

MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT
MOUNT VERNON COUNTRY CLUB CORPORATION

BOARDS OF DIRECTORS REGULAR MEETINGS
MARCH 19, 2020

The Boards of Directors of Mount Vernon Country Club Metropolitan District and MVCC Corporation held their monthly Regular Meetings by telephonic meeting on Thursday, March 19, 2020.

The meeting was called to order by president Tom Weimer at 7:30 p.m.

Record of Attendance: Board members Walter Crawford, Randy Lewis, Andrew Price and John Stringer participated via Zoom. General Manager John Stebbins, Sue Blair and Marcos Pacheco of CRS, and Secretary Gail McGowan also participated via Zoom. Electronically present for all or part of the meeting were Proprietary Members Charlotte Abel, Eric Grossman, George Lowe, Bill McFarlane, Liz Regan, Bob Schnautz, and Cheryl Shaw. James Wood joined the meeting for discussion on the Conservation Easement.

MVCC Metro District Business

Approval of Minutes

Upon motion duly made by Walter Crawford, seconded, and approved by a vote of 4-0 (Andrew Price absent from the February meeting), THE MINUTES OF THE MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT and CORPORATION BOARDS OF DIRECTORS' REGULAR MEETINGS OF FEBRUARY 20, 2020 WERE APPROVED, AS WRITTEN.

Financial Reports

Metro District

The February 29, 2020 Cash Position Summary, Combined Balance Sheet, and Statements of Revenues, Expenditures and Change in Fund Balance were reviewed for all funds. Operating gains were reported in the Transportation, Fire Mitigation, Water, and Conservation Trust Funds for the two-month period ended February 29; the General and Clubhouse/Recreation Funds showed operating deficits, exclusive of debt service and capital outlays.

Member Dues/Fees Schedules:

Upon motion duly made by Walter Crawford, seconded, and approved by a vote of 5-0, THE BOARD OF DIRECTORS OF MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT APPROVED THE SCHEDULES OF MEMBERSHIP DUES, INITIATION FEES, CAPITAL RESERVE CONTRIBUTIONS, AND OTHER FEES AS DETAILED IN EXHIBIT A TO THESE MINUTES. ALL AMOUNTS WILL BE EFFECTIVE APRIL 1, 2020.

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Payment of Claims: Vendor claims for the period February 12 to March 13, 2020 were presented for review and ratification.

Upon motion duly made by Randy Lewis, seconded, and approved by a vote of 5-0, THE BOARD OF DIRECTORS OF MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT ACCEPTED AND RATIFIED THE PAYMENT OF CLAIMS TOTALING \$212,991.03 FOR THE PERIOD FEBRUARY 12 TO MARCH 13, 2020.

Compliance with Loan Covenants: The initial draft of the certification to the Bank of Oklahoma indicated that the District was in technical default on its loan, though the subsequent corrected report showed that it was in compliance. The BOK will be kept current regarding District operations in order to assure that quarterly reports are made in a timely manner.

Debt Service Refinancing and 2020 Election:

The two election questions have been drafted and the required TABOR notification will be finalized and sent out to all electors no later than April 3. It has been confirmed that the Governor does not have the constitutional authority to move the election date and the election will go forward on May 5 as scheduled. Ballots will be mailed out between April 13 and April 20.

Community meetings will go forward as virtual meetings (open forums on ZOOM) on March 31 and April 8, as scheduled and under the sponsorship of the Mount Vernon Country Club Corporation. Educational materials will be sent out before the meetings.

Financial Planning Committee – Successor Chair: Walter Crawford, FPC Chair since June 2016, asked to step down from that role effective immediately. As provided in the MVCC Metro District *Policies*,

Upon motion duly made by Walter Crawford, seconded, and approved by a vote of 5-0, THE BOARD OF DIRECTORS OF MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT APPOINTED CHARLOTTE ABEL TO THE POSITION OF CHAIR OF THE FINANCIAL PLANNING COMMITTEE AS PROVIDED IN §4.2(f) OF THE MVCC METRO DISTRICT *POLICIES*.

Charlotte accepted the Chair position and committed to taking the FPC forward in its role of financial oversight and support to the Board.

The Board expressed its thanks to Walter Crawford for his dedicated service as FPC Chair and for his contributions of financial expertise and accounting oversight.

Pension Plan Change Proposal: OneAmerica Financial Partners, administrator of MVCC Metro District's 457(b) pension plan, has provided the District with an opportunity to change its plan from a revenue-sharing to a zero-revenue option. The change anticipates an increase of

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OneAmerica's asset charge, providing lowest-cost options and access to more fund options that will reduce fund cost, and decreasing all-in expenses while increasing performance. After reviewing the proposal

Upon motion duly made by John Stringer, seconded, and approved by a vote of 5-0, THE BOARD OF DIRECTORS OF MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT AUTHORIZED MANAGEMENT TO MAKE THE PROPOSED CHANGES TO THE ONEAMERICA MVCC METRO DISTRICT PENSION FUND PLAN.

Mount Vernon Canyon Club

The General Manager reviewed revenue and expenditures for February operations, and wedding and event bookings for 2020. Though positive trends had been seen recently, the current COVID-19 situation and mandates will make the immediate future uncertain and unpredictable. On a positive note, more scheduled events are being shifted than are being cancelled. All possible adjustments are being made on the expense side, while working to keep employees and coming up with some Club offerings (e.g., carry-out meals) in order to minimize member loss.

District Operations

Emergency Disaster Declaration: Pending a final opinion from legal counsel, the Metro District Board has indicated its intent to move forward with filing an Emergency Disaster Declaration under §24-33.5-709 of the Colorado Revised Statutes. A Declaration will make available access to state and federal funding emergency response and recovery funds for reimbursement of such things as overtime for absent employees, direct personnel and equipment costs, additional decontamination and medical supplies, among others. The Declaration will also allow the Metro District's governing Board to implement emergency rules and procedures specific to this new and evolving situation.

Upon motion duly made by Randy Lewis, seconded, and approved by a vote of 5-0, THE BOARD OF DIRECTORS OF MOUNT VERNON COUNTRY CLUB METROPOLITAN DISTRICT APPROVED THE BOARD CHAIRMAN'S SIGNING AND THE FILING OF AN EMERGENCY DISASTER DECLARATION UNDER §24-33.5-709 C.R.S. WITH THE JEFFERSON COUNTY CLERK PENDING FINAL REVIEW AND THE RECEIPT OF A LEGAL OPINION ADVISING THE DISTRICT TO MOVE FORWARD WITH SUCH A DECLARATION, AND ALLOCATED \$5,000 FROM METRO DISTRICT RESERVES TO BE USED IN THE PREPARATION AND EXECUTION OF A DISASTER RESPONSE PLAN.

General Services Update: G.S. staffing has been expanded to 3.4 full-time employees in order to bring some work in-house and reduce the necessity and costs of contracting with outside companies.

Metro District-Owned Houses Update: Improvements continue on the Centennial Trail house, on schedule for an April 1 occupancy by a G.S. staff member.

Fire Mitigation: The Forest Service is considering the District's request to exchange areas of treatment and is awaiting revised mapping information for its ratification. Since treatment costs were budgeted for the original four-acre parcel, it is assumed that Mount Vernon will be

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responsible for costs related to the treatment of the substituted parcel on Clear Creek Land Conservancy's land.

Conservation Easement: James Wood joined the meeting and stated that, given the Metro District's current financial situation, the *ad hoc* Conservation Easement Committee recommends to the Board that efforts to secure tax credits for an easement be stopped, but that non-binding core easement documents with Clear Creek Land Conservancy be drafted for the file and that no additional costs be incurred for this project at this time. The Board expressed its appreciation to James Wood for all his efforts.

Water System Update

Tower Hill Pump Station: Work on the Tower Hill pump station is expected to begin in early April, though impacts of the COVID-19 pandemic on parts delivery and construction are unknown.

Change Order Request: There are two isolation valves located across the road from the Tower Hill pump station that were put in in the 1980s but are no longer functional. One isolates the gravity side of the distribution system, one the pressurized side, both desirable for system efficiency but not critical for operations. Bringing these two valves back up to being functional could be part of the Tower Hill pump station project but would add \$10,000 to the cost, predicated on the fact that all equipment was already onsite. Because of the financial unknowns that the District is facing at this time, this additional cost was not authorized by the Board and the request deferred for future consideration.

Board Letter

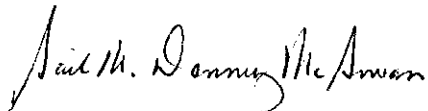
A Board Letter will be prepared and include information on the Emergency Disaster Declaration; financial and membership updates; prepayment of dues; conservation easement; election information; and 2020 Board meeting dates.

Future Board Meetings

The next regular meeting of the District and Corporation Boards is scheduled for Thursday, April 16, 2020 at 7:30 p.m.

There being no further business to come before the Board, the meeting was adjourned at 9:50 p.m.

Respectfully submitted,



Gail M. McGowan, Secretary

EXHIBIT A

**MOUNT VERNON COUNTRY CLUB
DUES/FEE STRUCTURE
AS OF APRIL 1, 2020**

HOMEOWNERS

AT CLOSING

INITIATION FEE	\$	2,750
ADMINISTRATIVE FEE	\$	250
MONTHLY FEES		
Transportation Fee	\$	20
Trash Fee	\$	22
Fire Mitigation Fee	\$	30
Capital Reserve Fee	\$	40
General Fee	\$	100
Water Fee	\$	125
Sub Total	\$	337
AND ONE OF THE FOLLOWING MONTHLY FEES		
Social	\$	63
Aquatics only	\$	104
Racquets only	\$	114
Full Sports Package	\$	166
Single Full Sports Package	\$	93

**MOUNT VERNON COUNTRY CLUB
DUES/FEES STRUCTURE
AS OF APRIL 1, 2020**

OTHER MEMBERS

Member Type	Initiation Fee	Monthly Fee
Social	\$ 1,000	\$ 63
Social Business	\$ 1,500	\$ 63
Social Non-Resident	\$ 1,000	\$ 64
Aquatics	\$ 1,750	\$ 104
Racquets	\$ 2,000	\$ 114
Full Sports Package	\$ 2,750	\$ 168
Full Sports Package Non-Resident	\$ 2,750	\$ 84
Single Sports Package	\$ 1,750	\$ 93

**MOUNT VERNON COUNTRY CLUB
DUES/FEES STRUCTURE
AS OF APRIL 1, 2020**

LAND PURCHASE

AT CLOSING

Cost of Land		TBD
Water Tap Fee	\$	55,000
Initiation Fee	\$	2,750
Administrative Fee	\$	250
MONTHLY FEES		
Capital Reserve Fee-Water	\$	40
Transportation Fee	\$	20
Fire Mitigation Fee	\$	30

PLUS

WHEN WATER SERVICE TURNED ON

MONTHLY FEES		
Water Fee	\$	125

PLUS

UPON HABITATION OF STRUCTURE

MONTHLY FEES		
Trash Fee	\$	22
General Fee	\$	100

AND ONE OF THE FOLLOWING MONTHLY FEES

Social	\$	63
Aquatics only	\$	104
Racquets only	\$	114
Full Sports Package	\$	166
Single Full Sports Package	\$	93