

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

January 9, 2017

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, January 19, 2017 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 – November 10, 2016	1
3. 2017 Budget Resolutions (2016-3 & 2016-4)	4
4. Consideration of Resolution 2017-01 of the Board of Directors of the Cherry Hills North Metropolitan District to Appropriate Sums of Money	10
5. Consideration of Resolution 2017-02 of the Board of Directors of the Cherry Hills North Metropolitan District establishing the date, time and place for the regular meetings for 2017	11
6. Financial Reports December 31, 2016	12
7. Accounts Payable- January 12, 2017	16
8. Sanitation Maintenance Warranty Deductible Endorsement	17
9. 2017 Transparency Notice (Review only)	19
10. Old Business	
11. New Business	
12. Adjournment	

Next tentatively scheduled meetings:

February 9, 2017

March 9, 2017

April 13, 2017

May 11, 2017

June 8, 2017

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 10th day of November 2016.

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

Guests: Dick Fullerton, Mansfield Heights Board of Directors
Bill Klingensmith, Mansfield Heights Board of Directors
Angie Kelly, CRS
Brian Harris, Cherry Hills North HOA

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 September 15, 2016 were reviewed. Director Conway made a motion to approve the minutes. The motion was seconded by Director Bierman upon vote, the minutes were approved.

MANSFIELD BOARD PRESENTATION

Mr. Fullerton made a presentation to the board regarding the Mansfield Heights District efforts to inspect all properties within the Mansfield Heights District for illegal sump pump connections. Mansfield Heights budgeted \$100,000 for the project. The District conducted inspections for illegal sump pump connections at a cost of \$75 per inspection and sewer service line inspections at a cost of \$125 per inspection. The District inspected 160 homes and found 8 homes with illegal sump pumps. Of the 8 illegal sump pumps discovered, 4 were active, working sump pumps. The inspections found 27 service lines with issues.

Mr. Fullerton asked the Cherry Hills North Board to participated in the coordinated project to inspect properties for illegally connected sump pumps. Mr. Fullerton stated he hopes to eliminate inflow into the Sanitary Sewer System from illegally connected sump pumps. Director Landry inquired if the Mansfield Heights District maintains the storm sewer system. The Mansfield Heights representatives stated the District does not maintain the storm sewer system.

After discussion, the Cherry Hills North Directors decided to defer action on inspection for illegal sump pump connections due to 2017 budget constraints and will consider the issue during the 2018 budget process. Mr. Harris offered to correspond with the Cherry Hills North homeowners regarding illegal sump pump connections through the Cherry Hills North Homeowner Association.

FINANCIAL REPORT

Ms. Beard distributed the compilation report for the ten months ending October 31, 2016. Director McAskin made a motion to accept the compilation reports. The motion was seconded by Director Conway, upon vote, unanimously passed.

CASH DISBURSEMENTS

Ms. Beard presented the Schedule of Cash Disbursements totaling \$4,080.61. After review, Director Conway made a motion to approve the cash disbursements. The motion was seconded by Director Bierman, upon vote unanimously approved.

2017 BUDGET HEARING

Director Roberts opened the budget hearing at 8:30 a.m. The Directors discussed the 2017 Proposed Budget. After discussion, Director Roberts closed the budget hearing at 8:40 a.m.

APPROVAL OF 2017 BUDGET

Director Conway made a motion to approve the 2017 Budget. The motion was seconded by Director Bierman and upon vote, unanimously approved.

OTHER BUSINESS

Mr. Harris reported the Sign Committee is continuing to attempt to collect the sign easement agreements. He also reported the requests from the homeowners to upgrade the entrance landscaping.

DECEMBER MEETING

The Board cancelled the December meeting. The next meeting will be held on January 12, 2016.

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 8:55 a.m.

MINUTES APPROVED:

Harold Roberts

Daniel Conway

Geoff Landry

Marcus McAskin

Keith Bierman

**RESOLUTION 2016-03
RESOLUTION TO ADOPT BUDGET**

A RESOLUTION ADOPTING A BUDGET FOR THE CHERRY HILLS NORTH METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO AND SUMMARIZING REVENUES AND EXPENDITURES FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2017 AND ENDING ON THE LAST DAY OF DECEMBER 2017.

WHEREAS, the Board of Directors of the Cherry Hills North Metropolitan District has appointed Darcy Beard to prepare and submit a proposed budget to said governing body at the proper time;

WHEREAS, upon due and proper notice, published and posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 8, 2015, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget;

WHEREAS, whatever increases may have been made in expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cherry Hills North Metropolitan District, Arapahoe County, Colorado:

Section 1. That the budget as submitted, amended and summarized by fund, hereby is approved and adopted as the budget of the Cherry Hills North Metropolitan District for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by the President and Secretary and made a part of the public records of the District.

Done and resolved this 8th day of October, 2015.

CHERRY HILLS NORTH METROPOLITAN DISTRICT

By: _____
President

ATTEST:

By: _____
Secretary

**CHERRY HILLS NORTH METROPOLITAN DISTRICT
2017 BUDGET**

	<u>2015 ACTUAL</u>	<u>2016 ADOPTED BUDGET</u>	<u>2016 FORECAST OPERATION</u>	<u>2017 BUDGET</u>
<u>RECEIPTS</u>				
TAXES - PROPERTY	\$ 81,836	\$ 89,326	\$ 89,326	\$ 89,334
TAXES - OWNERSHIP	6,174	6,000	6,775	6,800
MISCELLANEOUS INCOME	5,504	-	-	-
INVESTMENT INCOME	672	725	1,525	1,710
TOTAL RECEIPTS	<u>\$ 94,186</u>	<u>\$ 96,051</u>	<u>\$ 97,626</u>	<u>\$ 97,844</u>
BALANCE JANUARY 1	<u>296,397</u>	<u>294,033</u>	<u>313,545</u>	<u>353,867</u>
TOTAL RECEIPTS & BEG BALANCE	<u>\$ 390,583</u>	<u>\$ 390,084</u>	<u>\$ 411,171</u>	<u>\$ 451,711</u>
<u>EXPENDITURES</u>				
AUDIT EXPENSE	\$ 500	\$ 2,500	\$ 2,400	\$ 1,000
ACCOUNTING	7,852	10,500	11,500	12,000
COUNTY FEES	1,229	1,340	1,340	1,340
DUES	316	350	328	350
ELECTION EXPENSE	-	3,000	107	-
INSURANCE & BONDING	1,648	2,000	2,088	2,260
LEGAL EXPENSE	-	3,500	-	1,000
ENGINEERING EXPENSE	7,804	8,195	5,000	10,000
MISCELLANEOUS	228	650	350	400
UTILITIES	1,615	1,785	1,550	1,650
JET FLUSH	5,761	7,154	6,157	7,350
REPAIRS & MAINTENANCE	-	5,000	-	5,000
ENTRANCE MAINTENANCE	-	10,000	5,495	11,000
SEWER SERVICE CHARGE	22,060	10,878	10,878	36,453
CAPITAL OUTLAY	25,000	25,000	-	63,250
OUTFALL LINE EXPENSES	3,025	12,410	10,111	31,447
TOTAL EXPENDITURES	<u>\$ 77,038</u>	<u>\$ 104,262</u>	<u>\$ 57,304</u>	<u>\$ 184,500</u>
ENDING BALANCE	<u>313,545</u>	<u>285,322</u>	<u>353,867</u>	<u>267,211</u>
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$ 390,583</u>	<u>\$ 390,084</u>	<u>\$ 411,171</u>	<u>\$ 451,711</u>

I, **Darcy Beard** certify the attached is a true and accurate copy of the adopted 2017 budget of the Cherry Hills North Metropolitan District.

By: 
Budget Officer

CHERRY HILLS NORTH METROPOLITAN DISTRICT
2017 BUDGET MESSAGE

The 2017 budget of Cherry Hills North Metropolitan District is prepared using the accrual basis of accounting. The principle services offered by Cherry Hills North Metropolitan District include providing wastewater service to the property owners within the District and to maintain the neighborhood signs.

The total budgeted revenues for 2017 total \$97,844. Approximately 98% of the revenues are received from taxpayers in the form of property and ownership taxes. In May 2014, District held an election to increase the mill levy by 4 mills to 8.281 mills to allow the District to fully fund operations from operating revenues. The remaining revenue is from investment income generated from money market funds.

The total budgeted expenditures for 2017 total \$184,500. Approximately 49% of the total expenditures are allocated to maintenance and repair of the wastewater system; 34% of the total expenditures are allocated to capital improvements to the wastewater system; 7% of the total budgeted expenditures are allocated to lighting, maintenance and repair of the neighborhood signs; 10% of the budgeted expenditures are allocated to administrative expenses including insurance expense, professional fees, dues and county fees.

**RESOLUTION 2016-04
RESOLUTION TO SET MILL LEVIES**

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2016 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE CHERRY HILLS NORTH METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO FOR THE 2017 BUDGET YEAR.

WHEREAS, the Board of Directors of the Cherry Hills North Metropolitan District has adopted the annual budget in accordance with the Local Government Budget Law, on November 10, 2016;

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$89,334;

WHEREAS, the 2016 net valuation for assessment for the Cherry Hills North Metropolitan District as certified by the Arapahoe County Assessor is \$10,787,789;

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Cherry Hills North Metropolitan District, Arapahoe County, Colorado:

Section 1. That for the purpose of meeting all general operating expenses of the Cherry Hills North Metropolitan District during the 2017 budget year, there is hereby levied a tax of 8.281 mills for General Operating Expenses upon each dollar of the net valuation for assessment of all taxable property within the District for the year 2016.

Section 2. That Darcy Beard, Budget Officer is hereby authorized and direct to immediately certify to the County Commissioners of Arapahoe County, Colorado, the mill levies for the Cherry Hills North Metropolitan District as hereinabove determined and set, with said certification to be filed with said County Commissioners on or before December 15, 2016.

Done and resolved this 10th day of November, 2016.

CHERRY HILLS NORTH METROPOLITAN DISTRICT

By: _____
President

ATTEST:

By: _____
Secretary

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

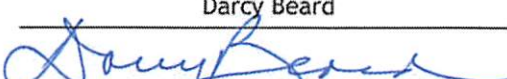
On behalf of the Cherry Hills North Metropolitan District,
 (taxing entity)^A
 the Board of Directors
 (governing body)^B
 of the Cherry Hills North Metropolitan District
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 10,787,789 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 10,787,789 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/05/2016 for budget/fiscal year 2017
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>8.281</u> mills	\$ <u>89,334</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	8.281 mills	\$ 89,334
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	8.281 mills	\$ 89,334

Contact person: (print) Darcy Beard Daytime phone: (303) 841-3474
 Signed:  Title: Budget Officer

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS¹:

1. Purpose of Issue: None
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS²:

3. Purpose of Contract: None
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION 2017-01

A RESOLUTION APPROPRIATING SUMS OF MONEY IN THE AMOUNTS AND FOR THE PURPOSES AS SET FORTH BELOW, FOR THE CHERRY HILLS NORTH METROPOLITAN DISTRICT, ARAPAHOE COUNTY, COLORADO FOR THE 2017 BUDGET YEAR.

WHEREAS, the Board of Directors of the Cherry Hills North Metropolitan District has adopted the annual budget in accordance with the Local Government Budget Law on November 10, 2016;

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on the expenditures for the operations of the District.

NOW, THERE BE IT RESOLVED by the Board of Directors of the Cherry Hills North Metropolitan District, Arapahoe County, Colorado:

Section 1. That the following sums are hereby appropriated for the purposes stated:

General Fund

Current Operating Expenses	\$ 184,500
Total General Fund	\$ 184,500
Total Budgeted Expenditures	\$ 184,500
Ending Balance December 31, 2017	\$ 267,211
Total	\$ 451,711

Done and resolved this 19th day of January 2017.

CHERRY HILLS NORTH METROPOLITAN DISTRICT

By: _____
President

ATTEST:

By: _____
Secretary

RESOLUTION 2017-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHERRY HILLS NORTH METROPOLITAN DISTRICT ESTABLISHING THE DATE, TIME AND PLACE FOR REGULAR MEETING OF THE BOARD OF DIRECTORS FOR 2017.

WHEREAS, C.R.S §24-6-402(2) (c) requires the designation of the places of posting of notice of the regular meetings of the Board of Directors of the District; and

WHEREAS, the Board wishes to identify the dates, times and location of the Board's regularly scheduled meetings.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cherry Hills North Metropolitan District as follows:

1. Regular meeting of the Board of Directors of the Cherry Hills North Metropolitan District shall be held on the second Thursday of each calendar month, commencing at 7:30 a.m. at Duffey's Bakery Patio Café, 4994 E Hampden Avenue, Denver, CO 80110.
2. Notice of each such scheduled meeting shall be posted at 5310 Nassau Circle West, Englewood, CO 80113, 5232 Nassau Circle East, Englewood, CO 80113 and 4051 South Holly Street, Cherry Hills Village, CO 80111 and on the District's website at www.chnorthmetro.us.

DONE AND RESOLVED THIS 19th day of January 2017.

CHERRY HILLS NORTH METROPOLITAN DISTRICT

By: _____
President

ATTEST:

By: _____
Secretary

**DARCY BEARD
CERTIFIED PUBLIC ACCOUNTANT
20363 E. TOP-T RANCH PLACE
PARKER, COLORADO 80134
Mobile 303-594-5488**

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 year ending December 31, 2016. 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
January 12, 2017

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

January 1, 2016 through December 31, 2016

<u>REVENUES</u>	ACTUAL <u>2016</u>	BUDGET <u>2016</u>	BUDGET <u>REMAINING</u>
Property Taxes	\$ 89,326.06	\$ 89,326	\$ (0.06)
Ownership Taxes	6,847.76	6,000	(847.76)
Investment Income	1,321.02	725	(596.02)
Miscellaneous Income	-	-	-
TOTAL REVENUES	<u>\$ 97,494.84</u>	<u>\$ 96,051</u>	<u>\$ (1,443.84)</u>
<u>EXPENDITURES</u>			
Audit Expense	\$ 2,400.00	\$ 2,500	\$ 100.00
Accounting/Management Expense	11,165.00	10,500	(665.00)
County Fees	1,340.41	1,340	(0.41)
Dues	327.90	350	22.10
Election Expense	107.32	3,000	2,892.68
Insurance & Directors Bonds	2,087.86	2,000	(87.86)
Legal Fees	-	3,500	3,500.00
Engineering Expense	3,798.08	8,195	4,396.92
Miscellaneous	234.22	650	415.78
Utilities	1,569.90	1,785	215.10
Jet Flush, Video, Root Sawing	6,156.30	7,154	997.70
Repairs & Maintenance	-	5,000	5,000.00
Entrance Maintenance	-	10,000	10,000.00
Sewer Service Charge	10,878.00	10,878	-
Capital Outlay	5,495.40	25,000	19,504.60
Outfall Line Expense	8,876.71	12,410	3,533.29
TOTAL EXPENDITURES	<u>\$ 54,437.10</u>	<u>\$ 104,262</u>	<u>\$ 49,824.90</u>

**CHERRY HILLS NORTH METROPOLITAN DISTRICT
STATEMENT OF NET ASSETS
DECEMBER 31, 2016**

ASSETS

First Bank Checking	\$ 23,248.82
First Bank Savings	120,769.33
ColoTrust	209,391.57
Outfall Line Reserve	975.00
Accrued Interest Receivable	-
Property Tax Receivable	89,334.00
Prepaid Insurance	2,009.75
Cash with County Treasurer	499.99
TOTAL ASSETS	<u>\$ 446,228.46</u>

LIABILITIES & NET ASSETS

Accounts Payable	\$ 291.19
Deferred Property Tax	89,334.00
Total Current Liabilities	<u>\$ 89,625.19</u>

NET ASSETS

Net Assets - Unrestricted	313,545.53
Change in Net Assets	43,057.74
Total Net Assets	<u>356,603.27</u>

TOTAL LIABILITIES & NET ASSETS	<u>\$ 446,228.46</u>
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**CHERRY HILLS NORTH METROPOLITAN DISTRICT
STATEMENT OF REVENUES & EXPENDITURES
FOR THE YEAR ENDING DECEMBER 31, 2016**

REVENUES

Property Taxes	\$ 89,326.06
Ownership Taxes	6,847.76
Investment Income	1,321.02
Miscellaneous Income	-
TOTAL REVENUES	<u>\$ 97,494.84</u>

EXPENDITURES

Audit Expense	\$ 2,400.00
Accounting/ManagementExpense	11,165.00
Business Meetings	-
County Fees	1,340.41
Dues	327.90
Insurance & Directors Bonds	2,087.86
Legal Fees	-
Election Expense	107.32
Engineering	3,798.08
Miscellaneous	234.22
Utilities	1,569.90
Jet Flush	6,156.30
Repairs & Maintenance	-
Sewer Service Charge	10,878.00
Capital Improvements	14,372.11
Outfall Committee	-
TOTAL EXPENDITURES	<u>\$ 54,437.10</u>
Change in Net Assets	\$ 43,057.74
Net Assets - Beginning of Year	<u>\$ 313,545.53</u>
Net Assets - End of Month	<u><u>\$ 356,603.27</u></u>

SEE ACCOMPANYING ACCOUNTANT'S REPORT.

**CHERRY HILLS NORTH METROPOLITAN DISTRICT
CASH DISBURSEMENTS
JANUARY 19, 2017**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
Darcy Beard CPA	Acctg/Mgmt	2454	\$ 1,980.00
	Office Supplies		30.91
Hillcrest Water & Sanitation District	Sewer Treatment	2455	9,113.25
Xcel Energy	Utilities	2456	291.19
Special District Association	2017 Dues	2457	366.80
Keith Bierman	Website Expenses	2458	131.22
TOTAL CASH DISBURSEMENTS			<u>\$ 11,913.37</u>

LIABILITY ENDORSEMENT

This endorsement modifies coverage provided under the following:

PUBLIC ENTITY LIABILITY COVERAGE FORM

SANITATION MAINTENANCE WARRANTY DEDUCTIBLE ENDORSEMENT

PLEASE READ CAREFULLY

This endorsement has been adopted effective January 01, 2017 to January 01, 2018.

The Named Member District, by its execution hereof, agrees that it has reviewed and accepts Terms and Conditions 1 & 2, and failure to do so will invoke the stated deductible of this Sanitation Maintenance Warranty Deductible Endorsement.

As an authorized representative of the Named Member District's Board, I have reviewed and accept the Terms and Conditions of the Sanitation Maintenance Warranty Deductible Endorsement, in addition to any other applicable deductible.

Named Member District: Cherry Hills North Metropolitan District

Projected Total Operating Expenses (TOE) for Sanitation Operation: \$67,000.00

Basis of Deductible

Coverage	Deductible Amount Varies by District's Projected TOE for Sanitation Operations		
	Total Operating Expense (000)	Per Claim Deductible	Annual Aggregate Deductible
Sanitation Maintenance Warranty Deductible	\$0 - \$500	\$3,500	\$10,500
	\$500 - \$1,000	\$7,500	\$22,500
	\$1,001 - Higher	\$15,000	\$45,000
Public Entity Liability			

TERMS AND CONDITIONS:

The following are the minimum components necessary for an appropriate sanitation collection system maintenance program which the Named Member must have in place and be at least 90% compliant at the time of loss or the indicated deductible shall apply.

1. Operation Parameters and System Information

- a. Sewer mains, manholes, and other appurtenances to the public sanitary sewer system are mapped at least bi-annually, (frequency to be set by the district board) based upon factors unique to the district, with cost being weighed against the objectives of the district, and considering efficiency; safety, protection of infrastructure; prevention of breach and damage to

- district facilities; the health, safety, and property of others;
- b. Maps are updated regularly as errors are identified and when mains are added or replaced by the system;
- c. Maps reflect "as-built" conditions; at minimum maps indicate: 1) pipe material; 2) pipe diameter; and 3) direction of flow; pipe locations, including depth if possible;
- d. A written line inventory maintained and updated regularly to include at a minimum: 1) pipe age; 2) pipe condition and 3) maintenance history;
- e. There is a written Plan detailing the routine inspection and maintenance schedule for all sewer lines;
 - i. The Plan establishes goals for routine inspection and maintenance intervals, and indicates the nature of tasks to be conducted;
 - ii. In addition to the Plan for routine inspection, there is written Action Plan describing an accelerated cleaning schedule of lines with problems (grease, tree roots or other known or suspected unusual conditions);
- f. Emergency Response Plan for sanitation back-ups and other conditions that may cause either flooding or damage to private property;
 - i. Documentation that defines and establishes the criteria for responding to an emergency;
 - ii. Designation of one or more personnel as "On-Call" after business hours;
 - iii. Clear procedures for contacting on-call personnel in case of emergency.

2. Routine Sanitation Line Maintenance

- a. Work completed in accordance with the Plan and carefully documented as to: 1) date; 2) nature of work conducted; 3) equipment used; 4) personnel performing the work and 5) recommended level and frequency of follow-up inspection, maintenance and repair;
- b. At least 10% of all sewer mains are systematically inspected through closed circuit TV annually;
- c. Regular routine TV inspection of sewer mains will be conducted at intervals dictated by: 1) results of initial inspection; 2) history of maintenance; 3) repairs and 4) pipe age and condition;
- d. Accelerated Cleaning Plan is carefully documented as to: 1) date; 2) nature of work conducted; 3) equipment used; 4) personnel performing the work and 5) level and frequency of follow-up inspection, maintenance and repair;
- e. If an outside contractor is used for: 1) inspection; 2) maintenance or 3) repair work, the District and contractor responsibilities are clearly defined and documented;
- f. District will audit the contractor annually to ensure that personnel, equipment, scheduling, and emergency response needs are adequately met;

By: _____
 Duly Authorized Representative

10/06/2016

Print Name and Title:

District Board must sign and return a copy to McGriff, Seibels, Williams, Inc., P.O. Box 1539, Portland, OR 97207-1539.

SPECIAL DISTRICT TRANSPARENCY NOTICE - 2017

Pursuant to section 32-1-809, Colorado Revised Statutes

This information must be provided¹ to the eligible electors of the district between November 12, 2016 and January 15, 2017.

Name of special district	CHERRY HILLS NORTH METROPOLITAN DISTRICT	
Address and telephone number of district's principal business office	P.O. Box 3110 Parker CO 80134	
Name and telephone number of manager or other primary contact person for district	Darcy Beard 303-841-3474	
Time and place designated for regular board meetings	Second Thursday of Every Month at 7:30 a.m. at Duffey's Bakery Café, 4994 E Hampden Ave, Denver, Colorado 80110	
Posting place designated for meeting notice (as per §24-6-402(2)(c), C.R.S.)	5310 Nassau Circle West, Englewood, CO 80113 5232 Nassau Circle East, Englewood, CO 80113 4051 S. Holly St, Cherry Hills Village, CO 80111	
District mill levy	8.281 mills, for levy in year 2017	
Total ad valorem tax revenue received by district during 2016 (Note if unaudited or otherwise incomplete.)	\$89,326	
Names of board members (Check applicable boxes for any board member whose seat will be on the ballot at the May 2016 election.)	(1) Harold Roberts <input type="checkbox"/> This officer will be on the May 2018 ballot. <input type="checkbox"/> Two-year term <input checked="" type="checkbox"/> Four-year term	(2) Dan Conway <input type="checkbox"/> This officer will be on the May 2018 ballot. <input type="checkbox"/> Two-year term <input checked="" type="checkbox"/> Four-year term
	(3) Geoff Landry <input checked="" type="checkbox"/> This officer will be on the May 2018 ballot. <input type="checkbox"/> Two-year term <input checked="" type="checkbox"/> Four-year term	(4) Marcus McAskin <input checked="" type="checkbox"/> This officer will be on the May 2018 ballot. <input type="checkbox"/> Two-year term <input checked="" type="checkbox"/> Four-year term
	(5) Keith Bierman <input checked="" type="checkbox"/> This officer will be on the May 2018 ballot. <input type="checkbox"/> Two-year term <input checked="" type="checkbox"/> Four-year term	
Date of next regular election	May 2018	
Self-nomination forms to be a candidate for district board member may be obtained from	Name: Darcy Beard Contact information: P.O. Box 3110 Parker CO 80134 303-841-3474 darcybeardcpa@comcast.net	
Self-nomination forms to be a candidate for district board member should be returned to	Name: Darcy Beard Contact information: P.O. Box 3110 Parker CO 80134 303-841-3474 darcybeardcpa@comcast.net	
Completed self-nomination forms must be received by the district by	Date yet to be determined – February 2018	

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District election results will be posted on these websites:	Secretary of State www.sos.state.co.us	District or other website:
Applications to request permanent mail-in voter status (Enter county or counties in which the district is wholly or partially located.)	May be obtained from: Arapahoe County Clerk and Recorder or online from Secretary of State: www.elections.colorado.gov	and may be returned to: Arapahoe County Clerk and Recorder
Notice completed by:	Name: Darcy Beard Title: CPA E-mail: darcybeardcpa@comcast.net	Notice Dated: January 12, 2017 Some information herein may be subject to change.

File copy of this Notice with:

- Clerk and Recorder of each county in which district is wholly or partially located;
- Division of Local Government; and
- District's principal business office (make available for public inspection).

¹ Notice must be provided in one or more of the following manners:

- a) Mail notice separately to each household where one or more eligible electors of the special district resides (Note: Districts with overlapping boundaries may combine mailed notices, so long as the information regarding each district is separately displayed and identified);
- b) Include notice as a prominent part of a newsletter, annual report, billing insert, billing statement, letter, voter information card or other notice of election, or other informational mailing sent by the district to the eligible electors;
- c) Post notice on district's official website (Note: You must also provide the Division of Local Government (www.dola.state.co.us/dlg) with the address of your district's website to establish a link on the DLG's site (use DLG's Local Government Contact Information form);
- d) Post notice on website of the Special District Association of Colorado (www.sdaco.org) (Note: Your district must be an SDA member. Send notice to SDA by mail or electronic transmission); or
- e) Post notice in at least three public places within the limits of the special district and post notice in the office of the Clerk and Recorder of the county or counties in which the district is located. Notices must remain posted in these locations until May 4, 2010. (Note: This method for providing notice is only available for districts with less than 1,000 eligible electors that are wholly located within a county with a population of less than 30,000.)