

**CATHEDRAL PINES METROPOLITAN DISTRICT
NOTICE OF SPECIAL MEETING
BOARD OF DIRECTORS**

October 27, 2021 2:30 PM (MDT)
Cathedral Pines Community Center
13975 Milam Rd.
Colorado Springs, CO 80908
Or

Please join meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/167017405>

You can also dial in using your phone.

United States: +1 (571) 317-3129

Access Code: 167-017-405

Public Welcome

***We encourage our attendees to participate in person; however, if you choose to join virtually please have your camera on so we are able to get to know everyone a little better.**

Board of Directors

Bill Heeter, President	Term Expires May 2022
Lynn Shepherd, Vice President	Term Expires May 2023
Kevin Combs, Treasurer	Term Expires May 2023
Ecton Espenlaub, Secretary	Term Expires May 2022
Rick Stauch, At Large	Term Expires May 2022

AGENDA

1. Call to Order

- a. Meeting operating under previously adopted Emergency Resolution 2020-3-1

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures

3. Approval of Agenda

4. Approval of Board Meeting Minutes – Regular meeting on September 30, 2021 (see attached)

5. Financial Update – Kevin W./Kevin C.

- a. Review of Unaudited Financial Statements as of September 30, 2021 (see attached) – Kevin W/ Kevin C.
- b. Approval of Payables for the Period Ending September 30, 2021 (see attached) – Kevin W.
- c. Update on Status of FEMA/COVID claim amounts – Kevin W.
- d. Future possibilities for recovery grants/loans, etc. – Kevin W.
- e. 2022 Budget Introduction and review – Kevin W.
- f. Moody’s rating – Kevin W.

6. Adjacent development proposal updates – Bill

- a. Flying Horse North
- b. Estates at Cathedral Pines

- c. Development of Holmes and Black Forest Roads
- d. Discussion on Civic Engagement Committee

7. Lodge Management Update – Lina/Brandon

- a. YTD Update/Projections
- b. Flooring Replacement project update - Bill

8. Management Matters

- a. Set meeting dates for 2022, including quarterly evening meeting

9. Landscaping Issues

- a. Cleaning of Millhaven/Vessey roundabout completed
- b. Management of roundabouts will be added to Landscaping contracts in 2022
- c. Status of Vessey Ponds
 - Verification of Ownership in question
 - Cost of Cattail Cleanup still unresolved
 - Possible Army Corps of Engineers and Migratory Bird Act considerations

10. Long Term Landscaping Plan Update – Bill H., Jeremy Powell/Kimley-Horn

11. Legal Matters

- a. Adoption of Resolution 2021-10-22: Accepting Insurance through Colorado Special Districts Property and Liability Pool

12. New Business

13. Public Comment (Items Not on the Agenda Only. Comments limited to 3 minutes per person and taken in Order in Which They Appear on Sign-Up Sheet)

14. Other Business

15. Adjournment – Next Regular Board Meeting scheduled for November 16, 2021 at 10:00 A.M.
Proposed Budget Hearing



**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD SEPTEMBER 30, 2021
AT 10:00 A.M.**

Pursuant to posted notice, the special meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Thursday, September 30th at 10:00 a.m., at 13975 Milam Road, Colorado Springs, CO, and via telephone and video conference call.

In attendance were Directors:

Bill Heeter
Lynn Shepherd (arrived late)
Ecton Espenlaub
Kevin Combs
Rick Stauch (by phone)

Also in attendance were:

Kevin Walker, Walker Schooler District Managers
Rebecca Hardekopf, Walker Schooler District Managers (by phone)
Jamie Adams, Warren Management
Lina Hoekman, Lodge Manager (by phone)
Brandon Nichols
Nancy Piesecki
Members of the Public

1. Call to Order: President Heeter called the meeting to order at 10:03 a.m.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: President Heeter confirmed a quorum was present.

3. Approval of the Agenda: Director Espenlaub moved to approve the Agenda as presented; seconded by President Heeter. Motion passed unanimously.

4. Approval of Board Meeting Minutes – Meeting on August 17, 2021: President Heeter clarified the discussion on the irrigation system is that it just keeps breaking down and has been shut off for the year due to leaks. President Heeter is communicating with Kimley Horn on a plan for repairs or replacement of the system. Director Espenlaub moved to approve the August 17, 2021 Meeting Minutes as amended; seconded by Director Combs. Motion passed unanimously.

5. Budget Update

- a. Review of Unaudited Financial Statements as of August 31, 2021: Mr. Walker presented the unaudited financial statements as of August 31, 2021. The Board unanimously approved the Financial Statements as of August 31, 2021.
- b. Approval of Payables for the Period Ending August 31, 2021: Mr. Walker presented the payables for the period ending August 31, 2021. The Board unanimously approved the Payables as of August 31, 2021.
- c. Projection for EOY: Mr. Walker discussed the End of Year status and noted the District currently has roughly \$370,000 for operations and maintenance and will have a projected \$250,000 after expenses by the end of the year.
- d. Update on Status of FEMA/COVID claim amounts: Mr. Walker spoke with Congressman Lamborn and his staff and reminded them that the District is still waiting on payment from FEMA.
- e. Future possibilities for recovery grants/loans, etc.: Mr. Walker explained the grants are on hold due to lack of funding and no grants have been distributed for any of the districts he manages.
- f. Budget approval process for 2021/2022: Mr. Walker will distribute a draft 2022 Budget to the Board early next week. Director Combs discussed increasing the reserve funds and not reducing the mill levies.

6. Flying Horse North Development – Nancy Piesecki: The Board engaged in discussion regarding concerns with the proposed Flying Horse North development. Mr. Walker reached out to Classic Homes and requested a meeting to discuss the proposed development with the District and the HOA and they replied they would be happy to meet and discuss once they have a plan. President Heeter reported that the HOA would like to jointly with the District send a letter to the County Commissioners communicating concerns with the development including the possible extension of Milam. Mr. Getsinger reported that the HOA proposed forming a civic engagement committee to monitor the City, County and developers on development that might affect the property values. It will be voted on at the HOA's October meeting. Director Shepherd joined the meeting. President Heeter moved to approve the drafting of a joint letter with the HOA to send to the County Commissioners communicating concerns with the Flying Horse North development; seconded by Director Shepherd. Motion passed unanimously. Director Shepherd moved to have legal investigate what the scope of the District is in responding to the extension of Milam; seconded by Director Combs. Motion passed unanimously.

7. 'Estates at Cathedral Pines' Development: The Board engaged in discussion regarding the Estates at Cathedral Pines development and a concern with the name and the association with the District. The planned development is for seven 5-acre lots with 8,000 SQFT homes. Mr. Caulfield was unable to attend the meeting due to exposure to illness but will try to attend the next meeting to discuss and answer questions.

8. Lodge Management Update

- a. YTD Update/Projections: Mr. Nichols updated the Board on the monthly Lodge operations. 26 tours, 2 resident events have been booked, 11 executed events, and one postponement that was rescheduled for next year. Facebook engagement remains the same as last month, and there was an increase in followers and engagement on Instagram. Client feedback has been positive regarding the survey.
- b. Proposed Capital Spending for 2022: Director Shepherd discussed proposed capital spending for 2022. The replacement of tables and chairs range in price from \$6,500 - \$9,500 due to supply issues but if ordered in the next 60 days they could arrive by May 2022. The floor replacement ranges in price from \$25,000 to \$30,000. Business supplies including a printer to be used for business events, dry erase boards, etc. A professional cleaning crew for deep cleans

of the Lodge as events increase. Other considerations are exterior patio speaker system, a portable audio system, repairing the ADT/Johnson Controls monitoring system, and extending the gravel parking area to the mailboxes. The Board agreed the ADT/Johnson Controls monitoring system repairs should be a priority. The Board will discuss the ADT/Johnson Controls monitoring system repairs further at the next meeting. Director Espenlaub moved to approve the capital spending priority items including chairs, tables, and floor replacement not to exceed \$40,000; seconded by President Heeter. Motion passed unanimously.

- c. New Business Development Plan: Director Shepherd discussed advertising strategy for the Lodge and recommended considering paid Google and social media ads to increase search engine optimization along with the free advertising that is already being utilized. Other paid advertisements include print ads in local magazines. Paid social media and Google ad pricing is estimated at \$400 per month. Another advertising strategy is through relationship growth and community events that include hosting luncheons for vendors and meeting planners and sponsoring non-profit events to build connections and increase marketing. Ms. Hoekman presented new event offerings including holiday packages, business luncheons, and celebrations of life.
- d. Plan to update Competitive Comparison: Ms. Hoekman presented an updated snapshot of the Lodge's closest competitors.
- e. Rental changes for 2022: Ms. Hoekman discussed proposed rental increases for 2022 after a review of competitor's prices. The proposed rental rates are \$4,500 for weekend events, \$3,000 for weekday events, and \$5,000 for holidays. Proposed off-season rates are \$3,250 for weekend events and \$2,250 for weekdays. There are no proposed increases to business event rates but a recommendation to move days to strictly Monday thru Thursday. Ms. Hoekman noted the proposed rates are still lower than competitor prices. Ms. Hoekman and Director Shepherd presented proposed changes to resident events. The proposed changes are one resident booking per month at resident rate, event booked 60 days out on released booking dates, \$1,000 for Thursday – Sunday and \$500 for Monday – Wednesday. The Board engaged in detailed discussion regarding proposed changes to resident event rates and bookings. After discussion and public comments, the Board agreed to distribute a community survey to gain feedback from the community on the proposed changes and continue the discussion without taking action on resident rate changes. Mr. Walker will properly advertise for potential rate increases for non-resident events for the next Board meeting. Director Shepherd and the Board discussed refining the security deposit refund process by having the refund check available at the event. The Board will continue to discuss this item and took no action.
- f. Management Transition: Ms. Hoekman informed the Board that Mr. Nichols will be taking over the front of house operations including sales, tours, scheduling, and Lodge maintenance. Ms. Hoekman will continue to oversee Mr. Nichols and staffing, supply ordering, maintaining the online presence including social media and the website, escalated customer issues, advertising, and business development.

9. Management Matters:

- a. Set date for Metro Annual Meeting: The Board discussed holding a Metro District annual meeting on February 24, 2022.
- b. Process for Spring Elections/Call for candidates: Mr. Walker explained the Election process and noted Self-Nomination forms will be accepted from January 1, 2022 to February 25, 2022. Election Day is May 3, 2022. Detailed Election information will be provided on the District website.
- c. Set meeting dates for 2022, including quarterly evening meetings: The Board agreed to holding quarterly evening meetings.

- d. HOA Election Update: The Vice President of the HOA presented the newly elected officers of the HOA. HOA scheduled meetings will be held at 6:00 p.m. on October 20th and November 10th, 2021 at the Lodge.
- e. Need to review Metro governing documents: The Board discussed the need to review the District's governing documents. Mr. Walker distributed the 2021 Board Member Manual to the directors that covers State Statutes.
- f. Streets/Gutters "Czar": The Board briefly discussed the need for a street and gutters person to help monitor.
- g. Bulletin Boards status: The keys for the bulletin board have been ordered.

10. Long Term Landscaping Plan Update: President Heeter discussed the long-term landscaping plan for the community. Kimley Horn will meet with the Board next month to get feedback as well as the Annual meeting in February. A Cut Above will go through again and pull dead shrubs and trim shrubs throughout the community as an interim step before the long-term plan is determined.

11. Legal Matters: There was no discussion.

12. New Business: President Heeter updated the Board on the ponds on Vessey. The County has given the District permission to address them. The three proposals to clean up the cattails overgrowth on the ponds range from \$20,000 to \$50,000 to \$100,000. President Heeter will provide more detail on the proposals at the next meeting for the Board to review.

Director Shepherd discussed a possible trunk or treat event for the community at the Lodge parking lot for the last week of October. After discussion, the Board decided to plan a trunk or treat for next year and instead plan a community event for December.

13. Public Comment: Mr. Eisenhart asked if the Milam extension has already been approved and was an impact study done when the neighborhood was developed. Mr. Walker answered there was no impact study done and the property was platted as a right of way tract to be given to the County.

Mr. Kelley asked the Board to consider moving the chipping programs to March and October to reduce the risk of pine beetle and other hazards to the pine trees. Director Stauch explained the chipping program is an HOA issue. President Heeter explained the trimming of the ponderosa trees on the Milam median was a one-time event for fire mitigation. Mr. Kelley asked if the Estates at Cathedral Pines development will access off Winslow Road. President Heeter said the development will access off Winslow Road but not through Cathedral Pines. President Heeter confirmed they will be informing the community about the Estates at Cathedral Pines. Mr. Kelley asked if the District would plan or commit to competing the management contracts for Walker Schooler District Managers, Warren Management, and Hoekman Events for 2022. The Board commented they will take that under advisement. President Heeter informed Mr. Kelley that his 3-minutes of allotted time for public comment was expired. President Heeter explained that Mr. Kelley is aware he could have submitted a list of Agenda items prior to the meeting to receive 10 minutes of discussion time.

14. Other Business:

- a. Next Regular Board Meeting scheduled for Tuesday, October 19, 2021 at 10:00 AM. Director Stauch noted he will be unable to attend the October 19th meeting and requested the Board reschedule to a week before or after if possible.

15. Adjournment: Director Shepherd moved to adjourn the meeting at 1:31 p.m.; seconded by Director Combs. Motion passed unanimously.

Respectfully Submitted,

By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 30, 2021 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT.

Cathedral Pines Metropolitan District

Balance Sheet

As of September 30, 2021

	Sep 30, 21
ASSETS	
Current Assets	
Checking/Savings	
ECB Debt Service Fund	293,026.82
ECB General Fund	307,778.27
MM - CSafe Bond Fund UMB	0.53
Total Checking/Savings	600,805.62
Accounts Receivable	
Accounts Receivable	-3,883.34
Total Accounts Receivable	-3,883.34
Other Current Assets	
Prop Tax Rec - Debt Svc	4,891.11
Prop Tax Rec - Gnl Fund	4,891.11
12000 · Undeposited Funds	750.00
Total Other Current Assets	10,532.22
Total Current Assets	607,454.50
Fixed Assets	
Community Center	
Accum Depreciation	-576,197.00
Original Cost	1,328,384.00
Total Community Center	752,187.00
Equipment	
Accum Depreciation	-2,950.00
Equipment - Other	13,922.00
Total Equipment	10,972.00
Parks, Trails & Monument	
Accum Depreciation	-588,641.00
Original Cost	897,354.77
Parks, Trails & Monument - Other	83,680.37
Total Parks, Trails & Monument	392,394.14
Total Fixed Assets	1,155,553.14
TOTAL ASSETS	1,763,007.64
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	22,874.20
Total Accounts Payable	22,874.20
Other Current Liabilities	
Deferred Prop Tax - DSvc	4,891.11
Deferred Prop Tax - Gnl	4,891.11
Deposits- Lodge Events	26,387.00
Total Other Current Liabilities	36,169.22
Total Current Liabilities	59,043.42

Cathedral Pines Metropolitan District
Balance Sheet
As of September 30, 2021

	Sep 30, 21
Long Term Liabilities	
Bonds Payable 2016	
Bond Premium 2016	
A/A Bond Premium 2016	-84,522.36
Bond Premium 2016 - Other	414,881.70
	330,359.34
Total Bond Premium 2016	330,359.34
Bonds Payable 2016 - Other	4,475,000.00
	4,805,359.34
Total Bonds Payable 2016	4,805,359.34
Total Long Term Liabilities	4,805,359.34
Total Liabilities	4,864,402.76
Equity	
Debt Svc / Cap Proj Funds	155,805.00
General Fund-Restricted	8,054.00
General Fund-Unrestricted	33,873.00
Gov't Wide Fund Balance	-3,741,036.79
32000 · Retained Earnings	115,205.99
Net Income	326,703.68
	-3,101,395.12
Total Equity	-3,101,395.12
TOTAL LIABILITIES & EQUITY	1,763,007.64

Cathedral Pines Metropolitan District Profit & Loss Budget vs. Actual January through September 2021

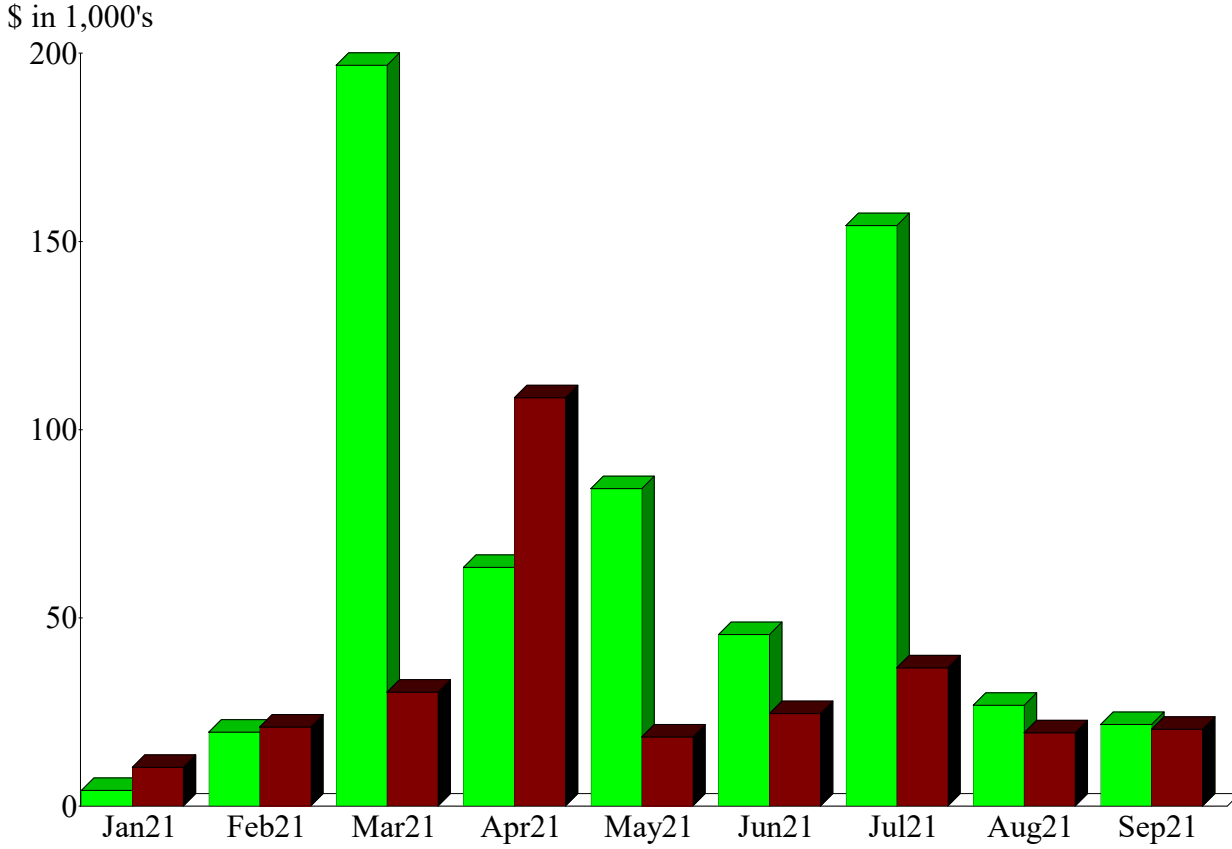
	TOTAL				
	Sep 21	Jan - Sep 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
1-100 · GF INCOME					
1-105 · GF Prop Tax Revenue	3,911.92	253,369.88	258,217.22	-4,847.34	98.12%
1-110 · Specific Ownership Taxes	5,888.38	40,556.04	36,150.41	4,405.63	112.19%
1-115 · Delinquent Tax and Interest	143.32	345.55			
1-117 · Prior Year Tax & Int Abatement	0.00	-2,191.78			
1-120 · Rental Income - Lodge Events	6,862.50	65,559.50	75,000.00	-9,440.50	87.41%
1-127 · Rental Income - Shed	833.33	7,499.97			
1-140 · FEMA Funds	0.00	0.00	20,000.00	-20,000.00	0.0%
1-145 · Sales of Product Income	0.00	0.00	1,600.00	-1,600.00	0.0%
Total 1-100 · GF INCOME	<u>17,639.45</u>	<u>365,139.16</u>	<u>390,967.63</u>	<u>-25,828.47</u>	<u>93.39%</u>
2-100 · DS INCOME					
2-115 · Delinquent Tax & Interest	143.31	345.55			
2-105 · DS Prop Tax Revenue	3,911.92	253,369.89	258,217.22	-4,847.33	98.12%
2-130 · DS Interest Income	7.22	114.26			
2-132 · Prior Year Tax & Int Abatement	0.00	-2,191.78			
Total 2-100 · DS INCOME	<u>4,062.45</u>	<u>251,637.92</u>	<u>258,217.22</u>	<u>-6,579.30</u>	<u>97.45%</u>
Total Income	<u>21,701.90</u>	<u>616,777.08</u>	<u>649,184.85</u>	<u>-32,407.77</u>	<u>95.01%</u>
Gross Profit	21,701.90	616,777.08	649,184.85	-32,407.77	95.01%
Expense					
TRANSFERS OUT					
Capital Replacement Reserve	0.00	0.00	25,000.00	-25,000.00	0.0%
Total TRANSFERS OUT	<u>0.00</u>	<u>0.00</u>	<u>25,000.00</u>	<u>-25,000.00</u>	<u>0.0%</u>
1-1000 · SERVICES					
1-1005 · Audit	0.00	8,400.00	8,497.50	-97.50	98.85%
1-1010 · Management Expense	3,675.00	33,181.50	33,075.00	106.50	100.32%
1-1015 · Maintenance Management	0.00	19,373.30	18,750.01	623.29	103.32%
1-1020 · Legal Fees	0.00	3,142.89	8,249.99	-5,107.10	38.1%
Total 1-1000 · SERVICES	<u>3,675.00</u>	<u>64,097.69</u>	<u>68,572.50</u>	<u>-4,474.81</u>	<u>93.47%</u>
1-2000 · LODGE					
1-2001 · Lodge Management	0.00	0.00	7,000.00	-7,000.00	0.0%
1-2020 · Event Supplies	631.40	1,886.90	3,000.00	-1,113.10	62.9%
1-2025 · Cleaning	0.00	0.00	500.00	-500.00	0.0%
1-2030 · Repairs and Maintenance	0.00	6,884.83	10,000.00	-3,115.17	68.85%
1-2035 · Utilities	2,516.37	8,447.93	5,999.99	2,447.94	140.8%
1-2040 · Security	200.07	1,575.28	2,250.00	-674.72	70.01%
1-2043 · Capital Improvements - O&M	1,970.01	10,578.60	20,000.00	-9,421.40	52.89%
1-2044 · Landscape Maintenance	1,291.97	9,173.09	11,250.00	-2,076.91	81.54%
1-2045 · Snow Removal	0.00	4,130.00	5,000.01	-870.01	82.6%
1-2050 · Trash	25.97	916.80	4,500.00	-3,583.20	20.37%
1-2055 · Telephone	0.00	2,162.70	2,475.00	-312.30	87.38%
1-4030 · Lodge Contingency	0.00	0.00	10,000.00	-10,000.00	0.0%
Total 1-2000 · LODGE	<u>6,635.79</u>	<u>45,756.13</u>	<u>81,975.00</u>	<u>-36,218.87</u>	<u>55.82%</u>

Cathedral Pines Metropolitan District
Profit & Loss Budget vs. Actual
January through September 2021

	TOTAL				
	Sep 21	Jan - Sep 21	Budget	\$ Over Budget	% of Budget
1-3000 · GF EXPENSES					
1-3005 · Landscape Maintenance	1,675.00	20,364.24	26,249.99	-5,885.75	77.58%
1-3010 · Repair & Maintenance - O&M	0.00	10,631.07	25,000.00	-14,368.93	42.52%
1-3015 · Snow Removal - O&M	0.00	2,875.00	12,500.01	-9,625.01	23.0%
1-3020 · Utilities - O&M	1,380.25	13,225.19	14,999.99	-1,774.80	88.17%
1-3025 · Infrastructure Replacement	0.00	0.00	10,000.00	-10,000.00	0.0%
Total 1-3000 · GF EXPENSES	3,055.25	47,095.50	88,749.99	-41,654.49	53.07%
1-4000 · OTHER					
1-4005 · Bank Charges	0.00	0.00	500.00	-500.00	0.0%
1-4010 · Insurance/ Fees	-5.00	9,889.73	12,000.00	-2,110.27	82.41%
1-4015 · Office Expenses	0.00	450.00	500.00	-50.00	90.0%
1-4020 · Collection Fee GF(Treasurer)	60.83	3,805.75	3,873.26	-67.51	98.26%
Total 1-4000 · OTHER	55.83	14,145.48	16,873.26	-2,727.78	83.83%
1-5000 · COVID RELATED EXPENSES					
1-5010 · Lodge COVID Restructuring	7,000.00	24,500.00	31,500.00	-7,000.00	77.78%
1-5020 · Cleaning Services	0.00	0.00	1,000.00	-1,000.00	0.0%
1-5050 · Other	0.00	0.00	1,000.00	-1,000.00	0.0%
Total 1-5000 · COVID RELATED EXPENSES	7,000.00	24,500.00	33,500.00	-9,000.00	73.13%
2-1000 · DS EXPENSES					
2-1005 · Trustee Fees	0.00	400.00			
2-1010 · Collection Fee DS (Treasurer)	60.84	3,805.73			
2-1015 · Bond Principal Pmts	0.00	0.00	65,000.00	-65,000.00	0.0%
2-1030 · Interest Expense DS	0.00	90,290.45	109,028.13	-18,737.68	82.81%
Total 2-1000 · DS EXPENSES	60.84	94,496.18	174,028.13	-79,531.95	54.3%
66910 · Bank Service Charges	0.00	-17.58			
Total Expense	20,482.71	290,073.40	488,698.88	-198,625.48	59.36%
Net Ordinary Income	1,219.19	326,703.68	160,485.97	166,217.71	203.57%
Net Income	1,219.19	326,703.68	160,485.97	166,217.71	203.57%

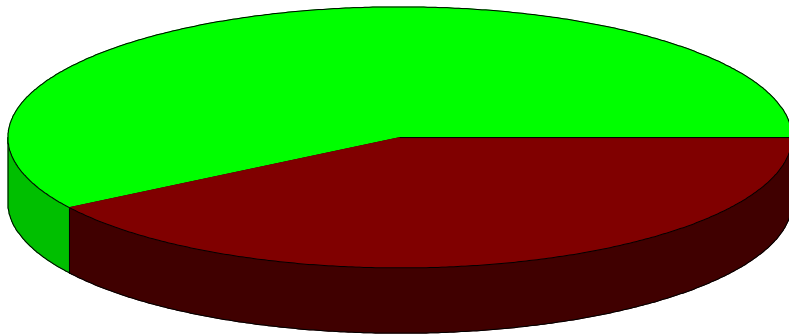
Income and Expense by Month
January through September 2021

Income
Expense



Income Summary
January through September 2021

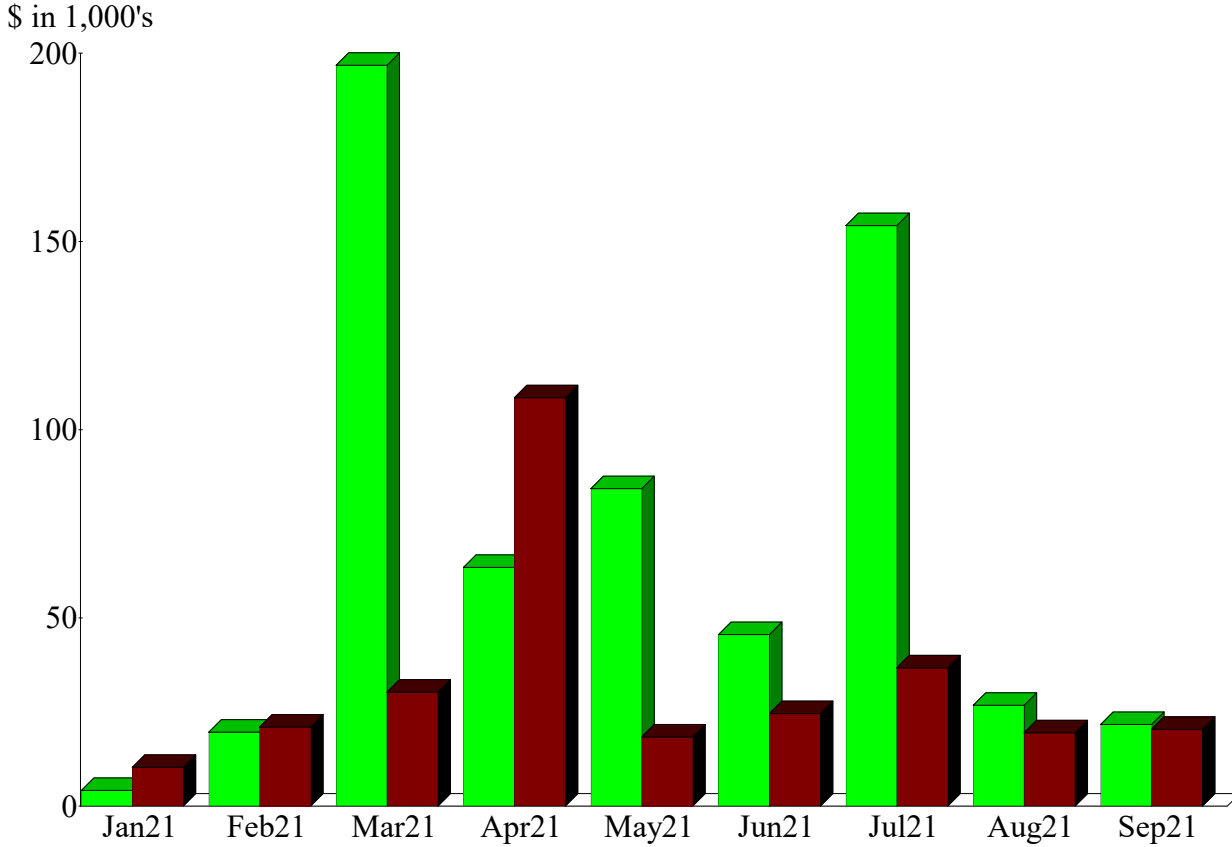
1-100 · GF INCOME	59.20%
2-100 · DS INCOME	40.80
Total	\$616,777.08



By Account

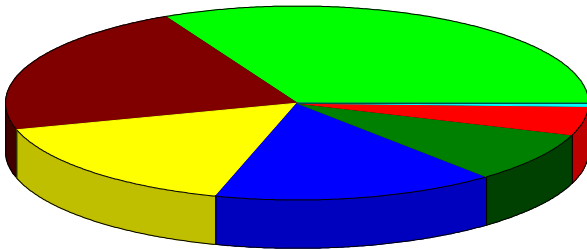
Income and Expense by Month
January through September 2021

Income
Expense



Expense Summary
January through September 2021

2-1000 · DS EXPENSES	32.57%
1-1000 · SERVICES	22.10
1-3000 · GF EXPENSES	16.23
1-2000 · LODGE	15.77
1-5000 · COVID RELATED EXPENSES	8.45
1-4000 · OTHER	4.88
66910 · Bank Service Charges	\$-17.58
Sub-Total	\$290,073.40



By Account

Cathedral Pines Metropolitan District
PAYMENT REQUEST
10/12/2021
GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
Behnken	101221	10/12/2021	500.00	Deposit Refund
Tran	101221	10/12/2021	500.00	Deposit Refund
Anderson	101221	10/12/2021	500.00	Deposit Refund
O'Neal	101221	10/12/2021	500.00	Deposit Refund
Lina Hoekman Events, LLC	101221	10/12/2021	500.00	Deposit Refund
Redford	10221	2/16/2177	500.00	Deposit Refund
Wiederecht	101221	10/12/2021	500.00	Deposit Refund
Biccard/Hansen	101221	10/12/2021	500.00	Deposit Refund
Albrecht	101221	10/12/2021	500.00	Deposit Refund
Quinn	101221	10/12/2021	500.00	Deposit Refund
Graves	101221	10/12/2021	500.00	Deposit Refund
Boccard	101721	10/7/2021	500.00	Deposit Refund
Brandon Nichols	92021	9/20/2021	230.44	Paid Ck 461
A Cut Above Lawn Service	24802	9/30/2021	128.90	
A Cut Above Lawn Service	24771	9/30/2021	4,441.30	
A Cut Above Lawn Service	25045	9/30/2021	2,475.08	
A Cut Above Lawn Service	23089	2/8/2021	200.00	
A Cut Above Lawn Service	23044	1/29/2021	2,020.00	
A Cut Above Lawn Service	23137	2/13/2021	305.00	
A Cut Above Lawn Service	23146	2/19/2021	2,300.00	
A Cut Above Lawn Service	23275	3/9/2021	600.00	
A Cut Above Lawn Service	23427	4/20/2021	200.00	
A Cut Above Lawn Service	23526	5/7/2021	48.39	
A Cut Above Lawn Service	23553	5/10/2021	65.00	
A Cut Above Lawn Service	23628	5/20/2021	250.00	
A Cut Above Lawn Service	23655	5/21/2021	255.48	
A Cut Above Lawn Service	23689	5/28/2021	120.76	
A Cut Above Lawn Service	23690	5/28/2021	618.28	
A Cut Above Lawn Service	24125	6/30/2021	3,598.33	
Affordable Flags	112959	10/7/2021	81.77	
Black Hills Energy	5715886192	10/4/2021	29.74	
Lina Hoekman Events, LLC	October	10/5/2021	3,673.87	
Mountain View Electric	136515	9/22/2021	417.00	Utilities - O&M
Mountain View Electric	135430	9/22/2021	35.42	Utilities - O&M
Mountain View Electric	133152	9/22/2021	34.35	Utilities - O&M
Mountain View Electric	134333	9/22/2021	34.00	Utilities - O&M
Mountain View Electric	135331	9/22/2021	35.00	Utilities - O&M
Mountain View Electric	132214	9/22/2021	35.30	Utilities - O&M
Mountain View Electric	133146	9/22/2021	37.08	Utilities - O&M
Mountain View Electric	133210	9/22/2021	36.84	Utilities - O&M
Mountain View Electric	136159	9/22/2021	53.05	Utilities - O&M
Mountain View Electric	134231	9/22/2021	4.00	Utilities - O&M
Mountain View Electric	133118	9/22/2021	41.69	Utilities - O&M
Mountain View Electric	189478	9/22/2021	2,457.85	Utilities - Lodge
Mountain View Electric	189479	9/22/2021	614.52	Utilities - O&M
Solitude Lake Management	PI-A00648991	8/31/2021	642.91	
Solitude Lake Management	PI-A00684340	10/31/2021	642.91	
Stratus IQ	7699	9/21/2021	240.30	
Tall Timbers Tree Shrub Service	5729	9/30/2021	1,675.00	
The Warren Management Group, Inc.	16575	9/30/2021	2,777.19	
Walker Schooler District Managers	6897	9/30/2021	3,675.00	
White Bear Ankele Tanaka & Waldron	18212	9/30/2021	1,319.69	
TOTAL			\$ 42,451.44	

TOTAL \$ 42,451.44

Director

CATHEDRAL PINES METROPOLITAN DISTRICT
Amended 2021 and 2022 BUDGET
GENERAL FUND

	2020 ACTUAL	2021 ACTUAL	2021 PROJECTED	2021 BUDGET	2022 BUDGET
GENERAL FUND: BEGINNING BALANCE	\$ 36,060.47	\$ 113,957.25	\$ 113,957.25	\$ 90,722.14	\$ 287,999.51
REVENUE					
PROPERTY TAXES	\$ 200,607.84	\$ 253,369.88	\$ 253,369.88	\$ 258,217.22	\$ 294,716.60
SPECIFIC OWNERSHIP TAXES	\$ 52,331.79	\$ 40,556.04	\$ 56,778.46	\$ 36,150.41	\$ 41,260.32
DELINQUENT TAX AND INTEREST	\$ 85.00	\$ 488.86	\$ 244.43	\$ -	\$ -
PRIOR YEAR INTEREST & ABATEMENT	\$ -	\$ (2,191.78)	\$ (1,095.89)	\$ -	\$ -
RENTAL INCOME - THE LODGE EVENTS	\$ 49,491.50	\$ 60,322.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
RENTAL INCOME - SHED	\$ -	\$ 6,666.64	\$ 9,999.96	\$ -	\$ 9,996.00
FEMA FUNDS	\$ 78,459.81	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00
GRANT	\$ 36,831.76	\$ -	\$ -	\$ -	\$ -
SALES OF MONUMENT LOGOS	\$ -	\$ -	\$ 1,600.00	\$ 1,600.00	\$ -
INSURANCE SETTLEMENT	\$ 74.00	\$ -	\$ -	\$ -	\$ -
HOA EXPENSE REIMBURSEMENT	\$ -	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 417,881.70	\$ 359,211.64	\$ 395,896.84	\$ 390,967.63	\$ 440,972.92
TOTAL REVENUE & FUND BALANCE	\$ 453,942.17	\$ 473,168.89	\$ 509,854.09	\$ 481,689.77	\$ 728,972.43
EXPENDITURES					
SERVICES					
AUDIT (Biggs Kofford)	\$ 8,100.00	\$ 8,400.00	\$ 8,400.00	\$ 8,497.50	\$ 9,000.00
MANAGEMENT (WSDM)	\$ 42,000.00	\$ 29,506.50	\$ 44,100.00	\$ 44,100.00	\$ 46,305.00
MAINTENANCE MANAGEMENT (WARREN)	\$ 24,000.00	\$ 18,730.39	\$ 25,000.00	\$ 25,000.00	\$ 26,250.00
LEGAL (White Bear)	\$ 12,332.98	\$ 3,142.89	\$ 11,000.00	\$ 11,000.00	\$ 15,000.00
Category SubTotal	\$ 86,432.98	\$ 59,779.78	\$ 88,500.00	\$ 88,597.50	\$ 96,555.00
LODGE					
LODGE MANAGEMENT	\$ -	\$ -	\$ 7,000.00	\$ 7,000.00	\$ 22,500.00
ADVERTISING/WEBSITE	\$ -	\$ -	\$ -	\$ -	\$ -
BOOKING FEE	\$ 1,150.00	\$ -	\$ -	\$ -	\$ -
EVENT HOSTING	\$ 7,851.57	\$ -	\$ -	\$ -	\$ -
SUPPLIES	\$ 581.39	\$ 1,014.88	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
CLEANING	\$ 200.00	\$ -	\$ 500.00	\$ 500.00	\$ 500.00
REPAIRS AND MAINTENANCE	\$ 9,362.25	\$ 15,493.42	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
UTILITIES	\$ 6,256.57	\$ 5,981.05	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
SECURITY	\$ 1,976.90	\$ 1,375.21	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
CAPITAL IMPROVEMENTS	\$ 14,086.00	\$ -	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
SNOW REMOVAL	\$ 8,362.50	\$ 4,130.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
LANDSCAPE REPAIRS & MAINTENANCE	\$ 15,614.16	\$ 9,044.19	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
TRASH	\$ 6,272.93	\$ 890.83	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
TELEPHONE & NETWORK	\$ 2,769.98	\$ 2,162.70	\$ 3,300.00	\$ 3,300.00	\$ 3,300.00
CONTINGENCY	\$ -	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00
Category SubTotal	\$ 74,484.25	\$ 40,092.28	\$ 85,800.00	\$ 95,800.00	\$ 111,300.00
GENERAL					
LANDSCAPE MAINTENANCE	\$ 33,777.28	\$ 18,689.24	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00
REPAIRS AND MAINTENANCE	\$ 59,668.69	\$ 10,631.07	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
SNOW REMOVAL	\$ 20,031.76	\$ 2,875.00	\$ 15,000.00	\$ 25,000.00	\$ 25,000.00
UTILITIES	\$ 16,865.60	\$ 11,844.94	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
INFRASTRUCTURE REPLACEMENT	\$ -	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00
CONTINGENCY	\$ 1,200.00	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00
ELECTION	\$ 208.08	\$ -	\$ -	\$ -	\$ 10,000.00
Category SubTotal	\$ 131,751.41	\$ 44,040.25	\$ 95,000.00	\$ 125,000.00	\$ 135,000.00
OTHER					
BANK CHARGES	\$ 447.58	\$ -	\$ 500.00	\$ 500.00	\$ 500.00
INSURANCE	\$ 9,912.47	\$ 9,889.73	\$ 9,889.73	\$ 12,000.00	\$ 12,000.00
OFFICE EXPENSE	\$ 473.61	\$ 450.00	\$ 750.00	\$ 500.00	\$ 500.00
COUNTY TREASURER'S FEES	\$ 3,009.86	\$ 3,805.75	\$ 3,800.55	\$ 3,873.26	\$ 4,420.75
Category SubTotal	\$ 13,843.52	\$ 14,145.48	\$ 14,940.28	\$ 16,873.26	\$ 17,420.75
COVID RELATED EXPENSES					
LODGE RESTRUCTURING	\$ 31,641.00	\$ 27,111.59	\$ 35,000.00	\$ 35,000.00	\$ -
CLEANING SERVICES	\$ 485.00	\$ -	\$ -	\$ 1,000.00	\$ -
OTHER	\$ 1,346.76	\$ -	\$ -	\$ 1,000.00	\$ -
Category SubTotal	\$ 33,472.76	\$ 27,111.59	\$ 35,000.00	\$ 37,000.00	\$ -
TOTAL EXPENDITURES	\$ 339,984.92	\$ 185,169.38	\$ 319,240.28	\$ 363,270.76	\$ 360,275.75
TRANSFERS OUT					
CAPITAL REPLACEMENT RESERVE	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	\$ -
TOTAL TRANSFERS OUT	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	\$ -
GENERAL FUND: ENDING BALANCE	\$ 113,957.25	\$ 287,999.51	\$ 165,613.81	\$ 93,419.01	\$ 368,696.69
ASSESSED VALUATION (000'S)	13,373,750.000	13,592,700.000	13,592,700.000	13,590,380	15,511,400.00
MILL LEVY	15.000	19.000	19.000	19.000	19.000

CATHEDRAL PINES METROPOLITAN DISTRICT
Amended 2021 and 2022 BUDGET
DEBT SERVICE FUND

	2020 ACTUAL	2021 ACTUAL	2021 AMENDED	2021 BUDGET	2022 BUDGET
REVENUE FUND 1: BEGINNING BALANCE	\$ 222,892.85	\$ 216,767.74	\$ 216,767.74	\$ 159,516.56	\$ 290,021.28
REVENUES					
PROPERTY TAXES	\$ 280,847.14	\$ 253,369.89	\$ 258,261.30	\$ 258,217.22	\$ 294,716.60
PRIOR YEAR TAXES & INTEREST ABATEMENT	\$ 123.10		\$ 244.43		
DELINQUENT TAX AND INTEREST		\$ (2,191.78)	\$ (2,191.78)		
INTEREST INCOME	\$ 1,882.22	\$ 309.28			
TOTAL REVENUES	\$ 282,852.46	\$ 251,487.39	\$ 256,313.95	\$ 258,217.22	\$ 294,716.60
TRANSFERS IN					
CAPITAL					
DEBT					
TOTAL TRANSFERS OUT	\$ -			\$ -	\$ -
TOTAL REVENUE & FUND BALANCE	\$ 505,745.31	\$ 468,255.13	\$ 473,081.69	\$ 417,733.78	\$ 584,737.88
EXPENDITURES					
BANK CHARGES					
COUNTY TREASURER'S FEES	\$ 4,215.07	\$ 3,805.73	\$ 3,873.92		\$ 4,500.00
BOND - PRINCIPAL	\$ 65,000.00	\$ 65,000.00	\$ 65,000.00	\$ 65,000.00	\$ 75,000.00
BOND INTEREST	\$ 219,762.50	\$ 109,028.12	\$ 218,056.26	\$ 218,056.26	\$ 216,350.00
PAYING AGENT / TRUSTEE FEES	\$ -	\$ 400.00	\$ 400.00	\$ 800.00	\$ 800.00
CONTINGENCY	\$ -			\$ 1,000.00	\$ 1,000.00
TOTAL EXPENDITURES	\$ 288,977.57	\$ 178,233.85	\$ 287,330.18	\$ 284,856.26	\$ 297,650.00
REVENUE FUND: ENDING BALANCE	\$ 216,767.74	\$ 290,021.28	\$ 185,751.51	\$ 132,877.52	\$ 287,087.88
ASSESSED VALUATION	13,373,750.000	13,592,700.000	13,592,700.000	13,590,380.000	15,511,400.000
MILL LEVY	21.000	19.000	19.000	19.000	19.000
TOTAL MILL LEVY	36.000			38.000	

Lodge Report

Through 10.27.2021

Tours, Booking, & Events [CLICK HERE FOR BOOKING DETAILS & PAY TRACKER](#)

Tours	9
Bookings (Resident)	1
Executed events	5
Cancellations/Postponements	1reschedule (covid)

Last year totals : **BOOKED 58 EXECUTED 23**

Current year totals: **BOOKED 30 ACTIVE 4 more remaining for 2021**

Marketing

Social media following & engagement

1. **Facebook** followers are up from 609 to 614 566 total page likes
2. **Instagram** followers keep climbing with Social media posts

Top referral source

- Event professionals, Former clients, social media

Clients

Feedback Survey

Attached (when applicable)

Questions included in the client survey

- How would you rate your experience at the LCP 1-5
 - How would you rate your experience with the team at LCP 1-5
 - How would you rate the condition of the building and grounds 1-5
-

- How would you rate the value of the Lodge at Cathedral Pines 1 -5
- Comments

Issues

- None to report
- Scheduling Geek Squad to come out and Sync tvs
- Sound System Outdoors
- New Chairs?
- Update with Flooring?
- Cleaning Crew? Deep Clean and every night after event

Lodge Maintenance, and improvements

Issue/Improvement	Reported (Y/N)	Resolved
Fire Alarm	Y	N
Floors Buff	Y	N
Ready room refresh	Y	Y
Outside wood sealing	Y	
Chairs	Y	In progress
Seals & Stripes	Y	Done
Fireplace Maintenance	Y	Y
Street Lighting	Y	Y
Banquet Table	Y	Ordered
Printer and Supplies/ Reimbursements	Y	Y

- Cost for 125 chairs = 2500 -3500 to include tax & shipping *in communications to get final price and timeframe

- *UPDATE *** We found a phenomenal deal from a company going out of business response times are slow but if it works out we will be well under budget.*
- With the wall addition completed, we'll move to the office this week or early next week. I'm sure we will end up with more
- 2 new tables have been ordered with warranty
- Restroom Signs for our LGBT Clients - Family restroom for Women rooms
- TV Synchronization/ mic - Calling Magnoli/ Best Buy to resolve issues
-

Next Months Focus

- Selling Selling Selling
- Holiday parties/ Business luncheon package

-Community Events

-Food Drive-November?

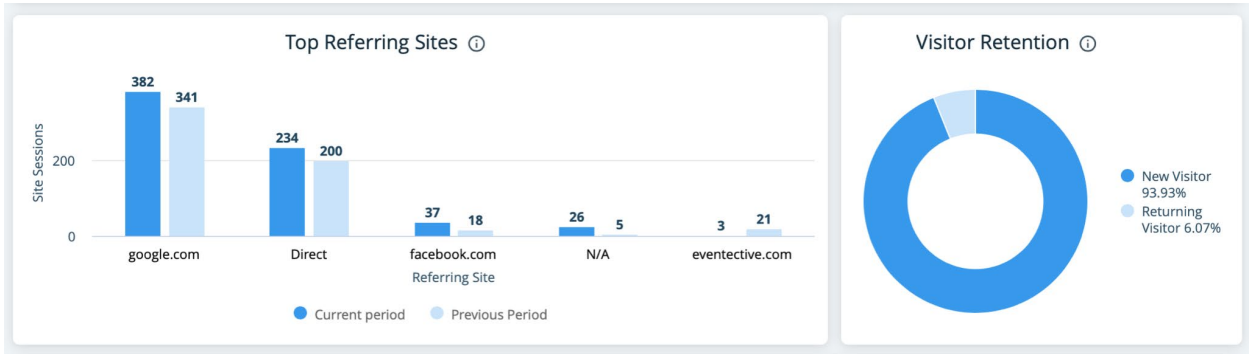
-Hot Cocoa Bar/ Christmas party - Toy drive Possibly teaming up with Holly Quinn? Event Date will be December 9,2021

- Branding
 - Instagram - Sponsored Posts
 - Google Ads

Web metrics



Referring sites



Administration

McGriff, Seibels & Williams

P.O. Box 1539

Portland OR 97207

Phone: (800) 318-8870

Fax: (503) 943-6622

INSTRUCTIONS AND CHECKLIST
FOR THE PROPER EXECUTION OF
THE RESOLUTION AND INTERGOVERNMENTAL AGREEMENT (IGA)

- ___ Please use the provided copies of the Resolution and IGA without alteration. When changes are warranted by the district please submit them prior to signing for review and acceptance by the Pool Board of Directors.
- ___ The board Chairman/President of the district must sign both the Resolution and IGA.
- ___ The board's Secretary or other board member must attest to the President's signature on both the Resolution and IGA. If attestation is not by the Secretary please indicate individual's title in the district.
- ___ Enter the current date on both the Resolution and IGA signature pages.
- ___ Enter the coverages and the effective dates on the second page of the Resolution. Subsequent renewal coverages or additions will be automatically recognized in the agreement.
- ___ Each district must designate on the Resolution specific individuals (not necessarily board members) to be the Primary and Alternative Pool Representatives. These may not be a company, and one person may not be both the Primary and Alternative Representative.
- ___ Please enter a current email and mailing address for the Primary and Alternative Representatives. You may specify the individual's mailing address as being in care of a company.
- ___ Groups of related districts must each provide separate signed documents if each is a separate legal entity. Each legal entity will have their own separate policy in the Pool.
- ___ Please indicate adoption of the Resolution by two Directors on Page 2 of the Resolution.
- ___ A copy of the Resolution and one original IGA document must be returned to McGriff, Seibels & Williams, the Pool Administrators. If the district wishes to retain an original copy please have duplicate originals signed at the same time.

PLEASE NOTE IT IS IMPORTANT THAT CURRENT REPRESENTATIVE
AND/OR ALTERNATE INFORMATION BE MAINTAINED WITH THE
POOL ADMINISTRATOR. WE REQUEST ANY CHANGES BE SUBMITTED
IN WRITING AS SOON AS POSSIBLE.

RESOLUTION NO. _____

WHEREAS, the Board of Directors of _____ (hereafter referred to as "the District") has authority under Article XIV, Section 18(2)(a) of the Colorado Constitution, and Sections 24-10-115.5, 29-13-102, and 29-1-201, et seq., Colorado Revised Statutes, as amended, to participate in a self-insurance pool for property and liability and/or workers' compensation coverages:

WHEREAS, the Board of Directors has reviewed a contract to cooperate with other Colorado Special Districts by participating in a self-insurance pool for property and liability coverages entitled "Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool", a copy of which is attached hereto as Exhibit A and incorporated into this Resolution: and,

WHEREAS, the Board of Directors finds that participation in such a pool would be in the best interest of the District, its employees, and its taxpayers:

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District hereby:

1. Approves the contract entitled Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool, a copy of which is attached hereto as Exhibit A and incorporated into this Resolution by this reference.
2. Authorizes and directs the Chairman of the Board of Directors and President of the District to execute Exhibit A on behalf of the District.
3. Directs the Secretary of the Board of Directors to transmit to the Colorado Special Districts Property and Liability Pool (hereafter referred to as "Pool"), McGriff, Seibels & Williams, PO Box 1539, Portland, OR 97207-1539, an executed and attested copy of this Resolution and one original of Exhibit A.
4. Designates _____ as District's initial Representative to the Pool and designates _____ as the District's Alternative Representative.
5. Representative Email Address: _____
Representative Mailing Address: _____

Alternate Representative Email Address: _____
Alternate Representative Mailing Address: _____

6. Understands that, with the adoption of this Resolution, the District becomes a member of the Pool, with coverage to be provided by or through the Pool on such date as determined by the District and Pool. The District hereby requests, unless other dates are later designated by the District, that coverage should begin on the following dates for the following type of coverage:

<u>Date</u>	<u>Coverage</u>
_____	Workers' Compensation
_____	Property
_____	General Liability
_____	Automobile
_____	Public Officials Liability
_____	Inland Marine
_____	Equipment Breakdown / Boiler & Machinery
_____	Comprehensive Crime

Director _____ moved the adoption of the above Resolution.

Director _____ seconded the adoption of the above Resolution.

This Resolution was adopted by a majority vote of the Board of Directors of the District on the _____ day of _____, 20 _____

Chairman of the Board and
President of the District

ATTEST:

Secretary of the Board

**INTERGOVERNMENTAL AGREEMENT FOR THE
COLORADO SPECIAL DISTRICTS
PROPERTY AND LIABILITY POOL**

As Amended
SEPTEMBER 16, 2020

TABLE OF CONTENTS

ARTICLE	1	Definitions	1
ARTICLE	2	Creation of Pool	1
ARTICLE	3	Purposes	2
ARTICLE	4	Non-Waiver of Governmental or Other Immunity	2
ARTICLE	5	Participation	2
ARTICLE	6	Board of Directors and Officers	3
ARTICLE	7	Meetings of the Board of Directors	4
ARTICLE	8	Powers and Duties of the Board of Directors	4
ARTICLE	9	Members' Powers and Meetings	6
ARTICLE	10	Obligations of Members	7
ARTICLE	11	Contributions	8
ARTICLE	12	Liability of Directors, Officers and Employees	10
ARTICLE	13	Withdrawal of Members	11
ARTICLE	14	Expulsion of Members	11
ARTICLE	15	Effect of Withdrawal or Expulsion	12
ARTICLE	16	Miscellaneous	13

**INTERGOVERNMENTAL AGREEMENT FOR THE
COLORADO SPECIAL DISTRICTS PROPERTY AND LIABILITY POOL**

ARTICLE 1. Definitions

As used in this Pool Agreement, the following terms shall have the meaning hereinafter set out:

- 1.1 **BOARD**: Board of Directors of the Pool.
- 1.2 **CLAIM YEAR**: Any twelve consecutive month period established by the Board. The "initial" claim year is the first claim year established for the Pool.
- 1.3 **DIRECTOR**: A person serving on the Board.
- 1.4 **MEMBER**: A Special District which enters into this Pool Agreement. An "initial" member of the Pool is a member which obtains coverage through the Pool during the initial claim year.
- 1.5 **MEMBER REPRESENTATIVE**: That person who is an elected official, employee, or other person designated in writing by a Member as its representative or alternate to the Pool.
- 1.6 **POOL**: The Colorado Special Districts Property and Liability Pool established pursuant to the Constitution and the statutes of this state by this Pool Agreement.
- 1.7 **POOL AGREEMENT**: This Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool.
- 1.8 **PUBLIC ENTITY**: A public entity pursuant to Section 24-10-103(5), C.R.S., as amended, and that is formed by this Pool Agreement by Member Special Districts as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and Sections 29-1-201 *et. seq.*, 8-44-101(1)(C) and (3), 8-44-204, 24-10-115.5, and 29-13-102, C.R.S., as amended.
- 1.9 **SPECIAL DISTRICT**: A political subdivision of the State of Colorado that is a unit of local government pursuant to Article 13, Title 29, C.R.S., as amended, that is a public entity pursuant to Section 24-10-103(5), C.R.S., as amended, and that is eligible for membership in the Special District Association of Colorado according to the Association's bylaws as amended and in effect from time to time. "Special District" also includes any separate entity created by intergovernmental agreement authorized by Part 2, Article 1, Title 29, C.R.S., as amended, if at least one of the contracting entities is a special district and if all of the contracting entities are units of a local government pursuant to Article 13, Title 29, C.R.S., as amended, and are public entities pursuant to Section 24-10-103(5), C.R.S., as

amended.

1.10 SDA BOARD: The Board of Directors of the Special District Association of Colorado.

ARTICLE 2. Creation of Pool

- 2.1 The Colorado Special Districts Property and Liability Pool is hereby formed by this Pool Agreement by Member Special Districts as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and Sections 29-1-201 *et. seq.*, 8-44-101(1)(C) and (3), 8-44-204, 24-10-115.5, and 29-13-102, C.R.S., as amended.
- 2.2 Each Special District entering into this Pool Agreement has the power under Colorado law to make provision for the property and liability coverages, workers' compensation benefits, and risk management, claims handling, and other functions and services which constitute the specific functions and services jointly provided by means of the Pool.

ARTICLE 3. Purposes

- 3.1 The purposes of the Pool are to provide defined property, liability, workers' compensation and associated coverages, and claims and risk management services related thereto, for Member Special Districts through a self-insurance pool.
- 3.2 It is the intent of the Members to use Member contributions to defend and indemnify, in accordance with this Pool Agreement, any Member against stated liability or loss to the extent of the coverage provided by or through the Pool.
- 3.3 All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its Members.

ARTICLE 4. Non-Waiver of Governmental or Other Immunity

- 4.1 All Pool money, plus earned interest, is money derived from its Members which consist solely of Special Districts and a Public Entity within the State of Colorado. It is the intent of the Members and the Public Entity that, by entering into this Pool Agreement, they do not waive and are not waiving any immunity provided by any law to the Public Entity, Members or their public employees, as defined in Section 24-10-103(4), C.R.S., as amended.

ARTICLE 5. Participation

- 5.1 The Board shall have the authority to limit the Members of the Pool to those Colorado Special Districts which are members of the Special District Association of Colorado and which properly enter into and adopt this Pool Agreement.

- 5.2 New Members, including special districts which have previously withdrawn or been expelled from the Pool, shall be admitted only upon approval by the Board, subject to the payment of such sums and under such conditions as the Board in each case or from time-to-time establishes.
- 5.3 A Member may participate in the Pool for either or both of the following purposes:
1. The property and liability coverages authorized by Sections 24-10-115.5 and 29-13-102, C.R.S., as amended, and risk management, claims handling and other functions and services related to such coverages;
 2. The workers' compensation coverages authorized by Sections 8-44-101(1)(C) and (3) and 8-44-204, C.R.S., as amended, and risk management, claims handling, and other functions and services related to such coverages.
- 5.4 A Member who is participating in the Pool for one of the purposes set forth in Paragraph 5.3 may be authorized to participate in the Pool for the other of those purposes upon further compliance, as necessary, with Paragraph 5.1 and approval of the Board, subject to the payment of such sums and under such conditions as the Board in each case or from time-to-time establishes.
- 5.5 Upon a vote of the Directors, the Board shall have the authority to approve a Public Entity to participate in the Pool for one of the purposes set forth in Paragraph 5.3. If a Public Entity is allowed to participate in the Pool, the Board must adopt rules, pursuant to Subparagraph 14 of Paragraph 8.2, to ensure that participation by the Public Entity will not interfere or conflict with the Board's obligations to its Members or impair the financial condition of the Pool. The Board shall also have the authority, upon a vote of the Directors, to remove the Public Entity from participation in the Pool. A Public Entity approved by the Board to participate in the Pool is not a Member, does not have powers of a Member under Article 9, and may not request binding arbitration under Paragraph 16.11.

ARTICLE 6. Board of Directors and Officers

- 6.1 The Pool Board of Directors shall be composed of nine persons to be appointed by the SDA Board. Directors shall be appointed from among the Member Representatives, each from a different Member. At least one (1) Pool Director shall be appointed by the SDA Board from among the SDA directors. Pool Directors who are not SDA directors shall be appointed by the SDA Board from nominations received from Members. In no event may more than three Pool Directors be appointed from any one of the following types of special districts: Ambulance, Fire, Metropolitan, Park and Recreation, Sanitation, Water, Water and Sanitation, Hospital, or Library Districts. Nominations from the Members shall be submitted to the SDA Board at such time as the SDA Board may provide, and any nomination must be approved by the Board of Directors of the Member submitting the

nomination.

- 6.2 The Executive Director of the SDA shall serve as an ex-officio, non-voting Director on the Board. Additionally, an employee of the SDA, as designated by the Executive Director of the SDA, shall serve as a non-voting Director on the Board in the role of Pool Liaison, to act as an intermediary between the Pool Board and its vendors for the purpose of coordinating services.
- 6.3 Terms of the Directors shall be two-year, overlapping terms or until their successors have been appointed, except as provided herein. The term of office shall begin on a January 1, and end at midnight on a December 31, except that the Directors appointed to the first Board following the formation of the Pool shall begin their term prior to a January 1 if the SDA Board so directs. Directors may serve successive terms. The SDA Board shall appoint to the first Board following formation of the Pool, three Directors to serve one-year terms and four Directors to serve two year terms, with the successors of each appointed for two-year terms. Of the two additional persons to be appointed to the Board upon expansion of the Board from seven to nine persons, one shall be appointed to serve a one-year term and one shall be appointed to serve a two-year term, with the successors of each appointed for two-year terms; the terms of office of the two additional persons initially appointed may begin prior to a January 1 if the SDA Board so directs.
- 6.4 The officers of the Pool shall be: president, one or more vice presidents, secretary, one or more assistant secretaries, and comptroller. The officers shall be elected annually by and from among the Directors at the first meeting of the Board following each December 31.
- 6.5 A vacancy shall occur on the Board when a Director:
 1. Submits a written resignation to the Board;
 2. Dies;
 3. Ceases to be a Member Representative;
 4. Fails to attend three consecutive regular meetings of the Board without the Board having entered upon its minutes an approval for an additional absence or absences, except that such additional absence or absences shall be excused for temporary mental or physical disability or illness; or
 5. Is convicted of a felony.
- 6.6 A change in which Member has designated a Director as its Member Representative, including alternates, does not cause a vacancy on the Board unless the change causes there to be more than three Directors appointed from the types of special districts listed in Paragraph 6.1.

6.7 Any vacancy on the Board shall be filled by appointment by the SDA Board for the unexpired portion of the term.

ARTICLE 7. Meetings of the Board of Directors

7.1 The Board may set a time and place for regular meetings which may be held without further notice. The Members shall be notified of the time and place set for regular meetings.

7.2 Special meetings may be called by the President or by a majority of the Directors by mailing written notice at least ten (10) days in advance to all Directors or by unanimously executed waiver of notice.

7.3 Five Directors shall constitute a quorum to do business. All acts of the Board shall require approval of a majority of the Directors present, except as otherwise specifically provided in this Pool Agreement.

7.4 One or more or all Directors may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence at the meeting.

7.5 Any action of the Board may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all Directors appointed to the Board. Such consent shall have the same effect as a unanimous vote. The consent may be executed in counterparts.

ARTICLE 8. Powers and Duties of the Board of Directors

8.1 The business and affairs of the Pool shall be managed by the Board which shall exercise all the authority and powers and discharge all the duties of the Pool, except as is otherwise provided in this Pool Agreement.

8.2 In addition to all other powers of the Board set out in this Pool Agreement, the Board shall have the power to:

1. Exercise all powers necessary to carry out the purposes of the Pool.
2. Retain agents, independent contractors and employees necessary to administer and achieve the purposes of the Pool, including, but not limited to, attorneys, accountants, investigators, experts, consultants, and others.
3. Purchase, sell, encumber, and lease real property, and purchase, sell, encumber or lease equipment, machinery, and personal property.

4. Invest money as allowed for the Pool by Colorado statutes or by lawful regulations adopted pursuant to Colorado statutes, as from time-to-time amended.
 5. Purchase excess insurance, stop-loss insurance, and reinsurance as the Board deems prudent.
 6. Adopt and adjust the coverages provided through the Pool.
 7. Adopt and adjust contributions to the Pool.
 8. Enter into contracts including, but not limited to, contracts for risk management, claim adjustment, and brokerage services.
 9. Reimburse Directors for reasonable and approved expenses, including expenses incurred in attending Board meetings, and pay compensation to each Director for his or her services in a sum not to exceed the maximum sum which may by statute be paid as compensation for services of directors on Colorado special district boards of directors.
 10. Purchase fidelity bonds from an insurance company approved by the Insurance Commissioner of the State of Colorado to do business in Colorado.
 11. Establish reasonable and necessary loss reduction, prevention and risk management policies and procedures to be followed by the Members.
 12. Appoint committees from time to time as the Board considers desirable.
 13. Provide for claims and loss control procedures, and establish conditions to be met prior to the payment or defense of claims.
 14. Establish rules governing its own conduct and procedure, and the authority of its officers, not inconsistent with this Pool Agreement.
 15. Approve attorneys or firms of attorneys to represent Members in claims covered through the Pool.
 16. Delegate in writing fiduciary responsibilities or ministerial powers and duties to individual Directors or committees of the Board or to such agents, employees, and independent contractors as the Board considers desirable.
- 8.3 In addition to all other duties of the Board set out in this Pool Agreement, the Board shall have the duty to:

1. Have an audit of the financial affairs of the Pool be made annually by a certified public accountant in accordance with applicable laws and regulations, and provide a copy thereof to each Member.
2. Select a qualified actuary to conduct periodic reviews of the Pool's funds and any reviews required by the Insurance Commissioner of Colorado, and make recommendations to the Board based on such reviews.
3. Designate one or more persons or entities to administer the Pool.
4. Adopt a budget annually and report the budget to the Members.
5. Three persons shall be appointed annually to an expulsion committee to serve until January 1 of the year following the appointment. One person, to be appointed by the Board, shall be a director on the board, one person, to be appointed by the Board, shall be a representative of the person(s) or entity(ies) providing general administrative services to the Pool, and one person, to be appointed by the SDA Board, shall be a member of the SDA Board.

ARTICLE 9. Members' Powers and Meetings

9.1 The Members shall have the power to:

- a. Amend the Pool Agreement by a two thirds (2/3) vote of the Members present at a meeting. Written notice of any proposed amendment shall be provided to each Member at least forty-five (45) days in advance of any vote on the amendment.
- b. Dissolve the Pool and disburse its assets by a two thirds (2/3) vote of the Members present at a meeting, pursuant to such notice and in keeping with such procedure as shall be established by the Board, and upon which question proxy voting shall not be allowed. Notice of the dissolution and plan for disbursement of assets and payment of the remaining obligations of the Pool shall be mailed to the Insurance Commissioner of Colorado at least ninety (90) days prior to the effective date of the dissolution. The plan for disbursement of assets and payment of the remaining obligations of the Pool shall not take effect until approved by the Insurance Commissioner of Colorado. Upon dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, as determined by the Board and subject to approval by the Insurance Commissioner of Colorado, shall be distributed exclusively to Special Districts which are members of the Pool prior to dissolution to be used for one or more public purposes.

9.2 Meetings of the Members shall be held as follows:

- a. Members shall meet at least once annually at a time and place to be set by the Board,

with notice mailed to each Member at least thirty (30) days in advance.

- b. Special meetings may be called by the Board upon its own motion and shall be called by the Board upon written request of thirty (30) percent of the Members, with notice mailed to each Member at least thirty (30) days in advance.
- c. The president of the Pool shall preside at the meetings; a vice president of the Pool shall preside in the absence of the president.
- d. Twenty (20) percent of the Members shall constitute a quorum to do business.
- e. Except for action to dissolve the Pool, proxy voting shall be allowed, pursuant to such procedures as the Board may determine.
- f. Each Member shall be entitled to one vote on each issue, to be cast by its Member Representative. No Director may cast a vote for a Member under Article 9.
- g. Notwithstanding any other provision of the Pool Agreement, any amendment to the Pool Agreement, except an amendment relating to dissolution of the Pool, may be adopted without a meeting if an approval in writing, setting forth the amendment approved, is signed by the Member Representatives of at least two thirds (2/3) of the Members. The approval may be executed in counterparts.

ARTICLE 10. Obligations of Members

10.1 Each Member and any Public Entity participating in the Pool shall have the obligation to:

- a. Pay all contributions or other payments to the Pool at such times and in such amounts as shall be established by the Board. Any delinquent payments shall be paid with interest pursuant to a policy established by the Board and uniformly applied.
- b. Designate in writing, a Member Representative and one or more alternates for the Members' meetings. The Representative and any alternate shall be an elected official, employee, or other designee of the Member, and may be changed from time-to-time. Any alternate may exercise all the powers of the Representative during a Member meeting in the absence of the Member Representative. No Public Entity Member may have a Member Representative or any alternates.
- c. Allow the Pool and its agents, contractors, employees and officers reasonable access to all facilities and records of the Member as required for the administration of the Pool.
- d. Cooperate fully with the Pool and all agents, contractors, employees and officers

thereof in matters relating to the Pool.

- e. Provide information requested by the Pool, and all agents, contractors, employees, and officers thereof, as reasonably required for the administration of the Pool.
- f. Allow the Pool to make decisions regarding, and to designate attorneys to represent the Member in, the investigation, settlement and litigation of any claim within the scope of coverage furnished through the Pool.
- g. Comply with the claims, loss reduction, prevention and risk management policies and procedures established by the Board.
- h. Promptly report to the Pool all incidents or occurrences which could reasonably be expected to result in the Pool being required to consider a claim, in any form required by the Board and in compliance with any applicable excess insurance or reinsurance.
- i. Promptly report to the Pool the addition of new programs and facilities or the significant reduction or expansion of existing programs and facilities or other acts, as directed by the Board and in compliance with any applicable excess insurance or reinsurance.

ARTICLE 11. Contributions

- 11.1 The Board shall establish Member and Public Entity contributions pursuant to guidelines established by the Board from time-to-time. The contributions may include an annual contribution and any additional contributions at such times and in such amounts as the Board deems necessary to insure the solvency and avoid impairment of the Pool or which the Board otherwise deems beneficial to protect the financial condition of the Pool. The Board may provide for disbursement of non-surplus credit balances which are, pursuant to guidelines adopted by the Board from time to time, due a Member, and such disbursements shall not be subject to the provisions of Paragraphs 11.2 or 15.1.
- 11.2 Any excess funds which the Board determines are not needed for the purposes of the Pool, may be distributed among the Members and former Members, subject to Paragraph 15.1, pursuant to the following:
- 1. Any such distribution may be in the form of credits against future contributions or in the form of payments, or a combination thereof, as the Board may determine.
 - 2. Money distributed for any claim year shall be distributed only to those Members and former Members which were Members during that claim year and shall be distributed in order of claim year contribution, with Members and former Members of the initial claim year to receive the initial credits.

3. The amount which may be distributed for any claim year shall be established by the Board which shall have discretion as to the amount and timing of any distribution. That amount may not exceed the net sum of (i) the net income of the Pool for that claim year less (ii) the portion of the Pool's net income which equals the amount of the excess loss reserve of the claim year prior to the claim year (which is subject to the distribution) which was taken into income in that claim year plus (iii) the excess loss reserve for the claim year which is subject to the distribution.
 4. For the purpose of this Paragraph 11.2, the term "excess loss reserves" means the amount by which the amounts credited to loss reserves and charged to operating expenses in any claim year exceed the actual losses (including loss adjustment expenses) for that claim year.
 5. The amount established by the Board for a claim year pursuant to Subparagraph 3 of this Paragraph 11.2, shall be distributed among each Member and former Member which was a Member during that claim year based on the ratio which each Member's and former Member's contribution (excluding any surplus contribution) for the claim year bears to the total contributions (excluding surplus contributions) for the claim year and less the contributions of former Members which are not eligible for a distribution pursuant to Paragraph 15.1.
 6. Excess surplus funds contributed by Members and former Members may be distributed only among such contributing Members or former Members, subject to the five year membership requirement of Paragraph 15.1. The Board has discretion to determine, from time to time, the amount and timing of any distribution of such funds. The amount established by the Board shall be distributed among each Member and eligible former Member based on the ratio which each Member's and former Member's surplus contribution bears to the total amount of surplus funds contributed to the Pool by Members and former Members.
 7. No distribution of excess funds, including excess surplus funds contributed by Members, shall be made to any Member or former Member which owes any amount to the Pool until the amount so owed is paid, and any amount so owed may be deducted from the distribution to the Member or former Member.
 8. No distribution of excess funds, including excess surplus funds contributed by Members, shall cause the Pool to become impaired or insolvent.
- 11.3 The total amount of surplus shall be determined by the Board from time-to-time, but in no event shall be less than that required by the Insurance Commissioner of Colorado, and the Board may require all Members to make additional contributions to surplus as the Board deem necessary, or the Insurance Commissioner of Colorado may require.

- 11.4 The Pool shall account separately for contributions made for the property and liability coverages authorized by Sections 24-10-115.5 and 29-13-102, C.R.S., as amended, and for contributions made for the workers' compensation coverage authorized by Sections 8-44-101(1)(C) and (3) and 8-44-204, C.R.S., as amended.
- 11.5 Notwithstanding any provision of this Agreement to the contrary, the Pool Board may establish from any contributions or other assets of the Pool the initial minimum surplus for workers' compensation coverage required by the Insurance Commissioner of Colorado; provided that contributions or other assets derived from coverages other than workers' compensation shall not be used to establish such minimum surplus unless and until the Board first determines that workers' compensation contributions are or will be insufficient to fund such surplus in the amounts and within the time required by the Insurance Commissioner of Colorado; and provided further, that such minimum surplus shall be established from contributions for workers' compensation coverage as soon as the Board determines practicable consistent with ensuring the solvency and avoiding the impairment of the Pool. The Board may issue subordinated debt to establish such minimum surplus consistent with applicable requirements of the Insurance Commissioner of Colorado.
- 11.6 The Pool shall repay the Special District Association of Colorado for its ongoing services to the Pool, provided subsequent to the creation of the Pool, within such time and in such amount as the SDA Board and Pool Board may agree.

ARTICLE 12. Liability of Directors, Officers and Employees

- 12.1 No Director, officer, committee member, Pool Liaison, or employee of the Pool shall be personally liable for any acts performed or omitted in good faith. The Pool shall indemnify each Director, officer, committee member, Pool Liaison, and employee of the Pool against any and all expense including attorney fees and liability expenses sustained by them, or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties performed for this Pool or omitted in good faith. This provision shall not be deemed to prevent compromises of any such litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.
- 12.2 The Pool shall obtain a fidelity bond or other bond to guarantee the faithful performance of each Director's, officer's Pool Liaison's, and employee's duties hereunder, and shall make reasonable effort to obtain errors and omissions coverage for each Director, officer, committee member, Pool Liaison, and employee of the Pool. The Pool shall obtain bonds for all Directors, officers, committee members, Pool Liaison, and employees who handle or have access to Pool funds, in an amount which the Board deems appropriate but no less than the minimum amount deemed necessary by the Insurance Commissioner of Colorado.

ARTICLE 13. Withdrawal of Members

- 13.1 Any Member may withdraw from the Pool by giving written notice to the Board of its intent to withdraw at least sixty (60) days prior to the Member's coverage renewal date. A Member which has different renewal dates for different coverages must give such written notice at least sixty (60) days prior to the first renewal date following any January 1. Unless a different date is agreed to by the Board and the Member, the withdrawal shall be effective on the Member's coverage renewal date but, if the Member has different renewal dates for different coverages, the withdrawal shall be effective the latest renewal date following the written notice of withdrawal. After the notice of withdrawal is given, no coverage will be renewed but all coverages will remain in effect only until their respective expiration dates.
- 13.2 Except as otherwise provided in this Paragraph, any Member which dissolves or which is consolidated with another Special District shall be considered a withdrawn Member with the same rights and obligations under this agreement as any other withdrawn Member, such withdrawal to be effective on the date of dissolution or consolidation, as the case may be. Notwithstanding Paragraph 15.1 and under the following circumstances only, a Special District shall receive the credits against its future contributions to the Pool otherwise allocable to a dissolved or consolidated Member pursuant to Paragraph 11.2:
1. If the Special District was formed by a consolidation which included such a Member, the Special District assumed all rights of that Member under this agreement, and the Special District is a Member no later than one year after the effective date of the consolidation; or,
 2. If the Special District assumed all rights of a dissolved Member under this agreement, and the Special District is a Member no later than one year after the effective date of the dissolution.

A Special District entitled to receive such credits of a dissolved or consolidated Member shall not be obligated for any liabilities to the Pool of the dissolved or consolidated Member in excess of the amount of such credits.

ARTICLE 14. Expulsion of Members

- 14.1 A Member which fails to make a contribution or other payment due to the Pool shall be automatically expelled from the Pool on the sixtieth (60) day following the due date, unless time for payment is extended by the Board and payment is made within any extended period. A notice of failure to make a contribution or other payment due to the Pool shall be mailed to the Member at least thirty (30) days prior to the date of automatic expulsion. If payment is not made within any extended period, the automatic expulsion shall occur on a date, no later than twenty (20) days after the last day of the extended period, set by the Board. An expulsion under this Paragraph 14.1 shall not be subject to the provisions of Paragraph 14.2.

- 14.2 A Member may be expelled by the Board for failure to carry out any other obligation of the Member, or for failure to maintain its membership in the Special District Association of Colorado if such membership was required by the Board at the time the Member was admitted to the Pool, subject to the following:
1. The Member shall receive notice from the Board of the alleged failure and not less than thirty (30) days in which to cure the alleged failure, along with notice that expulsion may result if the failure is not so cured.
 2. The Member shall receive at least thirty (30) days prior notice from the Board, of the date, place and time when the Board will consider expelling the Member from the Pool, and the Member shall be entitled to be present at that meeting and to present evidence and reasons why it should not be expelled. The decision of the Board shall be effective as of the date and upon the terms and conditions set forth in the Pool Agreement and applicable excess or reinsurance policies and otherwise specified by the Board, except as provided in Subparagraph 3 of this Paragraph 14.2.
 3. The Member may appeal the Board's decision to the expulsion committee, which shall schedule a hearing thereon. The Member and the Board shall be provided at least ten (10) days prior written notice of the date, time and place of the hearing. The appealing Member shall be entitled to be present at that hearing and to present evidence and reasons why it should not be expelled and the Board may present evidence and reasons why expulsion is proper. The decision of the expulsion committee shall be final and any expulsion effective as of the date and upon the terms and conditions set forth in the Pool Agreement and applicable excess or reinsurance policies, and otherwise specified by the Board.

ARTICLE 15. Effect of Withdrawal or Expulsion

- 15.1 No withdrawn or expelled Member shall be entitled to any reimbursement of contributions or distribution or excess funds, including excess surplus funds contributed by Members, unless the Member was a Member for at least five consecutive years.
- 15.2 A withdrawn or expelled Member shall remain obligated for all amounts owing at the time of withdrawal or expulsion for the years during which the member was an active member of the Pool and for all amounts which thereafter become owing for such years pursuant to the Pool Agreement and any other Pool documents which are in effect at the time of withdrawal.
- 15.3 A withdrawn or expelled Member shall be considered a Member of the Pool for the purpose of payment of the Member's claims and expenses related thereto which remain covered under the terms of coverage existing at the time of withdrawal. A withdrawn or expelled

Member shall remain subject to all conditions of coverage and obligations of a Member which are in effect at the time of withdrawal. A withdrawn or expelled Member shall have no right to vote on any matter pending before the Pool membership.

- 15.4 No withdrawn or expelled Member may be adversely affected by any change in the Pool Agreement or other Pool documents adopted subsequent to the effective date of the Member's withdrawal or expulsion.
- 15.5 Unless disapproved by an affected excess carrier or reinsurer, the Pool shall offer a withdrawing or expelled Member, no later than forty-five (45) days after the expulsion or Board's receipt of the written notice of withdrawal, at least twenty-four (24) months extended reporting period on any claims-made coverage provided through the Pool, at a cost reasonably calculated by the Board and subject to any contracts existing at the time of withdrawal or expulsion.

ARTICLE 16. Miscellaneous

- 16.1 This document constitutes an intergovernmental agreement among those Special Districts which become Members of the Pool. The terms of this agreement may be enforced in court by the Pool or by any of its Members. The consideration for the duties herewith imposed on the Members to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the Members set forth herein.
- 16.2 A certified or attested copy of the resolution of approval for each Member shall be attached to the Member's Pool Agreement on file with the Pool.
- 16.3 Except to the extent of the limited financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to this Pool Agreement, the contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not otherwise created as between Member and Member any relationship of surety, indemnification or responsibility for the debts of or claims against any other Member.
- 16.4 The provisions of this Pool Agreement and of the other documents referred to herein, and the assets of the Pool, are for the benefit of the Members of the Pool only, and no other persons or entities shall have any rights or interest in this Pool Agreement or in any of the other documents referred to herein, or in any such assets, as a third party beneficiary or otherwise. The assets of the Pool shall not be subject to attachment, garnishment, or any equitable proceeding.
- 16.5 It is the intention of the Members that the Pool and any income of the Pool not be subject to taxation, and the Members shall cooperate in such respects, including amending this Pool Agreement, as reasonably necessary to establish and maintain the non-taxable status of the Pool.

- 16.6 The Insurance Commissioner of Colorado shall have such authority with respect to the formation and operation of the Pool as is provided by applicable Colorado law.
- 16.7 Except as permitted in this Pool Agreement, and amendments hereto, neither the Board nor any other person or entity is authorized to incur liabilities or obligations or enter into contracts on behalf of the Members.
- 16.8 "Insolvency" as applied to the Pool shall have the meaning as defined in Section 10-3-212, C.R.S., as amended, or as the Insurance Commissioner of Colorado may otherwise provide.
- 16.9 The statutory reporting period for the Pool shall be the calendar year or such other period as the Insurance Commissioner of Colorado may provide.
- 16.10 If any provision of this Pool Agreement is held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the other provisions, and this Pool Agreement is expressly declared to be severable.
- 16.11 If the Board or its authorized representative and a Member disagree on whether a loss is covered through the Pool or on the amount of a covered loss, the Board or its authorized representative or the Member may request that the disagreement be submitted to binding arbitration as follows:
1. Unless otherwise agreed by the Board or its authorized representative and the Member, three persons shall be selected for the arbitration panel, one by the Board or its authorized representative, one by the Member, and one by the two so selected to act as umpire to decide the items upon which the other two disagree. If the two so selected fail for fifteen days to agree upon the umpire, the umpire shall be selected by a judge of a court of record agreed to by the Board or its authorized representative and the Member.
 2. The decision of the panel shall be binding on the Board or its authorized representative and the Member.
 3. The Pool shall pay the fees and expenses of the panelist selected by the Board or its authorized representative, the Member shall pay the fees and expenses of the panelist selected by it, and the fees and expenses of the umpire shall be shared equally by the Pool and the Member.

Dated: _____

By: _____

Title: Chairman, Board of Directors and President

Special District [name]: _____

By: _____

Title: Chairman, Board of Directors and President

Date: _____

Attest:

By: _____

Title: District Secretary