
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Ruedi Shores Metropolitan District November 8, 2011

A Regular Meeting of the Board of Directors of the Ruedi Shores Metropolitan District, Eagle County, Colorado, was held November 8, 2011, at 6:00 p.m., at 372 Hawk Lane, Basalt, Colorado, in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE **The following Directors were present and acting:**

- Brad Lundgren
- Rocky Huber
- Nina Dunn
- Susan Atchison
- John Rowley

Also in attendance were:

- Lynn Colhoun, Property Owner
- Jerry Peters, Operations
- Carol & Derek Johnston, Homeowners
- Eric Weaver, Robertson & Marchetti, P.C. (via phone)
- Matt Jones, Robertson & Marchetti, P.C. (via phone)

CALL TO ORDER

The Regular Meeting of the Board of Directors of Ruedi Shores Metropolitan District was called to order by Director Atchison, at 6:00 p.m., noting that a quorum was present.

PUBLIC INPUT No public input.

**CONSIDERATION
OF CHANGES TO
THE AGENDA**

The Board decided to move the Johnston Water Usage item to the top of the agenda as they were in attendance.

**MEETING
CALENDAR**

The Board reviewed the proposed meeting dates for 2012 which are the second Tuesday in February, May, August, and November at 6:00 p.m. After brief review, the Board has asked to move the February meeting up to February 7, 2012 due to the Homeowners' Association meeting being held on the 14th. The board will approve the 2012 Calendar at the first meeting in 2012.

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District November 8, 2011 Meeting Minutes

JOHNSTON WATER USAGE

Carol and Derek Johnston were in attendance to review and discuss their water usage during 2011. Several letters from Ms. Johnston were included in the board pack for review and discussion with Board. The Johnston's explained that their water usage was high due to a broken water softener that went through thousands of gallons of water without even turning on the faucet. They also explained that they feel that there are inaccuracies when Mr. Peters reads the meters, causing them to be billed overages fees. After reviewing several of Mr. Peters and Ms. Johnston's reads there were small discrepancies but the main issue still seems to be the excessive water use coming from the water softer. Ms. Johnston reported she has since had the water softener corrected and does not expect overages in the future. Mrs. Johnston has requested a one-time credit for the overages due to the broken meter and discrepancies in their meter readings.

After discussion and upon motion duly made and seconded it was unanimously

RESOLVED to approve crediting the Johnston's account for \$317.25, the amount of overages fees and starting the 4th quarter with an agreed upon meter read of 246,770.

MINUTES

The Board reviewed the regular meeting minutes from the August 16, 2011 meeting. Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve the August 16, 2011 meeting minutes as presented

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District November 8, 2011 Meeting Minutes

OPERATION UPDATES

Mr. Peters reported that the system is running great.

Mr. McMillan sent an email to the Board before the meeting in regards to Zancanella not being able to connect to the system electronically. The issue appears to be on Zancanella's side so it does not appear the District will have to incur any costs to remedy the issue. The Board has asked for Mr. McMillan to follow up if there is any ongoing issues.

Mr. Peters reported that the new meter has still not been installed at the Hammer's residence. The Board has asked that this meter be ordered and installed as soon as possible. Mr. Peters will review Mr. McMillan before ordering a new meter and expedite getting this installed at the Hammer's residence

WATER USAGE

The Board reviewed water usage in the 3rd quarter of 2011 and October of the 4th quarter. Of the 49 properties connected to the system, 9 homes used enough water to get into the first tier rates for 3rd quarter. Mr. Peters reported that the owners are aware of their usage, which he will continue to monitor for 4th quarter. It was reported that 3rd quarter is historically the high usage quarter due to landscape irrigation. Currently, there are 2 properties that are at 9,000 gallons or above for the month of October. The Board would like for Mr. Peters to continue to keep high water users aware of their usage.

FINANCIAL STATEMENTS

Mr. Weaver presented the preliminary September 30, 2011 financial statements noting that the operation expenses and revenues are on track or favorable to budget. Upon motion duly made and seconded it was unanimously

RESOLVED to approve the September 30, 2011 financial statements.

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District November 8, 2011 Meeting Minutes

2012 BUDGET

PUBLIC HEARING

Mr. Weaver reported that the public hearing for the 2012 budget was published for this meeting and the public hearing was opened. There being no public input, the public hearing was closed. Mr. Weaver reviewed the preliminary 2012 budget with the Board, noting that the assessed valuation came in significantly higher than the preliminary amount reported at the prior Board meeting. Using this revised assessed valuation the total mill levy will however still need to increase from 62 in 2011 to 90 for 2012. Mr. Weaver reviewed the budgeted revenues, expenditures, and fund balance accumulations with the Board and answered questions. After discussion and by motion duly made and seconded it was unanimously

RESOLVED to approve the resolutions to adopt the 2012 budget and;

FURTHER RESOLVED to certify the mill levy at 19.500 mills for operations and 70.500 mills for debt service and;

FURTHER RESOLVED to appropriate funds for spending in 2012, subject to adjustment for the final assessed value.

2011 APPLICATION

FOR AUDIT

EXEMPTION

Mr. Weaver noted that since the revenues and expenditures of the District are both forecasted to be less than \$500,000 that the District once again has the option of filing an audit exemption rather than having an audit performed which will save the District about \$5,000. After discussion and upon motion duly made and seconded, it was unanimously.

RESOLVED to approve the resolution for the 2011 application for exemption from audit.

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District November 8, 2011 Meeting Minutes

**ACCOUNTS
PAYABLE**

The board reviewed the accounts payable list. The Board briefly reviewed the bond payment made to Colorado State Bank but had no questions. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify payables as presented.

**ACCOUNTS
RECEIVABLE**

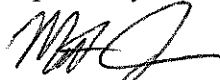
The Board reviewed the accounts receivable aging list including all significant balances. Mr. Jones reported that the foreclosed lot, Filing 1 Lot 28 has been paid in full by the bank. Mr. Jones reported the other high balance at Filing 2 Lot 13 was paid in full as well. No action was required by the Board.

ADJOURNMENT

There being no further business to come before the Board, by motion duly made and seconded, it was unanimously

RESOLVED to adjourn the Regular Meeting of the Ruedi Shores Metropolitan District Board of Directors held this November 8, 2011.

Respectfully submitted,



Matt Jones

Recording Secretary for the Meeting