



**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD APRIL 9, 2018
AT 2:00 P.M.**

Pursuant to posted notice, the special meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Monday, April 9 at 2 p.m., at 13977 Milam Rd., Colorado Springs, CO.

In attendance were Directors:

Bart Atkinson, President
Jeff Parker
Gregg Cawfield
Jason Lee Courtright

Also in attendance were:

Jamie Adams, Warren Management
Ecton Espenlaub, Resident
Bill Heeter, Resident
Kevin Walker, Walker Schooler District Managers
Kristina Kulick, Walker Schooler District Managers

1. Call to Order:

President Atkinson called the meeting to order at 2:03 p.m.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures:

President Atkinson confirmed a quorum. Mr. Walker stated that District Counsel, Mr. Susemihl is available by phone if needed. Director Potter was excused.

3. Approval of the Agenda: No changes were recommended for the Agenda.

4. Consent Agenda Items:

- a. Approval of Board Meeting Minutes from the February 12, 2018 Meeting (Distribute at meeting)
- b. Acceptance of Unaudited Financial Statements as of April 9, 2018, the schedule of cash position updated as of April 9, 2018 and bank statements (attached)

President Atkinson had no corrections for the meeting minutes. Director Cawfield made a motion to approve the Agenda, Director Courtright seconded the motion. The motion passed unanimously.

5. Consideration of items removed from Consent Agenda

There were no items removed from the consent agenda.

6. Management Matters:

- a. Transition of management progress - Mr. Walker stated that transition is proceeding, and they were continuing to learn about the district. President Atkinson said he will gather all the past board minutes and make copies of FEMA documents to give Mr. Walker. He will also look for archived bills from the accountant. Mr. Walker stated that he has gotten copies of keys made for everyone, the website is up and running with the current minutes and agenda and is trying to keep up with current issues including the audit and insurance. President Atkinson said that it has been great working with Ms. VonFeldt and Mr. Walker so far and feels he made a great choice.

Director Cawfield asked for a report on the FEMA situation; President Atkinson replied that he continues to work to complete the needed matters including a flood plain report of no impact which he was having difficulty getting a return call. The Board suggested calling the RBD Director or sending certified mail. Additional paperwork was necessary to certify that no historic or archeological sites had been impacted or disturbed; President Atkinson said he is still waiting on the State to certify that. Lastly, was to clarify the status of the Preble's Jumping Mice; the developer had already completed the trap study and this needs to be documented. President Atkinson said that everything has been submitted, and he is waiting on a response. President Atkinson spoke to someone a month and half ago trying to get this expedited but was told it is not a priority since the project is so small. He clarified that these items must be done to get paid by FEMA. Director Cawfield confirmed that we have been in closeout for over a year now, but knew it could take that long.

- b. Landscape proposals - Ms. Adams updated the Board on the proposals for the Lodge area to have the dead tree removed and getting the berm area looking better. President Atkinson asked about the Board's feelings on planting a new tree; the Board suggested focusing on having the dead one removed and not replacing at this point. Ms. Adams discussed the proposal for general maintenance. President Atkinson recommends A Cut Above as the low bidder as responsive. President Atkinson informed the Board that the current landscaper that is being replaced but is requesting to finish his contract. Ms. Adams said she is unsure of what he must finish but is working on a clarification. Director Cawfield requested a proposal from A Cut Above for putting in the missing shrubs in the medians instead of honoring the previous contract. Director Courtright asked about the sod that was put in the drainage area. The Board agreed it needs to be cleaned up. It was moved by Director Parker and seconded by Director Courtright to approve A Cut Above as the new landscaper. The Board approved unanimously.
- c. Update on Lodge and maintenance status - Mr. Walker said he is still working on the fire alarm problem and is hoping to figure out what the issue is next week. The Board discussed how to get the issue resolved while staying within the budget as well as getting quotes for repairs. Director Parker asked for an update on the snow plow driver, John. Mr. Walker replied that he was paid and that there is a new year to year contract. Director Parker expressed concerns that the snow plow driver could damage the ROW and he is worried that it could cause issues with the County.

Ms. Adams updated the Board on the HVAC and furnace issue. She said she received a 3three options from Fountain Valley Mechanical. One proposal is to repair the furnace plus new drain pans. The second proposal is to replace the one furnace plus new drain pans and the last

proposal is to replace all the furnaces. Ms. Adams recommends replacing the one furnace plus new drain pans. The Board suggested obtaining additional company's proposals. Director Parker recommended AMS Company. Ms. Adams said that she will do that.

Director Courtright asked if the Lodge has ongoing pest control issues. Ms. Adams said that there are traps in the ceiling and pest control is part of the maintenance budget. Ms. Adams updated the Board on the woodpecker damage and that pest control will fill the holes. She warned that bats could be a problem if the holes are not plugged up. The Board agreed to approve the funds for the woodpecker issue repairs.

Mr. Courtright asked about the burned-out parking lot lights; Ms. Adams said she will work on getting that fixed.

Director Cawfield requested to discuss when the ponds are turned; President Atkinson stated that they had been turned on usually in late April. The Board discussed turning on irrigation in May. Ms. Adams reported that a new species of trout will be added to the pond this year instead of Rainbow Trout.

Director Parker reported that he has seen a man walking through the neighborhood. He thinks he may be a part of a construction crew building houses and possibly staying in a vacant home.

President Atkinson asked when to pull the snow plow stakes and if A Cut Above could be hired to do it. Ms. Adams said she will check into getting this done soon. President Atkinson said they are selling the District's truck and will discuss other equipment next meeting. Mr. Heeter asked for list of all the equipment for next meeting.

Director Cawfield asked who does the trail grading. Ms. Adams said that Ashley with A Cut Above could take care of the trails and she will get a proposal. President Atkinson explained that District can maintain trails, but they don't have an obligation. The District takes care of it but does not own it and the residents are happy with the District taking care of the trails.

- d. Lodge Rental report - President Atkinson explained that the price increase from \$1,800 to \$2,500 for booking the Lodge has affected the amount of bookings. Mr. Heeter asked if the Lodge would achieve the revenue expected. President Atkinson believes it will since they are still consistently booking, and the numbers have been made almost every year by the end of the year. The President directed the Board to look at the paperwork with the events schedule for them to review. The Board confirmed that it is important to coordinate events at the Lodge with upcoming maintenance projects. It was noted that there was a conflict between the scheduled District meetings and events at the Lodge. It was agreed to address these issues as they arise.
- e. Review of Insurance proposals - Mr. Walker discussed the new proposal for insurance. He explained the current insurance costs \$14,000 per year and only has the Lodge listed on the property list. The SDA pool covers more than just the Lodge, which is currently the only thing covered. Mr. Walker said assuming State Farm will cover additional areas, SDA is still more cost effective with a proposal of less than \$11,000. He explained the advantage of SDA is that they know special districts. Director Cawfield asked about coverages, and Mr. Walker said that the coverages and deductibles are comparable. President Atkinson asked about voting to change the insurance to SDA pool. A motion to approve the SDA Pool insurance coverage switch was made by Director Parker and seconded by Director Courtright; the motion passed unanimously.

7. Financial Matters:

- a. Approval of Payables for the Period Ending February 12, 2018 in the amount of \$9,347.80 - Director Cawfield requested a year to date budget with 2017 expenditures for comparison to last year, Mr. Walker agreed to review this request for next month. Mr. Espenlaub asked for clarification about the revenue from taxes. Mr. Walker explained that the District receives revenue from 3 tax sources and from renting the Lodge. The Board reviewed the payables. President Atkinson clarified the details of the internet bill and security system. Director Cawfield asked about considering a mobile wireless security system. Mr. Walker said he will investigate it. Director Cawfield asked about the WIFI password. Ms. Adams and President Atkinson confirmed that there is a public WIFI that does not require a password for guests of the Lodge. Director Cawfield asked if the office pays separately for their internet. Mr. Walker will check into the internet, security system and fire alarm system. President Atkinson motioned to approve the payables, Director Courtright seconded the motion. The motion passed unanimously.
- b. Selection of auditor - Mr. Walker reported requesting proposals from four companies; one company declined to bid. Mr. Walker's recommendation is to continue with BiggsKofford. He explained that since there is a new manager, expenses last year that were overbudget, and Biggs understands what has gone on in the past with the district, he thinks Biggs is the best choice. President Atkinson agreed that the Board should keep Biggs as the auditor with the option to reevaluate next year. Ms. Adams agreed that the continuity of the auditor with the new management would be best. Director Cawfield disagreed and said that he thinks it would be a good time to switch auditors and go with Holting. Director Parker moved to approve BiggsKofford as the auditor for this year, President Atkinson seconded the motion. The motion passed 3-1, Director Cawfield voting against.
- c. President Atkinson discussed an issue regarding the tree and address plaques that are required for the lots in the subdivision. He explained that address plaques were ordered for every lot that the developer bought and paid for and then gave to the District, but the trees had run out. The District received a proposal from a builder to make the 47 trees needed for the subdivision that totaled \$31,255. They have all been completed and delivered, but not paid for. The contract said that there would be a payment of \$22,000 initially then the balance would be paid on delivery of the trees. President Atkinson asked the Board if they want to pay the \$31,255 all at once, or if they make smaller payments when revenue comes in. President Atkinson suggested breaking it into 3 or 4 payments. Mr. Walker said that the District should get the revenue from taxes by May. The Board agrees paying this is a priority. The Board decided to authorize the \$22,000 payment, then invoice the builder for the remaining balance. Mr. Walker will check on the payment requirements with Ms. Adams as detailed in the covenants.

8. Legal Matters:

- a. Election Update - President Atkinson stated that the new members of the Board, Mr. Espenlaub and Mr. Heeter, will be sworn in at the next meeting. He stated the paperwork was done to cancel the election. He said that Director Potter will be resigning, and he will be available as President as long as needed. President Atkinson stated that the future board members, Mr. Heeter and Mr. Espenlaub have made comment throughout the meeting. President Atkinson suggested discussing the replacement of Director Potter, and then eventually him as President at the next meeting. Ms. Adams suggested waiting to have a meeting with the HOA Board and the Board

until the 2 new members were sworn in which will be next meeting. Mr. Heeter asked about monthly meetings, and if they are necessary. Director Parker said that keeping the monthly meeting on the schedule is important, but sometimes they are cancelled due to lack of quorum. Mr. Walker said scheduled monthly meetings help to have bills paid, checks signed, and to keep everyone updated on financial matters. Mr. Walker will report to the Board every month regardless if the meeting is held or not.

9. Public Comment:

There were no public comments.

10. Other Business:

a. Next Meeting

May 14, 2018 at 2:00 p.m.

11. Adjournment:

The meeting was adjourned at 4:20 p.m.

Respectfully Submitted,



By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL APRIL 9, 2018 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



Bart Atkinson, President

Dan Potter, Director

Jeff Parker, Director

Jason Lee Courtright, Director



Gregg Cawfield, Director

CATHEDRAL PINES METROPOLITAN DISTRICT
Profit & Loss
 January 1 through May 14, 2018

	Jan 1 - May 14, 18
Ordinary Income/Expense	
Income	
DS INCOME	
DS Interest Income	172.96
DS Prop Tax Revenue	202,578.90
Total DS INCOME	<u>202,751.86</u>
GF INCOME	
GF Prop Tax Revenue	93,182.62
Insurance Reimbursement	320.00
Rental Income - Lodge Events	13,260.00
Rental Income - Sales Office	1,560.00
Specific Ownership Taxes	17,570.42
Total GF INCOME	<u>125,893.04</u>
Total Income	<u>328,644.90</u>
Gross Profit	<u>328,644.90</u>
Expense	
DS EXPENSES	
Collection Fee DS (Treasurer)	3,038.68
Total DS EXPENSES	<u>3,038.68</u>
GF EXPENSES	
Bank Charges	42.67
Cleaning	500.00
Collection Fee GF(Treasurer)	1,397.74
Event Exp (adv/bkg/cln/hst)	9,135.84
Event Supplies	120.78
Insurance	11,411.27
Landscape Maintenance	4,836.30
Legal Fees	5,143.15
Maintenance Management	7,200.00
Management Expense	8,000.00
Office Expenses	14.06
Repair & Maintenance	3,301.31
Security	1,301.09
Snow Removal	8,000.00
Telephone	905.36
Trash	1,843.16
Utilities	7,133.32
Total GF EXPENSES	<u>70,286.05</u>
Purchases	<u>31,255.00</u>
Total Expense	<u>104,579.73</u>
Net Ordinary Income	<u>224,065.17</u>
Net Income	<u><u>224,065.17</u></u>