

Angel Fire Public Improvement District 2007-1

3465 Mountain View Blvd., Suite 14

PO Box 1046, Angel Fire, NM 87710

575-377-3483

PID Board Meeting Minutes

July 9, 2015 at 2:00 pm at the PID Board Room

- A. Call to Order - Chairman Pro Tem Chuck Verry called the meeting to order at 2:00 pm.
- B. Pledge of Allegiance - Chairman Pro Tem Verry called for the Pledge of Allegiance.
- C. Roll Call - Present were Director Chuck Verry (Chairman Pro Tem), Chairman Alan Young (by phone), Director Carl Abrams (by phone), and Director Don Borgeson. Vice Chairman Dan Rakes was absent. Also present was Sally Sollars, District Administrator. A quorum was present.
- D. Approval of Agenda – Director Borgeson moved to approve the agenda with the addition of the Village of Angel Fire to the Consent Agenda for water availability fees. Chairman Young seconded. The motion carried 4-0.
- E. Approval June 24, 2015 Minutes - Director Borgeson moved to approve the June 24, 2015 Minutes as written. Chairman Young seconded. The motion carried 4-0.
- F. Requests and Responses from the Audience (Limit to 3 minutes) – None.
- G. Announcements and Proclamations – Ms. Sollars announced that she would be out of the office from July 22 to July 28.
- H. Business
 - 1. Election of Vice Chair – Chairman Pro Tem Verry asked for nominations for Vice Chair. Director Borgeson moved to nominate Dan Rakes for Vice Chairman. Chairman Young seconded. The nomination carried 4-0.
 - 2. Election of Clerk/Treasurer – Chairman Pro Tem Verry asked for nominations for Clerk/Treasurer. Director Borgeson moved to nominate Chairman Pro Tem Verry for Clerk/Treasurer. Chairman Young seconded the nomination. The nominations carried 3-0, with Chairman Pro Tem Verry abstaining.
 - 3. Consider and Approve Resolution 2015-7 Authorizing Sally Sollars to Initiate Banking Business. Chairman Pro Tem Verry recalled that this resolution was tabled at the last meeting until Clerk/Treasurer Verry could be present. However, Chairman Pro Tem Verry said that he has not yet talked with Vice Chairman Rakes who had reservations about this resolution being too vague. Clerk/Treasurer said that he understood the reasoning for the resolution, but suggested that this issue be firmed up in the process of shopping for a new bank. Director Borgeson moved to table Resolution 2015-7. Director Abrams seconded. The motion carried 4-0.
 - 4. Consider and Approve Resolution 2015-8 Approving the Fiscal Year 2016 Final Budget – Director Borgeson moved to approve the Fiscal Year 2016 Final Budget as written. Chairman Young seconded. Ms. Sollars reported that there would be minor adjustments to the final budget once the June NMFA statements were received and reconciled. Director Borgeson amended the

motion to approve the Fiscal Year 2016 pending adjustments with the addition of the NMFA June interest. Chairman Young seconded. The motion carried 4-0.

5. Consider and Approve Resolution 2015-9 Approving Fiscal Year 2015 4th Quarter Report – Director Borgeson moved to approve Resolution 2015-9 pending the same adjustment of interest as the budget. Chairman Young seconded. The motion carried 4-0.
6. Consider and Approve Resolution 2015-10 Approving Fiscal Year 2015 Budget Adjustments – Director Borgeson moved to approve the Fiscal Year 2015 Budget Adjustments. Chairman Young seconded. Ms. Sollars reported that these adjustments are a result of prepayments. This year, and in years past, the prepayments were not budgeted. This resulted in transferring more money than budgeted out of the General Fund and expending more money than budgeted out of the Debt Service Fund. The Fiscal Year 2016 Budget includes an additional \$500,000 in Debt Service due to prepayments. The Prepayment Account was also moved from the General Fund to the Debt Service Fund to eliminate the need to transfer the money. The motion carried 4-0.
7. Consider and Approve Quarterly Board Meetings – Director Borgeson moved to consider and approve quarterly Board Meetings. Chairman Young seconded. Chairman Young recalled that the Board had discussed this two years ago. The measure was dropped because of the established procedure for whole Board approval of monthly invoices. Discussion focused on the need to adopt a new procedure for invoice approval as a first step prior to approving quarterly meetings. A resolution could be proposed that the Board preapprove regular and reoccurring invoices up to a limit if there were within the budget. Also, the calendar of required Board actions is not evenly spread throughout the year so that there are some months that have two Board meetings and some consecutive months where a meeting is necessary. It was suggested that once the approval of invoice policy was adjusted that a quarterly board meeting resolution could be approved with the understanding that there would be Special Board Meetings called when needed in off months. The motion was denied 4-0.
- I. Consent Agenda – Director Borgeson moved to approve the Consent Agenda as amended. Director Abrams seconded. The motion carried 4-0.
 1. NMFA Debt Service; Invoice dated 7/6/15 - \$42,977.88
 2. Stelzner, Winter, et al; None
 3. Sally Sollars; Invoice #61 - \$5,776.51
 4. CenturyLink; Invoice dated 6/25/15 - \$217.95
 5. Sangre de Cristo Chronicle; Invoice dated 6/28/15 - \$54.21
 6. Petty Cash Report; Balance \$67.69
 7. Village of Angel Fire; Invoices dated 7/1/15 - \$358.44
- J. Reports
 1. Administrative Report – Ms. Sollars asked if everyone got an invite for this meeting. She had received email delivery failures notices without the specific

recipient listed. Director Borgeson and Chairman Young reported they did not receive the invite. Ms. Sollars will investigate the delivery problem.

Ms. Sollars stated that she reached the fifth anniversary of working with the District on July 7th. The work has evolved over that time. She said that she had been hired for 20 hours a week based upon the tasks the previous administrator had been doing. Within two months, under the direction of the then Project Director, the job had expanded considerably, especially in the financial realm and it continued to expand over time as fewer people were involved with day to day activity. The highest average hours per month during that time was 145 in Fiscal Year 2013 and this Fiscal Year 2015 the lowest at 127, representing a 13% decrease in average hours per month worked. Ms. Sollars said that she is the "last person standing" with the responsibility of working with the Village, County, State, USACE, Kit Carson, Taussig, Property Owners, real estate agents, and the auditors and of knowing and coordinating everything concerning the District. She said it keeps her busy.

A concern has been expressed that the administrative hours should be reduced. Chairman Pro Tem Verry said that initially it was thought that the administrative tasks would not take as much time as they have, but acknowledged that Ms. Sollars would know better than anyone what the job takes. Ms. Sollars added that it appeared to her that initially, because it was thought that the Village would be taking over the administration of the District as with most PIDs, there were several things that were put in place temporarily or left undone like a job description with specific authorizations, tasks, and responsibilities. She said that it is incumbent upon this Board and Administrator to set a foundation for future directors and administrators to continue the work of the District until 2038. Director Borgeson said that there are several tasks that were never anticipated that have to be done regardless of the time involved. Chairman Young said that he felt that Ms. Sollars is doing the job of several people and asked if a salary would be appropriate. This would require coordinating and paying for payroll taxes and other ordinary employee benefits not now offered. A lump sum contract would be possible and would make a pre-approval process easier if/when the invoice approval policy is changed. Director Abrams said that based upon his experience with the District the hours vary so much from month to month that finding a set sum may not be ultimately fair. Chairman Pro Tem Verry said that a lump sum contract looks to be the direction to be investigated.

Ms. Sollars reported that of 10 estimates requested from Kit Carson this year, two have been received. Work has been completed in only two sections of Country Club 1&2 so far this season. The Angel Fire Village North actual cost invoices have begun to arrive. She is waiting on six more actual cost invoices

for Village North to get those costs reconciled. As it stands right now, the District has overpaid \$15K.

The Glaser tax protest has been dismissed. This week the County Treasurer will be redeeming the CDs that held Mr. Glaser's taxes for several years. The County sent a demand letter for the PID owned properties for delinquent taxes. There has been no response from Colfax County concerning the District's tax exempt status demand letter sent in May.

Once the final numbers are in Ms. Sollars will be finalizing the Budget and 4th Quarter Report. Those reports and the Fiscal Year 2015 Budget Adjustment Request are due to DFA by July 31st.

Ms. Sollars could not yet confirm, but believes that Dr. Felts' appeal of the outcome of his administrative hearing is still outstanding and is the last case pending in District Court. Mr. Glaser agreed to dismiss his own appeal with the same complaint as Dr. Felts with the agreement that he would receive the same treatment as the Judge ruled in the Felts case.

Terry Kamm, the District's previous foreclosure attorney, has had 14 cases ready for final disposition for some time. He sent a letter on June 26th informing the District that three of those 14 cases have been dismissed due to no prosecution, as Mr. Kamm had warned would happen. The cases can be reinstated up to July 27th. As discussed many times before, because the land market is so slow at the moment, any foreclosure actually costs the property owners more money because of the holding costs. Director Borgeson said that he believes that the District should not take possession of any properties at this point in time, but that the Board must consider this on a one to one basis. There are many costs still unresolved that complicate procuring property, including the County recognizing the District as a political subdivision of the State of New Mexico and, therefore, tax exempt.

Ms. Sollars said that Director Abrams has asked for a list of duties and responsibilities for directors, which has not been previously developed. Chairman Young has also requested a list of responsibilities. Ms. Sollars will be researching and developing these lists for Board approval. The current Government Conduct Act will be forwarded.

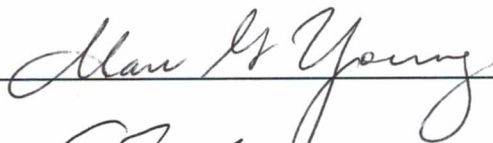
Next Ms. Sollars will be working on finalizing the financial reports, closing down the last fiscal year, setting up the new fiscal year reports and documents, archiving documents, beginning to prepare for the audit, and continuing to coordinate Kit Carson's work. Chairman Young has recommended that an action list accompany each Administrative Report that includes the tasks to be

done. She will develop a detailed list in an attempt to convey to the Board a sense of what is being accomplished on a day to day basis.

The Moreno Valley High School will be moving into the building for this upcoming school year. That will create a parking problem. Management is planning on reserving 10 parking spaces for the existing tenants.

2. Treasurer's Report – Chairman Pro Tem Verry asked if everyone received the Treasurer's report and if there were any questions. There were none.
- L. Adjournment – Chairman Pro Tem Verry adjourned the meeting at 2:58 pm.

Next Regular PID Board Meeting will be August 13, 2015



Alan Young, Chairman

ATTEST:


Sally Sollars, District Administrator