

**NOTICE OF MEETING
OF THE BOARD OF DIRECTORS OF THE
CHERRY HILLS NORTH METROPOLITAN DISTRICT**

August 11, 2014

Please take notice the meeting of the Board of Directors of the Cherry Hills North Metropolitan District will be held at Duffey's Patio Café, located at 4994 E Hampden Avenue, Denver, Colorado on Thursday, August 14, 2014 at 7:30 a.m. Business to be conducted at the meeting will include:

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1. Public Comment	
2. Approval of the Minutes of the meeting held on July 17, 2014	1
3. Approval of the Minutes of the meeting held on July 29, 2014	3
4. Approval of the Compilation Report dated July 31, 2014	7
5. Payment of Expenditures	11
6. Engineer's Report	
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9. District Homeowner Education - District Finances	15
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11. Old Business	
12. New Business	
13. Adjournment	

Next scheduled meetings:

September 11, 2014 Regular Meeting at Duffey's Cafe 7:30 a.m.
October 9, 2014 Regular Meeting at Duffey's Cafe 7:30 a.m.
November 13, 2014 Regular Meeting at Duffey's Cafe 7:30 a.m.

RECORD OF PROCEEDINGS
THE BOARD OF DIRECTORS
CHERRY HILLS NORTH METROPOLITAN DISTRICT

A meeting of the Board of Directors of Cherry Hills North Metropolitan District was held at Duffey's Bakery Patio Cafe, 4994 E. Hampden Avenue, Denver, Colorado 80110 at the hour of 7:30 a.m. on the 17th day of July 2014.

Present were: Harold Roberts, President
 Dan Conway, Vice President
 Geoff Landry, Treasurer
 Marcus McAskin, Secretary
 Keith Bierman, Director
 Darcy Beard, CPA

Director Roberts noted that a quorum of the Board was present and therefore called the meeting of the Board of Directors of the Cherry Hills North Metropolitan District to order.

APPROVAL OF MINUTES

The minutes of the meeting held Thursday, June 12, 2014 were reviewed. Upon motion duly made, second and vote the minutes were approved.

The minutes of the meeting held on Thursday, June 26, 2014 were reviewed. Upon motion duly made, second and vote the minutes were approved.

FINANCIAL REPORT & CASH DISBURSEMENTS

Ms. Beard distributed the compilation report for the six months ending June 30, 2014. After review, a motion was made by Director Bierman to accept the compilation reports. The motion was seconded by Director Roberts and upon vote, unanimously passed.

CASH DISBURSEMENTS

Ms. Beard presented the Schedule of Cash Disbursements totaling \$3,674.12. After review, Director Conway made a motion to approve the cash disbursements. The motion was seconded by Director Bierman and upon vote unanimously approved.

ENGINEERS REPORT

Chris Purrington, Purrington Civil, relayed to Ms. Beard the video of the sewer lines is complete and he will review when received from DES.

DISTRICT EDUCATION

Director Roberts noted the final special meeting will be held at the Village Center from 6:30 pm to 8 pm on Tuesday, July 29, 2014. This is the last in a series of four special meetings scheduled

to inform the homeowners of the District financial challenges in advance of the November 2014 election. The meeting will be held at the Village Center on Tuesday, July 29 from 6:30 pm to 8 pm. Director Bierman will send an email to the homeowners to remind of the meeting. In addition, the Directors will distribute handouts door to door to encourage attendance at the final special meeting.

Director McAskin reported that the residents in attendance at the second special meeting (the joint meeting with the HOA) seemed generally supportive of a mill levy increase. After reviewing the 2014 Election Calendar, the board discussed the need for a mill levy increase and a mill levy which the homeowners will find acceptable. Director McAskin will draft the ballot question and forward the draft to the other Directors as well as Rick Kron for review.

DISTRICT SERVICE PLAN

The Directors discussed the need for a District Service Plan to limit the activities of the current and future boards. Director Bierman stressed limiting the utilization of District funds and the scope of duties of the Board of Directors will increase the likelihood of a yes vote on a mill levy increase. The Directors discussed the inclusion or lack thereof, of a specific reference to the neighborhood entrance signs. Director McAskin noted that maintenance of the signs could be included as a specific power in the service plan, however, the Board could elect to not exercise the power.

ADJOURNMENT

There being no further business to come before the Board, and upon motion duly made, second and unanimously carried, the meeting was adjourned at 8:20 a.m.

MINUTES APPROVED:

Harold Roberts

Daniel Conway

Geoff Landry

Marcus McAskin

Keith Bierman

RECORD OF PROCEEDINGS
THE BOARD OF DIRECTORS
CHERRY HILLS NORTH METROPOLITAN DISTRICT

A special meeting of the Board of Directors of Cherry Hills North Metropolitan District was held at the Cherry Hills Village Center, 2450 E Quincy Avenue Cherry Hills Village, CO 80113 at the hour of 6:30 p.m. on the 29th day of July 2014.

Present were: Harold Roberts, President
 Dan Conway, Vice President
 Geoff Landry, Treasurer
 Marcus McAskin, Secretary
 Keith Bierman, Director

President Roberts noted that a quorum of the Board was present and therefore called the meeting of the Board of Directors of the Cherry Hills North Metropolitan District to order.

Seven residents of the District were in attendance.

The Board introduced themselves, and responded to a question about how many members of the Board are residents of Cherry Hills North (all, as that is a requirement to serve on the Board).

Finance Discussion

Director McAskin provided a summary of District finances.

The District serves only the 144 homes included within the Cherry Hills North neighborhood. District revenues have stayed the same over the last decade (slightly down due to decreased investment income), while annual expenditures have increased. Investment income has decreased from around 6% (annual average) to nearly 0%. Under State law, the District is restricted to investing in investment vehicles authorized by the Public Deposit Protection Act, or PDPA. As a result of this trend, the District has been running a deficit of approximately \$20K/yr for the last several years (annual revenues of roughly \$45k and annual expenditures of roughly \$65k)

Directors serve without compensation, waiving the \$100/meeting reimbursement stipend authorized under the Special District Act.

The ballot language that the neighborhood voted on in November of 2013 was overly ambitious, aiming to solve for a 20 year outlook; this year we are aiming at closer to a 5 year solution. The current proposal is aiming at a 2 mill increase, from 4.281 mills to 6.28. The average Cherry Hills North homeowner will be asked to pay additional taxes to the District of

approximately eleven dollars (\$11) per month.

Director Roberts provided a summary of annual District expenditures.

Major expenses are annual sewer jet cleaning, and “Metro Wastewater” which is the primary cost driver. All sewage collected in the District’s wastewater system ultimately is treated by the Metro Wastewater Reclamation District.

6-7 years ago we did a detailed study, resulting in approx. \$120K relining two sections out of 1200? Inevitably we need to plan on doing more repairs over time.

Elections have historically cost \$10K+, fortunately there is a new law which should reduce the cost of District Elections which are now able to be independent mail only elections.

Which sections? Very east side of the neighborhood. Two short sections of about 12,000 ft of pipe.

Yearly expenditures? Aprox \$65K/year vs aprox \$45K revenue per year.

Q & A between District residents and Board

Resident Question #1: What changed financially?

Director Conway: When Bob Campbell was functioning as the District’s Treasurer, interest income was on the order of \$40K/yr which was equal to or above our expenditures. Thus, for many years the property taxes largely went to increase our reserve. Unfortunately, post 2009, annual interest income in PDPA-protected investments has been close to 0%.

Director Roberts: For many years, the annual videos were examined by (late) Director Capra. About seven years ago, we switched to using an external consultant. This was also about the same time that problems inherent to aging collection lines started becoming more apparent. The combination of capital costs being incurred and the loss of interest income along with steadily increasing waste treatment fees has caused our deficit.

In regard to the waste treatment fees, while water saving devices have reduced the flow, treatment costs are at least constant (and often rising due to increased EPA requirements, and perhaps the difficulty of treating more concentrated waste). We have no control over the waste treatment fees. Also, the “outfall line” required major renovation, a cost which was taken care of by a escrow fund established near the founding of the neighborhood. Sadly, this renovation has exhausted the escrow fund, so any future work has to be borne by the District (22% of it, as it is shared by five neighborhoods, and the costs shared by IGA).

Resident Question #2: What is the worst case for District finances – what if the entire sewer system had to be replaced at one time? The most likely cases would result in another tax increase request, or a special assessment. Very catastrophic cases would likely be dealt with by a loan from the State.

Resident Question #3: What if this election fails?

Director Roberts: I can't speak for the entire board, but if this fails I see no choice but to levy assessments as required restoring our reserves.

Resident Question #4: What is the difference between taxes and special assessments?.

Director Bierman: Taxes are collected as part of the property tax process by Arapahoe County. These taxes are deductible from Federal tax. Tax increases generally require voter approval. Assessments are imposed by the District based on the cost to perform a specific service and are typically billed "manually" by agency third party on behalf of the District, which results in higher administrative costs to the District. Assessments are not tax deductible, resulting in higher effective costs to residents. Assessments are not voluntary; but do not require any voter approval.

Director McAskin polled the District residents present as to whether they preferred handouts or emails from the District Board. The District residents present preferred both and suggested that the District continue its informational outreach in advance of the November 2014 election.

Multiple residents' comments: Good communication is key.

Sign Discussion

Director McAskin: When CHN was built, the locations of the neighborhood entryway signs were not marked or identified on the plat map. Based upon some research conducted by the HOA and the District, there is no recorded easement or license agreement that recognizes the existence of the signs. The signs are located in City right-of-way or on private property (or, in the majority of cases, some combination of both). The HOA has asked the City to approve a license agreement that will formally recognize the existence of the signs and permit the same to encroach in City right-of-way. We believe that this request for a license agreement will be considered by the City Council in is on the City agenda for August.

Resident Comment: The neighborhood entryway signs were built and donated as a gift from the developer of the Cherry Hills North subdivision to "elevate" the area, and to distinguish the area from surrounding neighborhoods. Everybody at the time was thrilled.

Resident Question: the sign that was recently removed by a homeowner at the intersection of E. Sanford Circle and South Hudson ... was it located in the City's Right of Way? Director McAskin: No, based on a survey that was completed by the District, that specific sign was located entirely on that the homeowner's property.

Resident Comment: the homeowner had no right to take the sign down.

Director Landry clarified that the sign had been damaged by an automobile in a hit and run accident.

ADJOURNMENT

There being no further business to come before the Board, and upon motion duly made, second and unanimously carried, the special meeting was adjourned at 7:32 p.m.

MINUTES APPROVED:

Harold Roberts

Daniel Conway

Geoff Landry

Marcus McAskin

Keith Bierman

**DARCY BEARD
CERTIFIED PUBLIC ACCOUNTANT
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Accountant's Compilation Report

Board of Directors
Cherry Hills North Metropolitan District

I have compiled the accompanying Treasurer's Report of Cherry Hills North Metropolitan District and the related Statement of Net Assets and Statement of Revenues and Expenditures for the seven months ended July 31, 2014. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with the Statements for Accounting and Review Services issued by the American Institute for Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenue and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Cherry Hills North Metropolitan District.

Darcy Beard
Certified Public Accountant
August 11, 2014

**CHERRY HILLS NORTH METROPOLITAN DISTRICT
TREASURER'S REPORT**

January 1, 2014 through July 31, 2014

<u>REVENUES</u>	ACTUAL 2014	BUDGET 2014	BUDGET REMAINING
Property Taxes	\$ 40,572.05	\$ 42,297	\$ 1,724.95
Ownership Taxes	1,487.54	2,750	1,262.46
Investment Income	154.00	725	571.00
	-	-	-
TOTAL REVENUES	\$ 42,213.59	\$ 45,772	\$ 3,558.41
<u>EXPENDITURES</u>			
Administrative Expense	\$ -	\$ -	\$ -
Audit Expense	500.00	750	250.00
Accounting/Management Expense	5,850.00	7,500	1,650.00
County Fees	608.80	634	25.20
Dues	309.20	350	40.80
Election Expense	1,460.00	5,000	3,540.00
Insurance & Directors Bonds	1,713.05	2,000	286.95
Legal Fees	-	2,500	2,500.00
Engineering Expense	3,727.50	5,000	1,272.50
Miscellaneous	301.67	300	(1.67)
Utilities	1,393.59	2,943	1,549.41
Jet Flush	2,716.80	6,707	3,990.20
Repairs & Maintenance	-	5,000	5,000.00
Sewer Service Charge	14,959.50	19,946	4,986.50
Website Expenses	153.24	-	(153.24)
Capital Improvements	-	25,000	25,000.00
Outfall Line Expense	848.62	1,186	337.38
TOTAL EXPENDITURES	\$ 34,541.97	\$ 84,816	\$ 50,274.03

SEE ACCOMPANYING ACCOUNTANT'S REPORT.

CHERRY HILLS NORTH METROPOLITAN DISTRICT
STATEMENT OF NET ASSETS
JULY 31, 2014

ASSETS

First Bank Checking	\$ 4,981.01
First Bank Savings	267,469.11
ColoTrust	48,318.39
Outfall Line Reserve	975.00
Accrued Interest Receivable	-
Property Tax Receivable	1,724.95
Prepaid Insurance	-
Cash with County Treasurer	-
TOTAL ASSETS	<u>\$ 323,468.46</u>

LIABILITIES & NET ASSETS

Accounts Payable	\$ 347.75
Deferred Property Tax	<u>1,724.95</u>
Total Current Liabilities	\$ 2,072.70

NET ASSETS

Net Assets - Unrestricted	313,724.14
Change in Net Assets	<u>7,671.62</u>
Total Net Assets	<u>321,395.76</u>

TOTAL LIABILITIES & NET ASSETS	<u>\$ 323,468.46</u>
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SEE ACCOMPANYING ACCOUNTANT'S REPORT.

CHERRY HILLS NORTH METROPOLITAN DISTRICT
STATEMENT OF REVENUES & EXPENDITURES
FOR SEVEN MONTHS ENDED JULY 31, 2014

REVENUES

Property Taxes	\$ 40,572.05
Ownership Taxes	1,487.54
Investment Income	<u>154.00</u>
TOTAL REVENUES	\$ 42,213.59

EXPENDITURES

Administrative Expense	\$ -
Audit Expense	500.00
Accounting/Management Expense	5,850.00
Business Meetings	-
County Fees	608.80
Dues	309.20
Insurance & Directors Bonds	1,713.05
Legal Fees	-
Election Expense	1,460.00
Engineering	3,727.50
Miscellaneous	301.67
Utilities	1,393.59
Jet Flush	2,716.80
Repairs & Maintenance	-
Sewer Service Charge	14,959.50
Website Expenses	153.24
Capital Improvements	848.62
Outfall Committee	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 34,541.97</u>
Change in Net Assets	\$ 7,671.62
Net Assets - Beginning of Year	<u>\$ 313,724.14</u>
Net Assets - End of Month	<u>\$ 321,395.76</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT.

CHERRY HILLS NORTH METROPOLITAN DISTRICT
 CASH DISBURSEMENTS
 August 14, 2014

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
Dale's Environmental Services	Jet Flush	2369	2,600.00
Darcy Beard CPA	Acctg/Mgmt	2370	750.00
	Office Supplies		11.47
Hillcrest Water & Sanitation District	Outfall Line Maint	2371	155.42
Xcel Energy	Utilities	2372	192.33
TOTAL CASH DISBURSEMENTS			<u>\$ 3,709.22</u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT.

**CHERRY HILLS NORTH METROPOLITAN DISTRICT
ELECTION RESOLUTION.
NOVEMBER 4, 2014**

WHEREAS, the Board of Directors of the Cherry Hills North Metropolitan District (“District”) has determined and hereby declares that the interest of the District and the public interest and necessity require that the District increase its property tax levy, as an exemption to the provisions and restrictions set forth in Article X, Section 20 of the Colorado Constitution (“TABOR”) and Section 29-1-301 C.R.S./eliminate the limitations on terms of office for the District Board members imposed by Article XVIII, Section 11 of the Colorado Constitution] to carry out the objects and purposes of District; and

WHEREAS, the objects and purposes for which the indebtedness is proposed shall be to pay the District’s operations, maintenance and other expenses; and

WHEREAS, it is necessary to submit to the eligible electors of the District the question of increasing its tax levy, and the Board hereby determines that such question should be presented to District’s eligible electors at the Election, in accordance with the Code and TABOR.

NOW, THEREFORE, be it resolved by the Board of Directors of the Cherry Hills North Metropolitan District in the County of Arapahoe, State of Colorado that:

1. The special election of the eligible electors of the District shall be held on November 4, 2014, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. The ballot text for the tax levy increase shall be substantially the form shown on Exhibit A attached hereto and incorporated herein by this reference.

2. The Election shall be conducted as a mail ballot election in accordance with all relevant provisions of the Code. There shall be no election precinct or polling place. All mail ballots shall be returned to the Designated Election Official’s office.

3. The Board of Directors hereby designates Sue Blair as the Designated Election Official of the District, who is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and the Act, Code, TABOR or other applicable laws. The Election shall be conducted in accordance with the Act, Code, TABOR and other applicable laws. Among other matters, the Designated Election Official shall publish the call for nominations, appoint election judges as necessary, appoint the Canvass Board, arrange for the required notices of election, including the TABOR notice, and printing of ballots, and direct that all other appropriate actions be accomplished.

4. If other special districts with overlapping boundaries of the District are conducting ballot issue elections on Election Day, the District is required to enter into an

intergovernmental agreement with such special districts concerning the preparation and mailing of the TABOR Notice to the registered electors within the overlapping area. The Designated Election Official is authorized to enter into such agreement on behalf of the District.

5. Applications for mail-in ballots may be filed with the Designated Election Official at 7995 E. Prentice Avenue, Suite 103E, Greenwood Village, CO 80111, no later than the close of business on the 7th day prior to the election (Tuesday, October 28, 2014), if the mail-in ballot is to be mailed to the elector, or until the close of business on the Friday immediately preceding the election (Friday, October 31, 2014), if the mail-in ballot will not be mailed to the elector.

6. Pursuant to Section 1-11-203.5, C.R.S., any election contest arising out of a ballot issue or ballot question election concerning the order of the ballot or the form or content of the ballot title shall be commenced by petition filed with the proper court within five (5) days after the title of the ballot issue or ballot question is set.

7. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.

8. Any and all actions previously taken by the Designated Election Official or the Secretary of the Board of Directors or any other persons acting on their behalf pursuant to the Act, the Code or other applicable laws, are hereby ratified and confirmed.

9. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

10. The provisions of this Resolution shall take effect immediately.

ADOPTED AND APPROVED this 14th day of August, 2014.

CHERRY HILLS NORTH
METROPOLITAN DISTRICT

By _____
Chairman

ATTEST:

By _____
Secretary

EXHIBIT A TO ELECTION RESOLUTION

BALLOT ISSUE 5A:

SHALL CHERRY HILLS NORTH METROPOLITAN DISTRICT TAXES BE INCREASED \$62,100 ANNUALLY (REPRESENTING AN INCREASE OF \$19,800 OVER THE AMOUNT COLLECTED BY THE DISTRICT IN 2014), OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S OPERATIONS, MAINTENANCE, AND OTHER EXPENSES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY OF 6.281 MILLS (REPRESENTING AN INCREASE OF 2.000 MILLS OVER THE DISTRICT'S EXISTING MILL LEVY OF 4.281 MILLS) OR SUCH MILL LEVY SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, TO BE USED FOR THE PURPOSE OF PAYING THE DISTRICT'S OPERATIONS, MAINTENANCE AND OTHR EXPENSES; AND SHALL THE PROCEEDS OF SUCH TAXES AND INVESTMENT INCOME THEREON CONSTITUTE VOTER-APPROVED REVENUE CHANGE IN 2015 AND EACH YEAR THEREAFTER WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR SECTION 29-1-301, COLORADO REVISED STATUTES?

CHERRY HILLS NORTH METROPOLITAN DISTRICT

FORECAST

2013 - 2018

No Tax Increase

	2013	2014	2015	2016	2017	2018
RECEIPTS						
TAXES - OPERATION (No Tax Increase)	\$ 40,063	\$ 42,297	\$ 42,297	\$ 44,412	\$ 44,412	\$ 46,633
TAXES - OWNERSHIP	2,753	2,750	2,750	2,805	2,861	2,918
INVESTMENT INCOME	710	600	600	450	350	350
TOTAL RECEIPTS	43,526	45,647	45,647	47,667	47,623	49,901
BALANCE JANUARY 1	330,841	312,748	274,367	222,392	193,880	165,856
TOTAL RECEIPTS & BEG BALANCE	374,367	358,395	320,014	270,059	241,503	215,757
EXPENDITURES						
AUDIT EXPENSE	\$ 500	\$ 500	\$ 650	\$ 2,500	\$ 650	650
ACCOUNTING/MANAGEMENT	7,372	8,100	8,500	8,755	9,018	9,288
COUNTY FEES	602	634	634	666	666	699
DIRECTORS FEES	-	-	-	-	-	-
DUES	327	309	324	340	349	357
INSURANCE & BONDING	1,849	1,713	1,800	1,890	1,947	2,005
LEGAL	3,273	2,000	2,500	1,500	1,500	1,500
ENGINEERING FEES	4,354	6,000	6,000	6,300	6,489	6,684
MISCELLANEOUS	217	410	460	450	450	450
UTILITIES	2,351	2,400	2,568	2,645	2,724	2,806
JET FLUSH	5,435	6,316	6,582	6,911	7,257	7,619
REPAIRS & MAINTENANCE	-	5,000	5,000	5,000	5,000	5,000
SEWER SERVICE CHARGE	30,916	19,946	28,370	29,221	30,098	31,001
CAPITAL OUTLAY	-	20,000	25,000	-	-	25,000
OUTFALL COMMITTEE	246	5,700	9,233	9,500	9,500	9,500
ELECTION EXPENSE	4,177	5,000	-	500	-	500
TOTAL EXPENDITURES	\$ 61,619	\$ 84,028	\$ 97,621	\$ 76,179	\$ 75,647	\$ 102,560
ENDING BALANCE	312,748	274,367	222,392	193,880	165,856	113,197
TOTAL EXPENDITURES & ENDING BALANCE	\$ 374,367	\$ 358,395	\$ 320,014	\$ 270,059	\$ 241,503	\$ 215,757
OPERATIONS SHORTFALL PROJECTED	\$ (18,093)	\$ (38,381)	\$ (51,974)	\$ (28,512)	\$ (28,024)	\$ (52,659)

CHERRY HILLS NORTH METROPOLITAN DISTRICT
FORECAST
2013 - 2018

2 Mill Levy Increase to 6.281 mills

	2013	2014	2015	2016	2017	2018
<u>RECEIPTS</u>						
TAXES - OPERATION (2 mill increase effective 2015)	\$ 40,063	\$ 42,297	\$ 62,057	\$ 65,160	\$ 65,160	\$ 68,371
TAXES - OWNERSHIP	2,753	2,750	2,750	2,805	2,861	2,918
INVESTMENT INCOME	710	600	600	450	350	350
TOTAL RECEIPTS	43,526	45,647	65,407	68,415	68,372	71,639
BALANCE JANUARY 1	330,841	312,748	274,367	241,856	233,781	226,195
TOTAL RECEIPTS & BEG BALANCE	374,367	358,395	339,774	310,271	302,153	297,834
<u>EXPENDITURES</u>						
AUDIT EXPENSE	\$ 500	\$ 500	\$ 650	\$ 2,500	\$ 650	650
ACCOUNTING/MANAGEMENT	7,372	8,100	8,500	8,755	9,018	9,288
COUNTY FEES	602	634	931	977	977	1,026
DIRECTORS FEES	-	-	-	-	-	-
DUES	327	309	324	340	349	357
INSURANCE & BONDING	1,849	1,713	1,800	1,890	1,947	2,005
LEGAL	3,273	2,000	2,500	1,500	1,500	1,500
ENGINEERING FEES	4,354	6,000	6,000	6,300	6,489	6,684
MISCELLANEOUS	217	410	460	450	450	450
UTILITIES	2,351	2,400	2,568	2,645	2,724	2,806
JET FLUSH	5,435	6,316	6,582	6,911	7,257	7,619
REPAIRS & MAINTENANCE	-	5,000	5,000	5,000	5,000	5,000
SEWER SERVICE CHARGE	30,916	19,946	28,370	29,221	30,098	31,001
CAPITAL OUTLAY	-	20,000	25,000	-	-	25,000
OUTFALL COMMITTEE	246	5,700	9,233	9,500	9,500	9,500
ELECTION EXPENSE	4,177	5,000	-	500	-	500
TOTAL EXPENDITURES	\$ 61,619	\$ 84,028	\$ 97,918	\$ 76,490	\$ 75,958	\$ 102,886
ENDING BALANCE	312,748	274,367	241,856	233,781	226,195	194,948
TOTAL EXPENDITURES & ENDING BALANCE	\$ 374,367	\$ 358,395	\$ 339,774	\$ 310,271	\$ 302,153	\$ 297,834
OPERATIONS SHORTFALL PROJECTED	\$ (18,093)	\$ (38,381)	\$ (32,511)	\$ (8,074)	\$ (7,587)	\$ (31,247)

**CHERRY HILLS NORTH METROPOLITAN DISTRICT
2015 PROPOSED BUDGET**

	2013 ACTUAL	2014 ADOPTED BUDGET	2014 FORECAST OPERATION	2015 PROPOSED BUDGET
<u>RECEIPTS</u>				
TAXES - PROPERTY	40,063	42,297	42,297	42,297
TAXES - OWNERSHIP	2,753	2,750	2,750	2,750
INVESTMENT INCOME	710	725	600	450
TOTAL RECEIPTS	<u>\$ 43,526</u>	<u>\$ 45,772</u>	<u>\$ 45,647</u>	<u>\$ 45,497</u>
BALANCE JANUARY 1	<u>330,841</u>	<u>311,086</u>	<u>312,748</u>	<u>274,366</u>
TOTAL RECEIPTS & BEG BALANCE	<u>\$ 374,367</u>	<u>\$ 356,858</u>	<u>\$ 358,395</u>	<u>\$ 319,863</u>
<u>EXPENDITURES</u>				
AUDIT EXPENSE	\$ 500	\$ 750	\$ 500	\$ 650
ACCOUNTING	7,372	7,500	8,100	8,500
COUNTY FEES	602	634	634	634
DUES	327	350	309	324
ELECTION EXPENSE	4,177	5,000	5,000	-
INSURANCE & BONDING	1,849	2,000	1,713	1,800
LEGAL EXPENSE	3,273	2,500	2,000	2,500
ENGINEERING EXPENSE	4,354	5,000	6,000	6,000
MISCELLANEOUS	217	300	410	460
UTILITIES	2,351	2,943	2,400	2,568
JET FLUSH	5,435	6,707	6,316	6,582
REPAIRS & MAINTENANCE	-	5,000	5,000	5,000
SEWER SERVICE CHARGE	30,916	19,946	19,946	28,370
CAPITAL OUTLAY	-	25,000	20,000	25,000
OUTFALL LINE EXPENSES	246	1,186	5,700	9,233
TOTAL EXPENDITURES	<u>\$ 61,619</u>	<u>\$ 84,816</u>	<u>\$ 84,028</u>	<u>\$ 97,622</u>
ENDING BALANCE	<u>312,748</u>	<u>272,042</u>	<u>274,366</u>	<u>222,242</u>
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$ 374,367</u>	<u>\$ 356,858</u>	<u>\$ 358,395</u>	<u>\$ 319,863</u>

CHERRY HILLS NORTH METROPOLITAN DISTRICT
BUDGET DETAIL

	<u>PROJECTED</u> <u>2014</u>	<u>PRELIMINARY</u> <u>2015</u>
TAXES - OPERATION		
2013 - 9,358,290* .004281	\$ 42,297	
2014 - 9,880,130* .004281		\$ 42,297
TAXES - OWNERSHIP	\$ 2,750	\$ 2,750
<u>INVESTMENT INCOME</u>		
FIRST BANK	\$ 500	\$ 350
COLOTRUST (.12%)	50	50
ARAPAHOE COUNTY	50	50
TOTAL INVESTMENT INCOME	<u>\$ 600</u>	<u>\$ 450</u>
<u>AUDIT EXPENSE</u>		
LAST AUDIT 2011	\$ 500	\$ 650
ACCOUNTING	\$ 8,100	\$ 8,500
BUSINESS MEETINGS	\$ -	
COUNTY FEES	\$ 634	\$ 634
<u>DIRECTORS FEES</u>	\$ -	
ELECTION EXPENSE	\$ 5,000	\$ -
<u>DUES</u>		
SDA DUES	\$ 309	\$ 324
INSURANCE & BONDING	\$ 1,713	\$ 1,800
<u>LEGAL/ PROFESSIONAL FEES</u>		
ENGINEERING	\$ 6,000	\$ 6,000
LEGAL	2,000	2,500
TOTAL PROFESSIONAL FEES	<u>\$ 8,000</u>	<u>\$ 8,500</u>
<u>MISCELLANEOUS</u>		
OFFICE SUPPLIES	\$ 350	\$ 360
LEGAL PUBLICATIONS	60	100
TOTAL MISC	<u>\$ 410</u>	<u>\$ 460</u>
<u>UTILITIES</u>		
XCEL ENERGY	\$ 2,400	\$ 2,568
	-	
<u>VIDEO, JET CLEAN & ROOT SAW</u>		
VIDEO	\$ 2,600	\$ 2,730
JET CLEAN & ROOT SAW	2,716	2,852
ADDITIONAL UNSCHEDULED	1,000	1,000
TOTAL VIDEO & JET CLEAN	<u>\$ 6,316</u>	<u>\$ 6,582</u>

CHERRY HILLS NORTH METROPOLITAN DISTRICT
BUDGET DETAIL

	PROJECTED <u>2014</u>	PRELIMINARY <u>2015</u>
<u>REPAIRS & MAINTENANCE</u>		
MANHOLE INFILTRATION REPAIR	\$ -	\$ -
OTHER REPAIR & MAINT	<u>5,000</u>	<u>5,000</u>
TOTAL REPAIRS & MAINTENANCE	\$ 5,000	\$ 5,000
<u>SEWER SERVICE CHARGE</u>		
HILLCREST CHARGE	\$ 19,946	\$ 28,370
<u>CAPITAL OUTLAY</u>		
CURED IN PLACE LINING	\$ -	\$ -
CONTINGENCY	<u>25,000</u>	<u>25,000</u>
	\$ 25,000	\$ 25,000
OUTFALL LINE MAINTENANCE	\$ 1,200	\$ 1,500
OUTFALL LINE LOAN (TOTAL OF 40 PMTS)	4,500	7,733
OUTFALL LINE CIP	-	-
OUTFALL LINE EXPENSE	\$ 5,700	\$ 9,233