

Fairway Villas Community Advisory Committee

Newsletter for December 2021

The December 2021 CAC community meeting was held on Saturday, December 11th. Five CAC members were present. This meeting was well attended with a larger than usual group of 15 people in attendance at the Clubhouse and 25 Fairway Villas residents logged in via Zoom.

YMCA Program Director Presentation

Alex Kennedy presented a comprehensive review of past and future programming and activities that are available to or enjoyed by FV residents. Alex noted that the next bi-monthly blood drive would likely take place toward the end of January and not on a Monday due to staffing issues with Vitalent. Regular food trucks will likely take a break during January and February due to weather and other issues that slow down food truck availability during the winter months. But if one can be found, a Food Truck Friday will be announced via the email system.

Alex summarized the Community Excursions that had been held in November and encouraged the community to take advantage of future excursions as they are announced to the community. He once again talked about the success of last month's Craft Fair and thanked the organizers. He also thanked Lori Marshall for running the Holiday Photoshoot at the Clubhouse. And he encouraged longer-time residents to take advantage of the community orientation meetings with Alex as if you were a new resident as a refresher to all that's available.

Alex noted that the next Active Minds on 12/18 will be a presentation on King Tut. He talked about the efforts to complete the decorations on the exterior of the Clubhouse and Lodge, including the Creative Endeavors Group decorating the wreaths that were hung and that FV now owns. He called out Kel Klink for helping to find the wreaths and hang them as well. He spent some time describing efforts to create "how-to" videos re: use of the fitness equipment and expected a separate session to be held in the Clubhouse Fitness Center after the success of the session held at the Lodge Fitness Center.

Alex let us know that those who will be attending the 12/18 Holiday Party will be receiving an email with the logistics of meeting the buses, as well as more information about what to expect at the Party. He mentioned the Candle Lighting in remembrance of loved ones that was to take place at the Clubhouse the next day. And he told everyone to be on the lookout for an announcement of a Dance social to be held in January or February.

Recap of Ebert Board meeting

CAC member, Bruce Shibles, who is a member of the Ebert Metro District ("EMD") Board where he serves as Co-Treasurer, gave a presentation on the results of the 12/7/21 EMD Budget Meeting.

He urged anyone who was not able to attend the Ebert Meeting on 12/7/21 can go to the Ebert Website to view and listen to a recording of the Zoom meeting. www.ebertmd.colorado.gov then click “Meetings” and “2021” to find the recording of the 12/7 Meeting.

Bruce focused on the work of the EMD’s FinOps team studying, understanding, and scrutinizing the district’s financial matters and past documentation that has been very fruitful. The team members are Murray Hawthorne (EMD Treasurer), Al Morie, Bill Schmidt, Jeff Shelton, Kel Klink, and Bruce Shibles (EMD Co-Treasurer). FinOps’ work examined, considered, and recommended that the surplus in the Debt Svc Fund be applied to its intended purpose (i.e., to stop the past Ebert practice of over-collecting (i.e., over-taxing residents from current taxpayers instead of banking it for the benefit of future taxpayers). FinOps felt it improper and unethical to overtax residents absent legal justification. Debra Sedgeley, EMD’s accountant, was consulted and she reiterated that the funds deriving from the Debt Service Mill Levy may NOT lawfully be allocated to ANY OTHER PURPOSE in EMD. In the future, EMD plans to only levy for actual debt service instead of banking excess funds.

This decision results in a 2022 Debt Service mill levy decrease as a one-time event and to plan for an increase in 2023 that will be set to satisfy only the debt service and NO EXCESS (but will be a debt service mill levy rate that is less than the 2021 Debt Service Mill Levy rate). EMD’s 2022 Budget’s Significant Assumptions Narrative Section will be amended to read substantially as follows: **During the 2022 Budget Review, the EMD directed that the \$1.4 million SURPLUS in the Debt Service Fund be allocated to its intended purpose. This one-time event has the effect of reducing the 2018A-1 bond Debt Service mill levy to 22.250 mils and the 2018A-2 bond Debt Service mill levy to 4.650 mils. It is projected that the 2023 mill levy will be closer to the prior year’s mill levies but should not exceed the 2021 debt service mill levy. Going forward, the Ebert Board aims to limit any Debt Service surplus, as near as practical, to \$50,000. Small surplus fluctuations around \$50,000 will correspond with the small fluctuations in the Revenue and Expense sections in this fund. Further, the current EMD Board has not expressed an intent to use any portion of the Rate Stabilization Reserve for the purpose of reducing any debt service mill levies. The Rate Stabilization Reserve was established expressly to ensure that the EMD bond payment obligations can be met during economic periods where property tax receipts may be insufficient to make a bond payment obligation.**

FinOps and the current EMD Board discovered an end-of-year sleight of hand by the accounting services firm in which the sum of \$555K mysteriously disappeared from EMD’s financial capital reserves without notice or explanation by TCMD or its accounting services firm, CLA. Once this issue was detected EMD ordered the sum placed back on the books pending appropriate resolution. Specifically, the matter of \$555K originated at an August 20th, 2020, meeting with TCMD and Ebert principals and representatives from management, accounting, and TCMD’s Engineer, when TCMD stated they would transfer \$555K to the Capital Repair and Replacement Fund (aka CRRF). This agreement derived from the 2020 Reserve Study.

The EMD meeting minutes from the August 26th, 2020, special meeting evidence the 8-20-20 meeting and agreement with Principals on this issue. This matter shall not be considered settled until the transaction is appropriately reflected in TCMD’s financials.

Murray and Bruce have had a further meeting and correspondence with TCMD's Treasurer, Alex Pankonin, to follow up on this issue and others.

Additionally, as stated by Bruce, on the record, during the 12/7/21 Ebert board meeting, the issue of the proper "ownership" determination and use of the \$2.9 million capital funds currently showing on TCMD's books, but not on Ebert's books where we believe they properly should be carried, is not yet settled despite some commentary to the contrary by some TCMD Board members and others.

Bruce further noted that during the 12/7/21 EMD Budget Meeting, the Board approved the 2022 Election Resolution, approved 2022 Administrative Matters Resolution, approved negotiations with Timberline District Consulting, LLC to serve as District Management for 2022, and approved the 2022 Ebert Budget – no overall mill levy increase for this coming year, in part due to the efforts noted previously and the increased overall property valuation for EMD. FinOps further researched the authorized but unissued debt of approximately \$82 million that shows on the Ebert accounts. Under CO law, the authority to issue bonds is only valid for 20 years. In Ebert's case, the debt was authorized in May of 2003, so the authorization ends in May of 2023. Given all the steps that it would take to try to sell further bonds and the fact that the current EMD Board is not inclined to issue further bonds to fund additional projects, this is not a problem at this time. And there would need to be a further vote to authorize bonds after May of 2023.

During public discussion in the Community Meeting, Blair K asked for additional background on the \$555K and the \$2.9 million. Bruce provided that information noting that the funds are all to be used for capital projects located within the EMD boundaries and are to be controlled (i.e., EMD approval required) before they can be expended, although further into the meeting it was pointed out that the CAC was not the proper entity to resolve any of these issues. Kel K asked for clarification for the % reduction in the debt service mill levy and Bill S noted it would be around 24%. It was pointed out that because of increased valuations, actual tax bills in 2022 may not go down the entire 24%. Al pointed out that the mill levy is broken down into 17 mill levy that goes to TCMD for operations, the debt service mill levy, and a 1 mill levy for capital reserves each year. Blair K asked about the current CRRF balance and Bruce informed the meeting that it was \$1,099,609. Gail B noted the \$2.9 Million issue has been discussed since early 2020 and needs to be resolved.

YMCA Contract for Subdistrict Manager and Maintenance Manager

Al Morie informed the meeting attendees that the YMCA contract to serve as Subdistrict Manager and Facilities Maintenance Manager was fully executed. The YMCA is beginning the transition to take all those duties over from Timberline. It is hoped that Bungalow billings will be handled by the YMCA starting in January 2022. The CAC is working on a turnover checklist so that the transition will be as efficient as possible. Kel Klink asked about the effective date of the Contract. Bruce noted that although the Contract was dated in late October, it covered services from 1/1/22 through the calendar year so there should be no overlapping billing during the transition. Judy Lazar on chat was concerned that Timberline was still being paid for services and Al noted that Timberline will no longer be paid for services in SD #1 and SD #4 (FV I and FV II).

Al also noted that the CAC had many times alerted TCMD to problems with Timberline's performance in FV and the belief that this led to the RFP process that has culminated in the YMCA being selected to replace Timberline. FV is but a small part of EMD and its money will not go directly to Timberline for FV Subdistrict services in the future. James Pierce suggested that the money is in different buckets, but that ultimately some of it goes to Timberline. Scott noted that the Contract eliminates Timberline from receiving funds for subdistrict management and facilities management in FV. Scott also pointed out that the CAC cannot feasibly take on every issue when Kel K noted that the CAC was to act as a liaison to the TCMD and EMD. Bruce W encouraged folks to attend the EMD and TCMD publicly noticed meetings to express opinions to those Boards.

Lodge "Punch List" survey results and next steps

Al noted that the community survey results on the Lodge "punch list" items resulted in Acoustic Sound Issues and Great Room Furnishing as the top rankings. He asked for volunteers to participate in a subcommittee, to be headed up by Scott Farron, that will likely include a couple of other CAC members, to work on the Great Room improvements. FV residents who would like to serve on that committee were asked to send an email to the CAC via the website at: <https://www.fvcac.com/contact>. Acoustic repairs will require a bit more investigation and design, but it is anticipated to follow the process that was used in the Clubhouse Multipurpose Room. A chat question asked how much Oakwood had put forward towards the punch list item and Al responded that Oakwood had put \$14K - \$15K toward the punch list items.

Rule changes to the resident handbook

Al pointed out that with new Subdistrict management there will be more control over the revision process for the Resident Handbook content. It was asked for comments or suggested changes to the Handbook rules that do not involve covenant change issues. These should be sent in an email to the CAC via the website at: <https://www.fvcac.com/contact>. The CAC is still working on the process for implementing any rule changes and will work closely with the YMCA toward that end result. The CAC will be collecting suggestions through January.

Bungalow Fee adjustments

An email was sent out to Bungalow owners in November explaining the reasons for the fee increase., but apparently not everyone received it. Another email was sent this week with additional information explaining the reasons for the increased fee. But the BIS' involvement kept the increase lower than it would have been if they were not involved in the budget process.

FV I Gas Pipeline Easement (AKA "The Beaches") improvement effort – November meeting recap

At the November meeting, one issue was determining who controlled the easement in that area. Al has reached out to the purported easement owner to ascertain if there is anything in the easement documentation that would preclude the work that is being contemplated. But it has been difficult to determine who the actual easement owner is and until we are talking to the correct individuals or entity representatives it will be difficult to move forward substantively.

The folks that met about the “Beaches” held a wide-ranging discussion re: options, but until the easement owner and restrictions are known there won’t be able to be any action or work done at present.

Need residents from FV interested in serving on Joint Landscape Committee

TCMD and Ebert are looking for a resident of both FV I and FV II to serve on this Committee as there are no current representatives since Murray recently resigned and the member from FV II has not been active. Al asked residents who might be interested in volunteering on the Joint Landscape Committee to send an email expressing their interest in serving to Jerry Jacobs at Timberline as he is the District Manager for TCMD and Ebert at present.

Other matters

- Pam Montgomery is still looking for documentation re: the Bungalow fee increase, and Al will be responding to that request.
- Kathy V asked about the postponed pool maintenance efforts and whether it would happen in December. It won’t happen in December. Documentation re: expiration date of the drain cover filters has now been found so no need to replace the filters yet. We will let the Y handle that going forward.
- Gail B asked folks to be aware of the city council redistricting and participate.
- After January 1st Jerry and Timberline won’t be doing any further maintenance on the Clubhouse, even on things that were not handled years ago. Timberline will continue handling what TCMD is responsible for within Ebert, including parks and common areas in SD #1 and SD #4.

Bill Schmidt noted that Jerry and Timberline will still be managing GVRN parks and common areas. Timberline is cheaper than the former District Manager of Ebert. Ebert tried to get others to do so, but no one stepped up so Timberline was the choice by default. TCMD has never put the management position out for bid.

At this point, the formal meeting was adjourned just after noon.

There was a further informational discussion re: Bungalows with Bungalow Owners who remained on the Zoom call.

Event Update after the Community Meeting:

The CAC has received the resignation of Anthony Mattie. Based upon the recently enacted By-Laws, the CAC can appoint an interim member to the CAC to serve until the next election. If any resident is interested in serving on the CAC, please communicate your interest via the CAC website contact at: <https://www.fvcac.com/contact>

Next meeting – January 8, 2022, at 10:00 am – in-person and via Zoom 10:00 am

HAPPY NEW YEARS EVERYONE!!!