

The ASSOCIATION of ANGEL FIRE PROPERTY OWNERS

Board of Directors Meeting Minutes August 11, 2010

Michael Woolley called the meeting to order at 5:01 p.m. August 11, 2010 in the Resort Hotel Executive Conference Room.

Roll Call

Michael Woolley, President, present
Chuck Verry, Vice-President, absent
Bonnie Bowles, Treasurer, present
Kent Smith, Secretary, present
Lovelie Upton, Director, present
Jack Fuehr, Director, present
Ted Hardy, Director, present
Harvey Wright, Director, present
Jim Mulligan, Director, present
Eight members present, quorum established

Introduction of Guests and Audience Comments

Greg Battershell, AAFPO Charter Member; expressed concerns with the attitude of some Resort employees. Both Mike Woolley and Maren Smith addressed Greg's concerns, assuring him that the employees in question have been disciplined and that his complaint had not gone unaddressed.

Rick Sprott, AAFPO Member
B.U. Terry, EACC Chair
Maren Smith, Member Services Director, Angel Fire Resort
Russ Coyle, AAFPO Board Administrative Assistant (BAA)

Approval of Agenda

Approval of the 7/14/2010 minutes was removed from the agenda. With one change noted, Lovelle Upton motioned to approve the 8/11/10 agenda. Jack Fuehr seconded, motion carried.

Approval of Minutes

June 9, 2010 – With no additions and/or corrections, Ted Hardy motioned to approve the minutes of the 6/9/10 minutes. Lovelle Upton seconded, motion carried.

June 17, 2010 – With no additions and/or corrections, Kent Smith motioned to approve the minutes of the 6/17/10 minutes. Harvey Wright seconded, motion carried.

Old Business

A discussion regarding the use, or lack thereof, of recording devices in an AAFPO Board meeting ensued. Lovelle Upton motioned to only allow the Board Secretary and/or the Board Secretary designee the authority to record any AAFPO Board Meeting for the explicit purpose of insuring the accuracy of those minutes. Once those minutes have been approved by the Board, all recordings are to be erased/destroyed. Ted Hardy seconded, the motion carried.

A second motion was submitted by Lovelle Upton, stating that any available recording of a Board meeting being held by the Board Secretary and/or the Board Secretary designee should be available to other members of the Board for verification of the accuracy of those minutes only at the sole discretion of the Board Secretary and/or the Board Secretary designee. No actual recordings are to be given or passed from the possession of the Board Secretary and/or Board Secretary designee. Ted Hardy seconded. By a majority vote, 5 to 2 in favor of, the motion carried.

Approval of Committee Chairs. The Board was presented a slate of proposed 2010/2011 Committee Chairs. The slate comprised the following; EACC Chair – B.U. Terry, Amenities Chair – Ted Hardy, Finance Chair – Bonnie Bowles, Communications Chair – Jim Mulligan, and By-Laws Chair – Jack Fuehr. Lovelle Upton motioned to approve the slate as presented. Kent Smith seconded, the motion carried.

Update on 2009-2010 Board Meeting Minutes. Kent Smith presented a document showing the current status of Board minutes from May 2009 through June 2010. Kent pointed out several recurring deficiencies within last year's minutes. He referenced multiple copies with different titles; some stating approved once corrected but few showing as a final version and apparently never submitted. Kent said he and the Board Administrative Assistant would work to ascertain which copies were correct and make the necessary corrections needed to have all minutes in question signed and uploaded to the AAFPO web site within 30 to 40 days. Kent went on to say a new process would be submitted to the Board for approval by the next meeting.

New Business

Lovelle Upton motioned to have section 5A (Nominations/Approval of committee members) of the agenda moved to Executive Session due to the private nature of the discussions regarding personnel of these five Board Committees. Jim Mulligan seconded, the motion carried.

Develop procedures to investigate and resolve member complaints/concerns. Jim Mulligan stated that there were not a lot of comments being passed from the Resort back to the Board. Jim would like to send out a survey to the AAFPO members, a questionnaire to begin communication with the members. Additionally, Jim would like to set up a grievance/comment report and wants to log dates, names, concern/comments and responses. This report would be maintained by the Board Administrative Assistant. Maren Smith said that the Resort has a web site (www.angelfireresort.memberstatements.com) where they have the ability to survey the members with 20 questions or less that would be made available at no cost to the Board/Committee to help with this new process. Maren would additionally; send out an email advising the members to go to this location to review questions submitted by the Board. This would be the member's opportunity to get involved with their community and to learn more about what AAFPO is about. Jim will provide further detail and a written procedure in the September 8th meeting.

Establish guidelines with Resort to provide input to future proposed changes to membership. Jim would like to see some kind of process or procedure put in place to better insure the working relationship of the two entities particularly when it comes to proposed membership changes. He asks, how do we do it better next year? Lovelle stated that is what the Membership Agreement Committee is in place for. Unfortunately, the ball was dropped last year between the Resort and the committee. The communications did not happen as they should have. Lovelle asked if we could have a standing ad hoc committee for Membership Agreements. The consensus of the Board was that a discussion for the formation of a standing Membership Agreement Committee be placed on the agenda for the September 8th meeting.

Distribution by Member Type. Bonnie Bowles and Jack Fuehr led a discussion regarding Membership Type, specifically items 5D through 5J of the agenda. Items 5D through 5J of the 8/11/10 agenda consist of the following:

- Discussion regarding – Distribution by Member Type
- Discussion regarding – AFR/AAFPO Mailing List
- Discussion regarding – AAFPO usage of NASTAR Course
- Discussion regarding – Membership Badge Audit
- Discussion regarding – Digitization of AFR/AAFPO Member Contracts
- Discussion regarding – Joint AFR/AAFPO Amenities Planning Committee
- Discussion regarding – Real Estate Disclosure Statement

Bonnie felt as if these topics were relevant items to AAFPO regardless as to which committee they fell under. She did say she felt as if Member Type should be the responsibility of the Finance Committee. Maren Smith, representing the Resort, had expressed concern suggesting that the above mentioned topics did not fall into the Finance Committee area of responsibility. Jack said that AAFPO was not only responsible for disbursements but collection of assessments of membership dues as well and that it was necessary for the Finance Committee to have these reports in order to verify all collections. Jack went on to say that he has been receiving these reports for years for use with the Elections Committee. He added that because he had been receiving the data, he could not understand why Maren wanted these items removed from the list of topics to be reviewed in a meeting between the Resort and the Finance Committee. Jack brought up the importance of the AFR/AAFPO mailing list and maintaining its accuracy. Maren agreed with Jack, stating that the accuracy of the mailing list and collections were critical to the Resort and they go to great efforts to keep these reports as accurate as possible. Lovelle stated that any committee that has a valid use for specific reports should channel those requests through the President. The President would then be responsible for requesting all reports from the Resort. Lovelle was asked to submit a resolution to that effect in the September meeting. Lovelle went on to say, it's not that the Resort is unwilling to provide this information, it's more of how many different people should the Resort be providing reports to. He went on to give an example, stating that in his opinion not just any member of any committee should have the authority to request sensitive information without Board approval. Jim Mulligan asked if AAFPO performed an annual audit. Jack replied that it did. Jim Mulligan felt that the Resort was collecting and reporting all monies properly; otherwise, it would come out in the annual audit.

AAFPO usage of NASTAR Course. Bonnie stated that we spend \$5,000.00 annually of Amenities monies for the NASTAR Course. Jack stated that we need to better understand if we are getting our monies worth out of NASTAR. It was his understanding that it was open Thursday through Sunday during ski season but never personally saw it open. Mike Woolley said that this should be researched but it should fall under the Amenities Committee. Mike asked Ted Hardy, the

Amenities Chair, to put it on his list and investigate the matter. Jim Mulligan suggested that this is the type thing that would be good to put on our survey to the members.

Membership Badge Audit. Jack Fuehr had requested a report from the Resort listing names and date of birth for every badge issued by membership number. Once Jack began reviewing the information, he noticed some irregularities with some of the information. The reason Jack requested this item be put on the list is because he felt the irregularities that he found warranted review. Jim Mulligan felt as if this is another example of what our auditors are looking for. Maren stated that because of the irregularities that Jack found, the Resort has changed its procedures and now pulls this report monthly for analysis. Lovelle said that if any committee has a question regarding Resort procedural matters they should be able to submit those question to Maren in writing. Maren concurred, and just asked for the questions to be specific so that she can give the specific answers.

Digitization of AFR/AAFPO Member Contracts. Jack stated that digitizing member contracts is something that AAFPO is still interested in doing and would share in the cost to do this. Mike Woolley said that he was not sure if this was part of the Finance Committee's responsibilities and told Maren that if the Resort is still interested in this, the Board is interested and willing to participate.

Joint AFR/AAFPO Amenities Planning Committee. Jack wanted to know if the Resort had any interest in having a joint Amenities Planning Committee. Jack stated that if the Resort had a five year plan for spending on amenities, then that could impact the AAFPO Amenities Committee's discretionary spending. In working together, the Resort could disclose its five year plan to the AAFPO Amenities Committee, and the AAFPO Amenities Committee could place some of its discretionary funds to fill voids in areas it feels strongly about. Lovelle felt as if this was not as much for the Finance Committee as it should be for the Amenities Committee. Jim Mulligan again suggested that this is something that should go on our membership survey, ask our members what is important to them and start there. Mike mentioned that Ted Hardy as the Amenities Chair has the authority to sit with the personnel at the Resort and have these discussions. Jim said we would add this to our first survey.

Real Estate Disclosure Statement. Bonnie wanted to know if the Resort had ever publish anything to the real estate community telling them what should be said about memberships and in return, if realtors have given them any idea as to people buying here or not buying here. Mike said that it was his opinion that this has nothing to do with the AAFPO Board. Maren said that the Resort has hosted luncheons for realtors in order to give them all the necessary information. Jack said that he would like to see something in writing from the Resort regarding lot combinations. Mike Woolley invited Maren to put a one page document together that we could publish on the AAFPO web site stating the Resorts rules regarding lot combinations.

Resort Report

Maren reported that the Resort had several upcoming events for August and it looks to be tapering down in September. Maren went on to say that the Resort had sent an email offering approximately 200 tickets to members in good standing to go to the Albuquerque Isotopes on August 28th. The country club was hosting the Rotary golf tournament coming up and also a golf tournament for the National Fallen Firefighters Foundation. She also mentioned several weddings coming up and Music from Angel Fire. Lovelle asked how much it would cost to rent the

Stonewood dining room for one night. Maren replied a flat rental fee of \$10,000 per day. Lovelle asked Maren if the country club had any policies or contingencies in place for alternate dining if Stonewood is rented out. Maren said she was not sure and would have to investigate. Kent Smith suggested perhaps a calendar showing upcoming events. Maren went on to say that while you can still eat in the Elements room you cannot order off of the dining room menu, since it overloads the kitchen. Maren said that there is a calendar on the member's web site and that she will take responsibility to get it updated with such events.

Reports

President Report. Mike Woolley reported that in the July 14, 2010 meeting, Mike Clemmons brought concerns regarding our roads, particularly up on El Camino Real and asked if the Board could do anything to help. Mike Woolley explained that while our roads were not part of the AAFPO authority he would speak to the Village on the concerns. Mike reported speaking to the Village regarding these concerns and the Village could make no promises at this time. Mike reported to the Board that we needed to purchase a computer. Mike asked that Bonnie Bowles (Treasurer) and Russ Coyle (BAA) get together to do some research and get it taken care of. Maren said that everything but the safe would come out of the room and that the employees would not be allowed to leave their purses and/or personal belongings in that room. Lovelle asked if we had reached a resolution with the Resort regarding the Internet. Maren will have to find out when we can move in, find out when the Internet will be made available to the second floor and whether we could put in our own Internet service if we have to. Maren promised to let Mike Woolley know as soon as she got answers.

Treasurers Report. Bonnie Bowles reported that she had submitted the Treasurers report today along with bank reconciliation detail. Reports attached.

E/ACC Report. B.U. Terry reported no new starts for the month and only 6 starts this year with 6 starts all of last year. Mike Woolley said that he had received a letter from our attorney addressing the concerns regarding the Miesners. Lovelle motioned to move this topic to Executive Session. Harvey Wright seconded, the motion carried.

Finance Report. No Report

Executive Session. Lovelle Upton motioned to move the meeting to Executive Session, Harvey Wright seconded, the motion carried.

Lovelle motioned to bring the Board out of Executive Session, Ted Hardy seconded, the motion carried.

Committee Member Approvals.

Amenities Committee – Nominees: Al Lott as Greenbelts Committee, Jim LeBus as Golf Course & Club House Committee, Larry McKelvey as Skiing Committee, Drew Maxwell as Tennis & Olympia Park Committee, Gerald White as Monte Verde Lake Committee, Rick Sprout as RV & Stables Committee. Lovelle Upton motioned to accept all nominees to the sub committees of the Amenities Committee, Kent Smith seconded, the motion carried.

E/ACC Committee – Nominees: Edd Geoffroy, Eric Hoffman, and Gene Byrd. Ted Hardy motioned to accept all the nominees to the E/ACC Committee, Harvey Wright seconded, the motion carried.

Finance Committee – Nominees: Linda Wier, Jack Fuehr, and Debby Welker. Ted Hardy asked to have this put to a vote. By a show of hands – Jack Fuehr (3 For – 4 Against – 1 Abstention). Debby Welker (8 For – 0 Against). Linda Wier (6 For – 0 Against). Debby Welker and Linda Wier were voted as members of the Finance Committee.

Communications Committee – Nominees: Russ Coyle. Kent Smith motioned to accept the nominee to the Communications Committee, Ted Hardy seconded, the motion carried.

By-Laws Committee – Nominees: Lovelle Upton, Bonnie Bowles, Gerald Wright, and Kent Smith. Ted Hardy motioned to accept all nominees to the By-Laws Committee, Bonnie Bowles seconded, the motion carried.

Lovelle Upton motioned to adjourn the meeting, Harvey Wright seconded, the motion carried.

The meeting was adjourned at 8:06 p.m.

Respectfully submitted, September 3, 2010

Russ Coyle

Mike Woolley – President

Date