

# **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**

**May 12, 2016 at 2:00 pm at the PID Board Room**

- A. Call to Order - Chairman Pro Tem Don Borgeson called the meeting to order at 2:00 pm.
- B. Pledge of Allegiance - Chairman Pro Tem Borgeson called for the Pledge of Allegiance.
- C. Roll Call - Present were Director Don Borgeson (Chairman Pro Tem), Director Chuck Verry, and Director Abrams (by phone). Vice Chairman Dan Rakes and Chairman Alan Young were absent. A quorum was present. Also present were Sally Sollars, District Administrator, Burl Smith, and Nann Winter, General Counsel.
- D. Approval of Agenda – Director Verry moved to amend the consent agenda to include fees paid to Colfax County Clerk. Director Abrams seconded. The motion carried 3-0.
- E. Approval April 14, 2016 Minutes - Director Verry moved to approve the April 14, 2016 minutes. Director Abrams seconded. The motion carried 3-0.
- F. Requests and Responses from the Audience (Limit to 3 minutes) – None.
- G. Announcements and Proclamations – Director Verry announced that this would be his last meeting. He said that he is appreciative that Burl Smith is stepping forward to continue the work of directing the District. The Board appreciated Director Verry's service and wished him well.
- H. Business
  - 1. Consider and Approve Resolution 2016-8 Adding Burl Smith to Bank Accounts – Director Verry moved to approve Resolution 2016-8 adding Burl Smith to the bank accounts. Director Abrams seconded. Roll call vote: Director Verry; aye, Director Abrams, aye, Director Borgeson, aye. The motion carried 3-0.
  - 2. Consider and Approve Resolution 2016-9 Approving Roberson Assessment Adjustment – Director Verry moved to approve Resolution 2016-9 approving the Roberson assessment adjustment. Director Abrams seconded. Ms. Winter reported that it was clear that the Roberson lot combination occurred in 2005 prior to the formation of the District in 2008. The property was recognized in the District documents as two lots instead of one. Ms. Sollars reported that the overpayment credit is about \$20K, which the Roberson's chose to apply to prepay the property, and also about \$17K in lost assessment. The District will now have to make up the lost revenue with other monies. Roll call vote: Director Verry; aye, Director Abrams, aye, Director Borgeson, aye. The motion carried 3-0.

3. Consider and Approve Resolution 2016-10 Approving Fiscal Year 2017 Preliminary Budget – Director Verry moved to approve the fiscal year 2017 preliminary budget. Director Abrams seconded. Ms. Sollars reported that the preliminary budget required to be submitted to DFA by June 1. Also required is a resolution approving the budget. Next will be two public hearings on June 9 and June 23. The approval of the final budget will be on July 14<sup>th</sup> prior to submitting the budget for final DFA approval by July 31. Up to that time, the budget is subject to change if any of the factors considered in developing the budget change. Director Verry said that the Finance Committee reviewed the reports thoroughly and recommends a 2% increase. Director Verry said that after viewing the cash flows, balances, and considered unexpected expenses that have arisen that the Finance Committee was hard pressed not to recommend an increase the assessment. Director Borgeson that an additional consideration is to create reserves. He said that it is incumbent on the Board to set up reserves. Ms. Sollars said that the Finance Committee discussed this at length. By continuing to set aside \$200K to \$300K that has been funding the Kit Carson contract, which is due to be complete in 2017, there could be the recommended \$500K in reserve within three years. \$500K in reserves as was anticipated in the original budgets. However, this changes the assumptions made in the long term cash flow. To underscore the need for the increase, Ms. Sollars said that the projected FY17 cash flow based on a 2% increase shows a balance of only \$88K after the November 2017 debt service payment. Roll call vote: Director Verry; aye, Director Abrams, aye, Director Borgeson, aye. The motion carried 3-0.
4. Consider and Approve Agreement with RBC for Advisory Services – Director Verry moved to approve the agreement with RBC for advisory services. Director Abrams seconded. Ms. Sollars reported that the agreement was also discussed with the Finance Committee. The agreement appears to be a boiler plate formal agreement for RBC purposes. It was confusing because the details of the agreement pertain to issuing bonds and refunding, which the Board is not considering. However, there was a clause stating that for additional advisory services there would be a separate agreement based upon an hourly basis. The motion carried 3-0.
- I. Consent Agenda – Director Verry moved to approve the consent agenda including the Colfax County Clerk fees. Director Abrams seconded. The motion carried 3-0.
  1. David Taussig & Associates; Invoice #1603175 - \$3,750.00
  2. Colfax County Clerk; Filing fees - \$100.00
  3. USPO; Box Rental dated 5/31/16 - \$110.00
  4. Sally Sollars; Invoice #71 - \$6,092.68
  5. CenturyLink; Invoice dated 4/25/16 - \$234.02
  6. BMWS; May Rent; Invoice #08-0008 85 - \$380.00
  7. AT&T; Invoice dated 4/1/16 - \$36.62
  8. Petty Cash Report; Balance \$159.76
- J. Reports



1. Administrative Report – Kit Carson has not responded since April 22 to repeated requests for the balance of the actual cost invoices for work done in 2014 and 2015. Only three of the seven outstanding invoices were received. The District is waiting for those to be reconciled before continuing work for this season. Ms. Sollars will continue to call and email to try to get this resolved.

Likewise, Deanna Cummings of the USACE has not responded to the District's request to be released from the 404 permit requiring wetland mitigation. The mitigation efforts fulfilled the requirements of the permit last fall and the report was submitted to her in November.

Ms. Sollars and Director Borgeson attended a "meet and great" of some of the candidates running for Colfax County offices. We spoke with Commissioner Landon Newton, Clerk Rebecca Hoy and met her staff, and Assessor Linda Gallegos (whose position is not up for re-election this year).

Ms. Sollars attended DFA Budget Training last month. She reported a meeting with Anita Medina, the District's DFA Analyst. A miscommunication was cleared up during the meeting. Ms. Sollars had understood Ms. Medina to say that all fund transfers require a Board approved resolution, which Ms. Sollars questioned because most of the fund transfers are already in the budget approved by DFA and the beginning of the year. It is established now that when DFA says that all transfers require a resolution, it should be "inferred" that budgeted transfers are not included.

Ms. Sollars reported that the audit contract requiring the State Auditor's approval is in process. The Auditor's office has approved the contract for signature. The contract is currently being routed for final signatures before final submission.

A representative from DOT contacted Ms. Sollars about needing a vendor number to prepare the paperwork for monies appropriated to the Village of Angel Fire and for which the District will act as fiscal agent. The form requesting the number has been submitted. Ms. Sollars has heard nothing more.

March collections were \$20,326, which was \$7K under the cash flow projection. \$45K was received in prepayments since the last meeting. The next large collections check is due in June. Friendly letters for 2014 delinquencies were not sent out at the end of March as Ms. Sollars had believed. The list had not been finalized. The letters will go to almost all delinquent property owners regardless of previous correspondence.

The preliminary budget is due to DFA by the end of the month, but Ms. Sollars said that she the report is now ready. She will be submitting the budget and the budget resolution in the next few days.

The Village of Angel Fire Council Meeting will be on May 24<sup>th</sup>. Mr. Smith's appointment to the Board is on the agenda. With Director Verry leaving, there will not be a Treasurer until one is elected by the Board at the regular meeting in June.

Director Borgeson reported that he had spoken with Tara Chisum, who will be the broker for the District's properties. The current listing agreement is due to expire in June. Ms. Chisum is preparing a listing extension.

Ms. Sollars reported receiving a letter from the O'Donnells requesting the Board consider taking their property for \$1 due to personal hardships. The letter arrived too late to put on the agenda for this meeting. It will be considered at the regular June meeting. There was discussion about how the District office might facilitate connecting potential buyers with the O'Donnells. However, there was consensus that the District is not in the land business. It was not apparent how the District could participate.

Keith Hillegonds spoke with Ms. Sollars last week about a transformer and a neighbor's meter positioned in front of his lot in the right of way. He requested that they be moved. Ms. Sollars said that that would be a request for Kit Carson. She explained that the District's scope of work for the electrical was to install the main lines per Kit Carson design plans. Providing electrical service from there is between the property owner and Kit Carson. He had spoken to Kit Carson and was told by a field representative that the placement was a mistake of the District contractors. However, the District issued a memorandum this winter summarizing the facts on this matter. The main lines were installed according to the design provided Kit Carson at the beginning of the project and were constructed according to those plans. Mr. Hillegonds was sent the memo, which had previously been distributed to the Village Planning and Zoning Department and the local builders association.

2. Treasurer's Report – Director Verry asked if everyone got the Treasurer's Report and if there were any questions. There were none.
- L. Adjournment – Chairman Pro Tem Borgeson adjourned the meeting at 2:54 pm.

Next Regular PID Board Meeting will be June 9, 2016

Don A. Borgeson

Don Borgeson, Chairman Pro Tem

ATTEST:

S. Sollars

Sally Sollars, District Administrator