
RECORD OF PROCEEDINGS

Minutes of the Meeting Cornerstone Owners Association Board of Directors June 10, 2019

A meeting of the Board of Directors of the Cornerstone Owners Association, Montrose and Ouray Counties, Colorado, was held 1:00 p.m. Monday, June 10, 2019 in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Bob Aisner (via phone)
- Bill Fugazzi (via phone)
- Warren Ache (via phone)
- Jon Nelson (via phone – joined late as noted)
- Scott Heape (via phone – joined late as noted)

Also in attendance were:

- Kelly Morrow, Orten Cavanaugh Holmes (via phone)
- Eric Weaver, Marchetti & Weaver, LLC (via phone)
- Rick Gonzales (via phone)

Call to Order The meeting of the Cornerstone Owners Association Board of Directors was called to order by Director Aisner at 1:05 PM with Directors Aisner, Fugazzi and Ache in attendance.

Minutes The Board reviewed the Minutes of Meeting held April 15, 2019 and following discussion and upon motion duly made and seconded it was unanimously

RESOLVED, to approve the Minutes of Meeting held April 15, 2019 as presented.

Director Heape joined the meeting at this time.

Agenda Director Aisner proposed re-ordering the Agenda to move reporting for agenda items 7B Financial-Accounts Receivable, 7C Financial-Accounts Payable, 5B Legal-Update on Gravel Pit ahead of agenda item 5A – Update on transaction with Cornerstone Acquisition Group LLC (“CAG”) Legal in order to provide more time for all Directors to call in to the meeting for an Executive Session related to agenda item 5A. Upon motion duly made and seconded it was unanimously

RESOLVED, to amend the agenda to move agenda items 7B, 7C and 5B ahead of agenda item number 5A.

Public Comment No public was in attendance.

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Financials

Accounts Receivable: The Board engaged in discussion regarding late fees and interest charges on delinquent accounts. No action was taken.

Director Nelson joined the meeting at this time.

Accounts Payable: Mr. Weaver presented the Accounts Payable Report consisting of unpaid bills. Director Aisner informed the Board that certain bills due to Cornerstone Metropolitan District will be paid through the closing with CAG anticipated to occur later in the month. Upon motion duly made and seconded it was unanimously

RESOLVED, to approve the Accounts Payable Report as presented with certain bills from Cornerstone Metropolitan District No. 1 to be paid through closing of the transaction with CAG and the bill from Cornerstone Club, LLC (“Club”) to be paid at a later date upon settlement of the AR issues with Club.

Legal

Gravel Pit: Director Ache informed the Board that there have been no new developments regarding proposed Gravel Pit operations. Director Fugazzi informed the Board that Cornerstone Metropolitan District No. 1 has passed a resolution placing weight limitations on District owned roads in the community.

Executive Session: At this time the Board, upon motion duly made and seconded unanimously voted to enter into executive session to discuss the status of closing on the Purchase and Sale Agreement with CAG.

The Board adjourned from executive session to resume the public meeting.

Director Heape left the meeting at this time.

Financials

Mr. Weaver presented the preliminary financial statements for the period ended April 30, 2019. Mr. Aisner informed the Board that he has been working with Mr. Weaver to understand the balance owed to the Association by CAG and that CAG has engaged an accounting firm to assist. Director Aisner assured the Board that CAG will pay the appropriate amount due the Association when that amount has been agreed to by both parties.

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Pro-ration of 2019 Assessments. The Board discussed the 2019 assessment as it relates to the lots being sold to CAG and the delay in closing budgeted by the Association to occur in March 2019. Upon motion duly made and seconded it was unanimously*

RESOLVED, to Pro-rate the 2019 annual assessment on the 59 lots to be purchased by CAG to be 8/12 of the annual assessment.

*Director Aisner recused himself from voting due to a conflict of interest.

Adjournment

There being no further business and upon motion duly made and seconded, it was unanimously

RESOLVED, to adjourn the meeting.

Respectfully submitted,

Rick Gonzales
Secretary for the meeting