to find another plumber to bid on the mechanical system overhaul in the Blue Mesa building. Reid Rutherford provided a bid that is \$46K more than what the Board originally approved due to added zone valves and an additional boiler for redundancy. There is a significant return on investment to proceed with the overhaul as it will be much more energy efficient, provide heat to several tenants without any heat at all, and the utility reduction will pay for the overhaul within the useful life of the boiler system. The excess amount can be covered out of TMVOA's contingency fund.

On **MOTION** by Director Proteau to approve the additional \$46K Blue Mesa mechanical system overhaul to be paid for from the contingency fund, the **MOTION** was seconded by Director Kunda and carried unanimously (6-0).

8. New Business / Other Business

None

9. Next Meeting Dates

The next Board of Directors meeting to approve the budget will be held on December 12, 2018 at Town Hall. The Annual Members meeting will be held on December 26, 2018 at the Telluride Conference Center and will be followed by a Winter Social. Both meetings will begin at 4:00 p.m.

10. Executive Session pursuant to CRS Section CRS 38-33.3-308 (3) & (4)

On a **MOTION** by Director Richards, seconded by Director Proteau, the meeting went into Executive Session at 5:30 p.m. MDT.

On a **MOTION** by Director Royer, seconded by Director Kunda, the meeting came out of Executive Session at 5:50 p.m.

11. Adjournment

On a **MOTION** by Member Richardson, seconded by Director Proteau, the meeting adjourned at 5:50 pm MST.