July 2, 2020

The Telluride Mountain Village Owners Association (TMVOA) is seeking a strategic partner that will be able to provide investment services starting November 1, 2020 that will address our changing needs.

Our goal is to secure a relationship which will provide excellent service to our clients and staff at the lowest possible cost. These services include, but are not limited to:

1. Investment Services
2. $7.6M Line of Credit

TMVOA is an owners association in Mountain Village, Colorado of which all property owners and commercial tenants are members. TMVOA’s history, governing documents, and financial information can be found at www.tmvoa.org.

This Request for Proposal (RFP) is designed to gather specific information about the qualifications, services, costs and benefits offered by your organization. We will use this information to determine your institution’s ability to serve our needs. Candidates may be asked to provide a presentation to the TMVOA Investment Committee at their meeting on September 08, 2020.

We ask that you keep confidential any information we may disclose to you during the RFP process. Packet materials will be provided upon request. We hope you are interested in participating and look forward to your response.

Please direct all inquiries and responses to Whitney Rosenfeld, Accounting Manager at (970) 728-1904 ext. 5 or whitney@tmvoa.org. All proposals must be received by 5:00 pm on August 15, 2020.

Sincerely,

Whitney Rosenfeld, CPA
Accounting Manager
Telluride Mountain Village Owners Association
113 Lost Creek Lane, Suite A, Mountain Village, CO 81435
Phone: (970) 728-1904 x 5
Fax: (970) 369-7656
Investment Services

(Please submit 5 bound copies of your proposal, along with an electronic copy.)

Please describe your investment services including the following:

1. **General Investment Services Information**

   1. Summarize, as the cover sheet for your proposal (in 1 page or less) why you believe your institution is the right strategic partner for TMVOA’s investment services.
   2. Describe your organizational structure and history, including years providing investment services. Describe your core business model and plans for the future.
   3. Describe your investment team, their authority within the organization as it pertains to investing for clients, qualifications, registrations, and licenses. If you or a member of your team had a license and no longer have this license, please describe why.
   4. Identify key measures of the organization’s financial strength, (e.g. capital ratios, market capitalization total assets).
   5. Provide an overview of the organization’s business continuity plan.
   6. Provide ratings for the organization and/or subsidiary organization from the following agencies: Standard & Poor’s/ Moody’s. Include ratings for Organization Financial Strength, Organization Deposits and Issuer Rating.
   7. Do you service any other owner association clients? Do you service any other 501(c) (4) clients?
   8. In what geographical areas do you operate?
      a. Do you have a branch in Mountain Village, Colorado?
      b. Do you have a branch in Telluride, Colorado?
      c. Where would your primary advisors on this account be located?
   9. Provide specific biographical information on principals and advisors which would serve this account. Please include a description of any disciplinary proceedings, customer complaints, or other matters pertaining to any of the advisors or supervisors that would have direct responsibility for handling our accounts.
   10. Firm philosophy on client relationship (frequency of contact, etc.)
       a. If advisors are not local, please describe your plan on how TMVOA will be served from a remote location.
   11. List of at least 3 references of companies with similar investment needs in terms of risk tolerance and investment capacity.
   12. Provide institution financial data, including asset size and other key amounts and ratios.
   13. Provide your institution’s most recent audited financial statement.
   14. Provide examples of all contracts we would need to execute.
   15. TMVOA is utilizing $10M from a line of credit from our current investment institution. Can and will your organization accommodate a $7.6M line of credit? If so, what is the rate, term, and conditions for this line of credit? Please describe in detail the type of loan mechanism.
2. Detail of Investment Services

1. Provide a sample investment recommendation for TMVOA’s available funds to achieve optimal returns with minimal risk. Please utilize the information provided in Exhibit A to structure this sample recommendation. *Please refer to the Investment Policy for goals.*
   a. Include complete detail of all costs of services in addition to a proposed investment portfolio with estimated earnings rates.
   b. Describe your approach to portfolio construction.
2. Based on your fee structure, please provide estimate of all costs of service (transactional, basis points, any other applicable fees) as it related to TMVOA transactional activity from June 1, 2019 to December 31, 2019. We would like this in a dollar format so that we can compare bids.
3. If TMVOA went with a passive management approach to the Equity Portfolio, how would this affect fees?
4. Please describe if you recommend an active verse a passive management (/or mixed) approach and why.
5. What methods are available for settlement of investment transactions?
6. Does your organization offer automatic sweep of available balances into money market or other investments? Please describe. Please provide monthly average yields for the last twelve (12) months on the sweep vehicle recommended in this proposal.
   a. How soon after a deposit is made to a checking account are funds swept to the investment vehicle? Describe this process in detail.
7. Provide a statement describing what differentiates your service from others.
8. What policies and procedures does your firm have with respect to brokerage statements that would satisfy GAAP Accounting needs?
   a. Please provide a contact that TMVOA Staff can reach out to
   b. Please provide a sample brokerage statement so our accountant can gauge the ease or difficulty of reconciling them to GAAP accounting standards which is required by TMVOA
9. What type of support exists for client statements and reconciliations?
10. What type of client training and education do you provide?
    a. Are there any other support tools for understanding monthly activity in statements?
11. TMVOA’s Investment policy states that the “Investment Manager will: (d) Regularly provide TMVOA with performance reports, no less than quarterly or as needed”. Please describe how you would comply with this and provide an example if possible.
    a. Items to be included but not limited to:
       i. Fixed Income Performance (Net of Fees) vs IPS identified benchmark
       ii. Equity Securities Performance (Net of Fees) vs IPS identified benchmark
       iii. IPS Comparison of minimum/maximum/target vs actual portfolio weight by category
Exhibit A - Summary of Data

Balances (as of 5/31/2020)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$331,000</td>
</tr>
<tr>
<td>Equity Investment Funds</td>
<td>$3,012,000</td>
</tr>
<tr>
<td>Fixed Income Investment Funds</td>
<td>$9,435,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$12,778,000</strong></td>
</tr>
</tbody>
</table>

Other Needs

- TMVOA is utilizing $10M from a line of credit through our current investment institution.
- TMVOA Capital Improvement spending schedule can be found on the last page of our 2019 audited financial statements (to be posted on July 8) located: [https://tmvoa.org/documents/budget-and-financials/](https://tmvoa.org/documents/budget-and-financials/)
- Please refer to the Investment Policy for goals.
- If you are unsure of TMVOA Investment policy/goals, please reach out to Whitney Rosenfeld, Accounting Manager, or Garrett Brafford, Director of Operations & Finance.