

The Association of Angel Fire Property Owners, Inc.

Minutes of the May 6, 2021 Board Meeting of the Association of Angel Fire Property Owners, Inc. Board of Directors

Location of Meeting:

Due to the Corona Virus restrictions and New Mexico governing requirements, all Board of Directors and members were together at a Virtual Meeting through ZOOM. 43 participants were noted on the Zoom meeting.

Time Commenced:

The Board Meeting of the Association of Angel Fire Property Owners, Inc. was called to order by President Davey at 5:30 pm MST on May 6, 2021.

Opening comments were made by President Davey and she gave a short bio on her history with the board.

President Davey gave an introductory welcome to Patricia Reymann, Professional Parliamentarian, from St. Paul, Minnesota, to oversee the meeting as acting Parliamentarian.

President Davey announced that Secretary Trom had resigned from the Board due to selling her property in Angel Fire and read Secretary Trom's resignation in full. **Attachment A**

President Davey announced that Director Hank Rennar would act as Secretary until the position was filled. She asked for any objections. No objections were heard.

Roll Call: – led by Director Rennar

Penni Davey - present
Holly Ham - present
Spencer Hamons - present
Jim Miller - present
Trevor Moore - present
Hank Rennar - present
Carol Rupp - present
Peggy Trott – Excused absence due to a family medical situation
Seven (7) Directors Present, therefore a quorum was established.

Mark Manley, Resort ex-officio Member of the board was present.

1. Approval of the Agenda

President Davey asked if there were any changes to the agenda. "Those in favor of adopting the agenda as presented say Aye. Those opposed, say No. The ayes have it, the motion carries and the agenda is adopted.

2. Approval of the Minutes

President Davey asked if there were any changes to the December 10th Board Meeting minutes. No changes or corrections from the Board. Minutes approved as written.

President Davey asked if there were any changes to the March 11th Board Meeting minutes. Mark Manley commented that he “Objects to the adoption of the minutes in their current form, due to two reasons: 1) says Resort is not a developer, they are a purchaser and 2) he was not provided a copy of the Resolution prior to the meeting. Discussion followed. No changes or corrections from the Board and minutes accepted.

3. Guest Comments

Acting Secretary Director Rennar asks for Comments and explained the procedure for all comments.

a. Kristin Devlin, a candidate running for the upcoming 2021 June election commented on her relationship with the Resort and stated she feels the current board does not support the members.

b. Bob Lagasse had a question for the Architectural Committee regarding billboard-sized signs on a property on Panarama Way. Bob would like the Chair of the Architectural Committee to let him know what status this complaint is in. Spencer Hamons stated the question will be referred over to appropriate committee for response.

c. Kim May commented that she was also running for the upcoming 2021 June Election. She said she was running for the board for the members and thanked the Resort for promoting her.

d. No other comments from guests/members

4. Resort Report – Ex-officio, Mark Manley

Christy Germscheid, discussed the summer operations. Activities will open May 14th including the golf course, tennis courts, Monte Verde lake, the mountain and other outdoor activities. Golf Course – no mask will be needed when playing Golf at this time. Masks will still be required indoors. Fitness center – still need to wear masks. This is by Public Health Order, not Angel Fire Resort’s protocol. Christy went over the current golf requirements. All details will be posted on the Angel Fire Resort’s website.

Pool is still by reservations only. Stables and RV Park as always, first come first served.

Lake is open now to members only. Fishing licenses can be acquired at AFR Membership Offices. Dining is at 75% indoor capacity. Live music will be available, but no dancing will be allowed. Continues to discuss the restaurants that are open and hours. Any questions, she states the website is up to date and further information can be found there.

5. Open Action Items – Director Miller

a) Resort to address items from December 10, 2020 Board Meeting – Action to Ex-Officio Mark Manley

- i. **Operating Budget - Mark Seiter** – Current Operating Budget Status update. Mark stated, “We adopted the 95% operation budget status that was submitted to AAFPO in December. That adopted budget went into effect May 1. On April 1, we sent out invoices for the dues for 2021 - 2022 fiscal year that begins again on May 1. Those dues were approximately 5.86 million dollars. So far in the month of April, we collected \$3.5 million. Operations at the Resort have been very quiet. Most of activities are recruiting hiring, training and preparing to open up on the 14th of this month.”

Holly Ham asked to be recognized: “Mr. Seiter you reported the resort adopted a budget that was presented to AFFPO Board in December 2020 and went into effect in April 2021. The Resort totally disregard the budget that was *approved by the Board itself*. Could you explain.” Discussion follows with Mark Seiter and the board on how the budget is to be interpreted.

Director Ham states I wanted it noted that at the March 11, 2021 meeting, the board approved a budget that is very different from the budget that the Resort has adopted which the Resort had provided to the Finance and Budget Review Committee in December of 2020. The board applied the percentage member use (9% of the ski mountain and 60% of the golf course) to this budget and the resort disregarded the AAFPO boards approval of a budget and decided to adopt a budget that they had proposed with AAFPO challenging those specific items.

Director Hamons reiterated, that Director Ham is applying the methods of calculating the assessment dues by requirements stated in the AAFPO By-Laws and Articles of Incorporation and the Resort’s argument is that the By-Laws and Articles of Incorporation were attachments to the Amended Joint Plan but not intended to be attached.

Director Miller recommends closing of Action Item number one.

- ii **Capital Improvements**

Mark Sieter gave the following report: The 4% discretionary budget that was approved by AAFPO last year was for \$221,000 dollars. Most of that money has been spent. Resurface of tennis courts 3 & 4, and the basketball court has been delayed due to weather. RV park and stables – water hydrants replaced, water lines replaced and carpentry completed. Monte Verde Lake, \$15,000 for fish was approved in the last meeting. Fish will be brought to the lake in a series of 4 to 5 drops. Olympic park and this also tennis courts, Orkin doing six applications for prairie dog mitigation which is ongoing at this time. Ski resort – electrical improvements of \$30,000 was done last fall. In April, another \$10,000 was for the extension of the electrical to Huley Guley. New trail maps and kiosks will be stocked with the trail maps. Still waiting for budget for 2021-2022.

Mr. Seiter stated the Country Club Agreement was for 12 years and included AAFPO utilizing 40% of the 4% Discretionary Fund to help construction of the new Country Club. Mr. Seiter said the Country Club construction cost was \$15-\$16 million. **Attachment B**
Director Ham asked for a copy of this agreement.

Director Ham said the Amenities Budget has been completed and it is based on the AAFPO approved budget of \$2.9 M. Director Ham will send this to Mark this following week.

Discussion followed on new improvements and maintenance on the Amenities. Mr. Seiter said there was a \$16,000 carryover on the Amenity Budget from 2019-2020 and collections have been higher than anticipated so there will be another surplus there. Mr. Seiter said for Director Ham to add these to the current 2021-2022 Amenity Budget. Director Ham will modify the Amenity Budget Report when Mr. Seiter gives her the final numbers.

- b) Angel Fire Rotary & Garden Club proposal was supported – handled by Director Trott
Director Miller recommends closing of this action item.
- c) AAFPO to provide Judith Polich answer regarding placement of signage for the Wetlands Conservation Group – approved by Director Trott.
Director Miller recommends closing of this action item.
- d) Roadrunner Tours to use trails – approved by Director Trott
Letter needs to go to Resort & action item will stay open.
- e) AAFPO support for a Dog Park as a new amenity – Director Trott approved
Director Miller recommends closing of this action item.
- f) Determine if board is to sign an NDS as requested by Resort – Legal Committee has declared that are not signing a NDA since the court has issued this is not necessary.
Director Miller recommends closing of this action item.
- g) Resort to provide the number of liens the Resort has against property owners for unpaid assessment dues vs the total number of unpaid assessment dues – Kalyn Whitacre addressed the process of liens. Dues are billed on April 1st and members have till May 1st to pay. In early June, a reminder letter is sent out. If membership does not hear from the delinquent member in 30 days, somewhere around early July, membership sends “an intent to lien letter”. If still outstanding in late July or early August, membership sends a lien.

Mark Manley said that the membership is currently 4800 (members are less than that since we are working off of lots). Out of the 4800, there are approximately 640 past due accounts. Of the 640 past due accounts, 510 liens have been applied. That leaves approximately 130 members without a lien. Some of these are in closing or undergoing waiver and review.
Director Miller recommends closing of this action item.

h) AAFPO to provide Resort further breakdown of funding line regarding fish – handled Director Trott . Director Miller asked why AAFPO is the only ones paying for the fish yet it is open to the public. Mark Seiter said Wild Cat Environmental evaluates the environmental survey of the lake and the resort pays for this procedure. Director Miller recommend closing of this action item.

6) New Business

a) Election Committee & Process – Jay Mitchell

3rd Party HOA Election Company – Inspectors of Elections, a California based Company, has experience with HOA Elections; Election Committee has recommended this company to the executive board and they have made the decision to move forward with them. A member in good standing list is required by the company to use for ballots and Mr. Mitchell asked Kayln to

forward this to him. The online data will use electronic means for voting. Any members without an email on file with the membership office will be mailed a physical ballot.

Board must host a meeting between 30–45 days before the annual election. Nominations must be done by the Election Committee at that time. Number of directors to be elected and what terms they will serve must be given by the board to the committee by May 15, 2021. By June 5th, the ballots should be sent out to the members, either by electronic email or paper ballots. It was agreed by the Resort (Kayln Whitacre) that “members in good standing” would be based on the May 10, 2021 date. This will be the date for all eligibility requirements. The board agrees that the nomination meeting would be set for May 20, 2021 at 5:30 PM.

Applications should be sent to AAFPO, Attn: Election Committee, PO Box 21, Angel Fire, NM 87710. Emails can be sent also as we get closer to the dates. There will be no posting of the candidate information until the nomination meeting on the 20th of May. Once the nomination meeting takes place, nominations will at that time be ceased. Any individual applying for the board will be notified by the Election Committee that their application has been received.

Jay Mitchell has received complaints on the Resort emailing members about endorsing candidates. Mr. Mitchell confirmed the Election Committee did not post any emails or information on candidates and will not do this until the nomination date. Director Rennar also mentioned that he received several emails from the Resort endorsing candidates. Mr. Mitchell stated again the Election Committee did **not** send out emails and he does **not** endorse this type of action. Mr. Mitchell said he would speak with the Resort and request all candidates running for the June 2021 election be sent out by the membership office.

Mark Manley asked Jay Mitchell how many seats are available in the next election. Mr. Mitchell said he didn't have that answer. The board would let the Election Committee know by the May 15, 2021 deadline.

Director Spencer made motion to have nomination meeting on May 20, 2021 at 5:30 pm by virtual means. Director Ham seconded the motion. No opposition, motion carried.

7) Officer's Reports

a) Treasurer Report – Treasurer Rupp

Director Rupp announced she is picking up the ballots at the Post Office and hand delivering them to the Election Committee Chair.

Treasurer Report – Books closed on 4/30/2021. Papework for taxes for the 2020 year will be delivered to the accountant this next week. **Attachment C**

AAFPO Checking Account - \$15,128.68

AAFPO Money Market - \$278,602.41

1% collections for April- \$1,256.87

Architectural Operating Account – \$40,595.30

Architectural Trust Account for deposits- \$93,420.68

Total Legal Fees for fiscal year ending 04/30/2021 - \$63,365.62

Note Kyle Price asked to see Accounts Recievable for legal. Treasurer Rupp said she would send any accounts payable (not accounts receivable) to him after the meeting.

b) Secretary Report – Director Rennar

- i. Action between meetings – One action on 3/21/21 to approve the Architectural Permit fees and deposit structure from the March 2021 meeting as requested by Jake Crain. Unanimous vote to support the Architectural requests.
- ii. Database from Resort – The complete database for all AAFPO Members has not been received by the secretary from the Resort. The database information needed from the resort is the member ID, Lot #, Member address, membership level and any data on delinquencies or liens. As of May 6, 2021, this information has not been received.
- iii. By-Law revisions – all revisions suggested by the By-Laws Committee have been passed onto Pat Reymann and the board for review.

8) Committee Reports

a) **Amenities** – Director Rennar for Director Trott
Director Rennar read the Amenities report for Director Trott. She stated the resort has refused to meet with the Amenities Committee as of now. The bulk of the budget went to the golf amenities. \$15,000 went to the 12-14” fish for the Monte Verde Lake. The committee is looking to convert some of the tennis courts to pickleball courts as requested by the members.

Attachment D

b) **Architectural** – Chair Jake Crain
Total of permit count for 2021– 18 permits
Total of permit count 2020 – 82 permits

Attachment E

Jake addressed the signage issue addressed by Bob Lagasse. He said this violation is not showing currently and he will check on this and get back to Bob Lagasse after the meeting. Director Hamons asked Director Miller to add this issue to the action items.

c) **Finance Committee and Budget Review Committee** – Chair, Director Ham
Amenities Budget has been delayed due to differences in the resort’s budget and the board’s approved budget. In addition, Director Trott has had family medical emergencies and been traveling back and forth to Texas with limited time. The final budget is ready and will be sent to the resort based on the \$2.9 M budget approved by the board.

d) **Legal Committee** – Director Moore

Attachment F

Note the updates are always available on the aafpo.org website. Director Moore discussed the update in layman’s terms for the members. Discussion followed from the board.

e) **Covenants and Restrictions Committee** – Director Miller

Committee has been addressing questions from property owners related to trash, ATV regulations, etc. The Committee is still waiting to get access to the database to address the 6 (six) expired covenant issues.

f) **By-Laws Committee** – Pat Reymann for Secretary Trom

The committee has worked to address the by-laws to update them, clarify and correct ambiguous items and correct parliamentary terminology. There are 25 individual amendments to the by-laws. Changes of the by-laws would be incorporated into the current by-laws to make up a proposed by-law revision. That revision will be mailed to the membership so it can be considered at the annual meeting to be voted on by the membership.

h) **Communications Committee** – Director Moore for Director Hamons

The board has signed up with Mail Chimp to do mailings. The board will be using the email list given to them from the Resort. It is a partial list with only emails.

9. Adjourn -

The next board meeting is scheduled for May 20, 2021 at 5:30 pm (MST) and will be for announcement of nominations for the 2021 AAFPO Board Election. It will be a virtual meeting and call in information will be posted on the AAFPO website. No other business will be done at that meeting. President Davey asked if there was any more business that needed to come before the board. Hearing none, she stated therefore the meeting was adjourned.

The meeting was adjourned at 8:26 pm MST.

Respectfully submitted, May 6, 2021.

Hank Rennar, Acting Secretary Date

Penni Davey, President Date

April 29, 2021

To: AAFPO Board

RE: Resignation from AAFPO Board

It is with profound regret that I must submit my resignation from the position of Secretary of the Association of Angel Fire Property Owners, Inc, effective April 29, 2021. On this date, the close of the sale of our residence within the Angel Fire Resort was completed and I am longer a property owner.

The tactics that I have seen from the Resort over the last 10 months in my position as Secretary on the AAFPO Board and in my years as an Angel Fire property owner are both shocking and unbelievable. I would be remiss if I didn't address a few of these to our members publicly.

The most recent actions by the Resort only further highlight the improprieties: The recent correspondence many of the members have received via two emails from Angel Fire Resort, titled "**AAFPO Board Candidate Spotlight**", was **not endorsed or approved by the AAFPO Board**. Once again, the Resort has used AAFPO's Member List to send emails to our members, and yet has failed to supply this same full list to AAFPO. This has continually hindered our ability to communicate effectively with our members, the same people we are bound to protect.

When a developer is contracted to oversee and allocate the assessment dues for a homeowners association, and that same developer is soliciting and endorsing candidates for the non-profit AAFPO Board, *the organization responsible for approval of assessment dues or proposals put forth from the developer*, that's like "the fox guarding the hen house.

Membership in the Association is defined in Article IV of the Articles of Incorporation and in Article III of the governing By-Laws. The term "Member" shall mean the person holding or designated to hold such membership in good standing. The Developer and its successors (Angel Fire Resort Corporation) shall **not** be considered members. Any property belonging to the Angel Fire Resort does **not** pay assessment dues. The reason for this is **ensure independence of the Association and protect its property members**.

AAFPO is an independent homeowner association and works independently from the Resort to provide for its members best interest. Where possible, the AAFPO and Angel Fire Resort work in concert towards the common good of Angel Fire; however, in all cases AAFPO's duty as a non-profit association is the protection of its members unlike Angel Fire Resort's duty which is to increase profits for their owners and private shareholders.

The Resort appears to continue to act in their own best interests. Between attempting to deny the legitimacy of this Board (The Board has been upheld to be legitimate by the New Mexico Courts), to denying the very existence of AAFPO as a homeowner's association (currently awaiting court determination on this issue), to spending YOUR dues without transparency of proper receipts and accounting to the AAFPO Board, it is imperative that the Board serve as a "check and balance" on the Resort's power.

In order to do the job effectively and objectively, the Board must not be influenced by the Resort. All actions undertaken must be for the advantage of the members, ensuring the Board is following New Mexico Statutes and its By-Laws.

I support the current Board's actions since July 2020 and the ongoing legal actions against Angel Fire Resort.

Most members sit by and voice complaints regarding the Board, but have not taken the time to read the organizational documents nor the history of the board and the Resort to learn what is really going on. To those diligent members who have supported the Board, read the documents, and voted to make changes last June 2020, I commend you and ask you to consider running for the AAFPO Board.

With the upcoming election mere months away, I encourage all property owners to evaluate the candidates with the purpose of AAFPO in mind: working towards the best interests of the members, rather than the profits of the Resort. Your association needs good people who will be accountable to the members.

Regards & Best wishes,

Sandra Trom

Note: The opinions above are my personal comments and thoughts. Statements do not reflect the beliefs of all the Board Directors of AAFPO.

**AMENDED JOINT AGREEMENT FOR IMPROVEMENTS TO ANGEL FIRE
COUNTRY CLUB**

THIS AGREEMENT is made this 13th day of July, 2006 by and between ANGEL FIRE RESORT OPERATIONS, L.L.C., a New Mexico Limited Liability Company, (“the Resort”) and the ASSOCIATION OF ANGEL FIRE PROPERTY OWNERS, INC., a New Mexico Corporation, (“AAFPO”), collectively referred to as “the Parties,” and supersedes the Joint Agreement for Improvements to Angel Fire Country Club, executed by the Parties on March 15, 2006.

RECITALS

WHEREAS, the Resort is the owner and operator of Angel Fire Resort in Angel Fire, Colfax County, New Mexico, and is responsible for the upkeep, maintenance, operation, and improvement of the Resort’s facilities, including certain amenities; and

WHEREAS, the Angel Fire Country Club (“Country Club”) is one of the amenities owned, maintained, and operated by the Resort; and

WHEREAS, the members of AAFPO benefit from the use and enjoyment of the Resort’s amenities, including the Country Club, pursuant to the terms and conditions of the Amended Joint Plan of Reorganization, approved by the United States Bankruptcy Court for the District of New Mexico in the bankruptcy case involving the Resort’s predecessor, Angel Fire Corporation (United States Bankruptcy Court for the District of New Mexico Cause No. 11-93-12176 RA) (“the Plan”) and in the Supplemental Declaration of Restrictive Covenants and Easements, Exhibit E, to the Plan (“Supplemental Declaration”); and

WHEREAS, the Parties agree that there is a need for a new Country Club; and

WHEREAS, the Resort and AAFPO desire to construct a new Country Club for the benefit of the Parties; and

WHEREAS, the Parties affirm and agree that the proposed new Country Club do not change the Parties’ rights as set forth in the Plan; and

WHEREAS, AAFPO has discretion over the use of certain funds (“AAFPO’s Discretionary Fund”) as set forth in Paragraph 4.16 of the Plan; and

WHEREAS, AAFPO consents to assigning up to forty percent (40%) of its Discretionary Fund for construction of a new Country Club as a reimbursement to the Resort for new Country Club, said assignment to be made each year and every year beginning thirty (30) days from the

date of the Resort obtaining a Certificate of Occupancy from the Village of Angel Fire, for a maximum period of twelve (12) years; and

WHEREAS, AAFPO has agreed and consented to placement of a mortgage, lien, or encumbrance on the Country Club to secure the cost of the construction to be in addition to any existing mortgage, lien, or encumbrance; and

WHEREAS, AAFPO understands and agrees that this Agreement shall not grant, transfer, or devise any rights or interest in the Country Club to AAFPO not presently existing and that all duties and responsibilities of the Parties set forth in the Plan shall not be affected by this Agreement; and

WHEREAS, the Parties wish to enter into an agreement to clarify the roles and responsibilities of the Resort and AAFPO before, during, and after the construction of the new Country Club, as well as to establish terms for payment of the costs of the construction project;

NOW, THEREFORE, THE PARTIES UNDERSTAND AND AGREE:

DEFINITIONS

For the purposes of this Agreement, the Parties agree that the following terms shall have the meanings set forth below.

1. **Bankruptcy Plan** ("the Plan"): The Amended Joint Plan of Reorganization, approved by the United States Bankruptcy Court for the District of New Mexico in the bankruptcy case involving the Resort's predecessor, Angel Fire Corporation (United States Bankruptcy Court for the District of New Mexico Cause No. 11-93-12176 RA).
2. **Change Orders**: Any adjustments to the originally approved design concept and/or construction plan and/or budget that may become necessary due to unanticipated conditions affecting the completion of the Project or due to changes in general market conditions.
3. **Construction Plan**: Documents prepared by the designated architect consisting of drawings and specifications setting forth in detail the requirements for the completion of the Project. The construction plan shall be prepared following the designated architect's development, and the Parties' approval, of the design concept.
4. **Discretionary Fund**: An account established and defined in Paragraph 4.16 of the Bankruptcy Plan, comprised of one hundred thousand dollars (\$100,000) or four percent (4%) of the collected annual membership assessments each year, whichever is greater.

5. Project: The construction of the new Angel Fire Country Club as agreed upon by the Parties.

6. Project Management Plan: A proposal prepared by the architect or general contractor overseeing completion of the Project that sets forth the specific construction tasks necessary to complete the Project as outlined in the approved Design Concept, and includes estimated completion times for each task, specifications for quality control, and specified penalty payments for failure to timely complete the individual construction phases and/or the Project as a whole.

7. Supplemental Declaration: The Supplemental Declaration of Restrictive Covenants and Easements, Exhibit E, to the Bankruptcy Plan.

AGREEMENT

1. Project Oversight, Control, and Conflict Resolution. The Parties agree that the Resort shall have sole responsibility for overseeing all aspects of the construction of the Project, including, but not limited to, reviewing and implementing the Project's Design Concept, Construction Plan, Project Management Plan, and budget, as well as all punch list items and change orders. The Resort shall also have sole responsibility for resolving any and all conflicts with engineers, architects, contractors, subcontractors, material suppliers, and other contracted professionals in a manner consistent with the Project Management Plan.

2. Financing Responsibilities.

- (a) The Resort shall obtain financing for completion of the entire Project. AAFPO agrees to consent by board resolution to a mortgage on the Country Club property to secure the costs of the new Country Club.
- (b) To reimburse the Resort for the total cost of the Project as set forth in the approved budget, including all approved financing costs secured by the Resort for the completion of the Project, AAFPO covenants and agrees to provide and make annual payments to the Resort from AAFPO's Discretionary Fund, beginning thirty (30) days from the date of the Resort obtaining a Certificate of Occupancy from the Village of Angel Fire, which payments shall constitute not less than, nor more than forty percent (40%) of said Discretionary Fund per year, for a maximum period of twelve (12) years. The Resort shall provide the Parties with an accounting of all costs incurred in the Project. The Resort shall advise AAFPO in writing of the amount being applied from AAFPO's Discretionary Fund to the Project's costs each year.

MISCELLANEOUS

3. The Parties agree that limited meeting and/or office space in the newly constructed Country Club shall be designated for AAFPO's use. Said use shall not interfere with the Resort's Country Club operations or with any health, safety, or licensing compliance.

4. The provisions herein shall be binding upon and inure to the benefit of the heirs, executors, administrators, assigns, and successors of the Parties.

5. If any provision of this Agreement is found to be invalid or unenforceable with respect to any party, the remainder of this Agreement shall not be affected, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

6. Any notice or demand required to be given herein shall be made by certified or registered mail, return receipt requested, or reliable overnight courier to the address of the respective parties set forth below:

ANGEL FIRE RESORT OPERATIONS, L.L.C.:

Dan Rakes, General Counsel
Angel Fire Resort
P.O. Box 130
Angel Fire, NM 87710

ASSOCIATION OF ANGEL FIRE PROPERTY OWNERS, INC.:

P.O. Box 21
Angel Fire, NM 87710

7. This Agreement shall be governed by the laws of the State of New Mexico.

8. This Agreement constitutes the entire agreement between the Parties and there is no representation, warranty, collateral agreement, or condition affecting this Agreement other than as expressed herein in writing. No changes shall be made in the terms or conditions of this Agreement without prior written consent of both Parties.

IN WITNESS WHEREOF, the Parties have hereunto affixed their signatures and executed this Agreement the day and year first above written.

ANGEL FIRE RESORT
OPERATIONS, L.L.C.

By: _____

JON MAHANNA
General Manager

ASSOCIATION OF ANGEL FIRE
PROPERTY OWNERS, INC.

By: _____

CURTIS JONES
President

Attachment C Treasurer Report
 Association of Angel Fire Property Owner, Inc.

Profit and Loss
 May 2020 - April 2021

	TOTAL
Income	
1% Net Collections	64,488.23
HOA Disclosure Certificate prep	77,024.13
Interest Income	709.57
Total Income	\$142,221.93
GROSS PROFIT	\$142,221.93
Expenses	
AAFPO Board Election	
2020 Election	299.60
Total AAFPO Board Election	299.60
Annual Meeting	
2020 Annual Meeting	64.39
Total Annual Meeting	64.39
Bank fees	35.00
Business Licenses and Permits	70.00
Computer and Internet Expenses	55.71
Computer Software	1,170.01
Total Computer and Internet Expenses	1,225.72
Insurance Expense	
General Liability Insurance	1,538.00
Insurance Expense - Worker's Compensation Policy	292.00
Surety Bond	271.69
Total Insurance Expense	2,101.69
Miscellaneous Expense	55.71
Office Supplies	1,641.28
Payroll Expenses	
Payroll Expenses - Intuit Payroll Services	75.61
Taxes	290.87
Wages	3,094.86
Total Payroll Expenses	3,461.34
Postage and Delivery	195.55
Professional Fees	24,187.50
Audit	11,326.87
Board Administrative Assistant	9,071.70
HOA Disclosure Act Work	20,302.62
Total Board Administrative Assistant	29,374.32
Chamber Membership	225.00

Association of Angel Fire Property Owner, Inc.

Profit and Loss
May 2020 - April 2021

	TOTAL
Legal Expense	2,900.76
Legal 5152-001	11,801.82
Legal 5152-002	256.98
Legal 5152-003	43,927.07
Legal 5152-004	1,924.77
Legal 5152-005	54.22
Total Legal Expense	60,865.62
Tax Preparation	750.00
Total Professional Fees	126,729.31
State of NM Maggie Toulouse Oliver	10.00
Unapplied Cash Bill Payment Expense	0.00
Uncategorized Expense	238.66
Website Services	452.73
Total Expenses	\$136,580.98
NET OPERATING INCOME	\$5,640.95
Other Expenses	
Taxes	
Federal Income Taxes	15.43
Total Taxes	15.43
Total Other Expenses	\$15.43
NET OTHER INCOME	\$ -15.43
NET INCOME	\$5,625.52

AFEACC

Trial Balance

As of April 30, 2021

	DEBIT	CREDIT
BANK ACCOUNTS (deleted):FNB - CD (OPS)	0.00	
BANK ACCOUNTS (deleted):ISB - CD #4 (OPS)	0.00	
BANK ACCOUNTS (deleted):ISB - CD #6 (OPS)	0.00	
ISB Money Market (OCD)	0.00	
OCD Accounts (deleted):FNB Money Market (OCD)	0.00	
Operating Account XX1542	43,653.25	
Operating Accounts (deleted):king	0.00	
Trust Performance Deposits XX2021	104,523.68	
Undeposited Funds	0.00	
Performance Deposits		0.00
Performance Deposits:Deposit Refunds	2,500.00	
Performance Deposits:Perf.Deposits Rec'vd		3,600.00
Due to AAFPO		0.00
Opening Bal Equity		0.00
Retained Earnings		97,710.33
Fee Revenue		25.00
Fee Revenue:Forfeitures		1,000.00
Fee Revenue:Permit Fees		21,450.00
Fee Revenue:Permit Fees:Building Permit Fee		1,650.00
Fee Revenue:Permit Fees:Minor Projects Building Fee		800.00
Interest Income		14.92
Interest Income:Int. Inc. - ISB OCD Checking		11.35
Interest Income:Int. Inc. - ISB Operating		6.16
Uncategorized Income		20,553.00
Administrative Assistant	13,353.63	
Bank Charges	10.78	
Contract Labor	4,535.00	
Contract Labor:Contract Labor - Inspections	700.00	
Office supplies	1,117.88	
Postage	116.95	
Reconciliation Discrepancies		0.09
Software Subscriptions	189.24	
Unapplied Cash Bill Payment Expenditure		23,935.56
PO Box Rental	56.00	
TOTAL	\$170,756.41	\$170,756.41

AAFPO AMENITIES REPORT DATED MAY 6, 2021

REPORT PROVIDED BY AAFPO BOARD DIRECTOR PEGGY TROTT

The AMENITIES COMMITTEE includes the following members: Peggy Trott – Committee Chair
Scott Johnson – Golf, Dave Hartson – Ski Mountain, Brian Renegar – Monte Verde Lake and Fonda Brown – Trails. As of this report, The Resort continues to refuse to meet with the AAFPO AMENITIES COMMITTEE. However, we will continue to make every effort to work with the Resort should they decide to work with us.

I also want to thank the AMMENTIES COMMITTEE for their hard work in planning for the upcoming year.

Golf Course/Tennis Courts:

It should be noted that the recommended bulk of our budget went to the golf course which is the most used amenity (percentage wise) by our members. There is some discussion about the tennis courts being used as pickle ball courts. Those discussions will continue, similar to the discussions that occurred when the ski mountain also became the snowboard mountain.

Monte Verde Lake:

\$15,000 worth of 12”-14” fish has been ordered for Monte Verde Lake. We discussed ordering smaller 10” fish but membership wanted the larger fish so that it what we ordered. *It is interesting to note that the membership pays for ALL of the fish stocked at the lake. Thus, all fish that are caught by visitors, guests and non-members are paid for by AAFPO members.* I understood there was to be an \$8,038 allowance for Monte Verde Lake by the resort, but I have learned that this allowance is actually designated for environmental controls and water testing (required by law) at Monte Verde Lake, the Olympic Park, and the ski mountain and therefore it is not exclusive to Monte Verde Lake.

Action Items:

There were several action items from the December meeting that were listed as active that required the attention of the AMENITIES committee. Please know those actions were attended to in February. These actions included: Judith Polich and the Wetlands Group were advised they had full support of the amenities group to place signs and a kiosk at the trailhead of the wetlands area just south of Mountain View Boulevard (by the Angel Fire Resort sales office. There is no charge to AAFPO. Doreen Kreb (dog park representative) was advised that John Kitts had sent me an email stating the Resort would NOT consider any new amenities until the legal complaint was resolved. The same would apply to the Rotary Club/Community Garden and a sledding hill. There has been no communication with the Resort regarding Nancy Burch and a request for AAFPO Member discounts for sleigh rides. Note that AAFPO pays for the trail maintenance that Nancy uses to operate her winter for-profit business.

although I received two emails from John Kitts (most recent dated January 19, 2021) stating No New Amenities would be considered, the Resort mentioned in an email to members and that they would have an announcement about a New Dog Park at this March meeting. As far as we know, this announcement was not made and the Amenities Committee is unaware of any further conversation regarding a New Dog Park.

I do want to thank Kalyn Whitaker for her assistance in getting the fish ordered for Monte Verde Lake and to Christy Germscheid for their efforts in supporting membership.

Attachment E
Architectural Report



Growth 2021

2021	January	February	March	April	May	June	July	August	September	October	November	December	Year Total
Single Family	2	0	2	3									7
SF Additions	0	0	7	1									8
Minor Improv.	1	0	0	2									3
Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0
Comm Add	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily	0	0	0	0	0	0	0	0	0	0	0	0	0
Preconst.	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS	3	0	9	6	0	0	0	0	0	0	0	0	18
Other													
Maintenance	2	0	1	2									5
Violations	1	0	2	0									3

Growth 2020

2020	January	February	March	April	May	June	July	August	September	October	November	December	Year Total
Single Family	0	0	1	4	2	5	2	3	4	3	3	0	27
SF Additions	1	0	1	2	5	4	5	4	3	3	1	0	29
Minor Improv.	0	3	1	1	3	1	1	6	6	2	1	1	26
Commercial	0	0	0	0	0	0	0	0	0	0	0	0	0
Comm Add	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily	0	0	0	0	0	0	0	0	0	0	0	0	0
Preconst.	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS	1	3	3	7	10	10	8	13	13	8	5	1	82
Other													
Maintenance				1	3	1	3	1	2	2	1		14
Violations					5	3		2	6				16

Litigation Summary Update

April 22, 2021

On April 22, 2021, Judge Emilio Chavez granted AAFPO's Motion for Partial Summary Judgment, declaring that the Board was legally constituted. The Court specifically held that AAFPO's By-Laws and New Mexico Statutes allowed AAFPO's Board to appoint directors to fill vacancies left by the resignation of five of the nine directors in July and August 2020. This ruling is contrary to the position the Resort has been taking since August 2020.

At hearing on April 22, 2021, the Court granted AAFPO's Motion to Compel, ordering that the individual Board Members did not have to sign Non-Disclosure Agreements, that had been required by the Resort in order to provide certain information requested in discovery. The Court declined to determine whether AAFPO is a "Homeowner Association," as defined by the New Mexico Homeowner Association Act. The parties are to attempt to come to an agreement on a Protective Order for the disclosure of information by the Resort, which Protective Order will contain a provision that allows AAFPO to have the Court decide whether any particular documents must be kept confidential. If the parties cannot agree to the terms of the Protective Order, they will submit competing Orders to the Court.

We are hopeful that, as a result of the Court's Order, we will be able to obtain information regarding collection of assessments, how the assessments have been spent, and records of the bank account or accounts in which the assessments have been deposited. There are still many other areas of information for which AAFPO has requested documents that the Resort has not provided. AAFPO's counsel will seek to have this information provided by the Resort voluntarily before filing another Motion to Compel.

The Court set trial for this matter for August 29, 2022. Counsel for the Resort requested seven days for trial. Counsel for AAFPO does not believe this trial should take so much time, and had hoped the trial could be heard in April 2022. Counsel for the parties will attempt to agree on deadlines to be put into a Scheduling Order to submit to the Court.