

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CHERRY CREEK VILLAGE WATER DISTRICT HELD NOVEMBER 8, 2011

A regular meeting of the Board of Directors of the Cherry Creek Village Water District (referred to hereafter as "Board") was held on Tuesday, November 8, 2011 at 9:30 a.m., at Benedict's Restaurant, 8181 E. Arapahoe Road, Greenwood Village, Colorado. This meeting was open to the public.

ATTENDANCE

The regular meeting of the Board of Directors of the Cherry Creek Village Water District was called and held, as shown, in accordance with Colorado law. The following directors were present:

Lou Schroeder
Phil Viseur
Joseph Ryan
John Forney
Roger Baer

Also present were:

Cathy Noon; Community Resource Services (CRS)
Tim Flynn, Esq.; Collins Cockrel & Cole P.C.
Greg Sekera; Kennedy/Jenks Consultants

QUORUM/QUALIFICATIONS/& DISCLOSURES

It was noted that a quorum was present. All of the Directors are qualified and there are no conflicts of interest disclosures required.

CALL TO ORDER

Director Forney called the meeting to order at 9:30 a.m.

ADMINISTRATIVE ITEMS

Agenda: Upon review and discussion of the Agenda and a motion duly made, seconded and, upon vote, unanimously carried, the Board accepted the agenda as presented.

Minutes: The minutes of the October 11, 2011 Regular Board meeting were presented to the Board. Following review and discussion, upon a motion duly made, seconded and, upon vote, unanimously carried, the Board approved the October 11, 2011 minutes as presented.

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Discuss Alternate May 2012 Meeting Date or Location – Ms. Noon gave an update on meeting at the City of Greenwood Village Community Room from January through April 2012 at 9:00 a.m. As this location is not available in May, the Board directed staff to reserve the meeting room at Benedict's for May 8, 2012.

DIRECTOR MATTERS

Discussion Regarding Spousal Charges at District Related Conferences – Mr. Flynn reviewed the statutes regarding Board member reimbursements for District related expenses. Following discussion, the Board confirmed that only the Board member's expenses are to be charged to the District.

FINANCIAL ITEMS

Review and Approve Payment of Claims – Ms. Noon reviewed the October 2011 claims totaling \$55,184.42, represented by check numbers 4430 - 4443. Following review and discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the October 2011 claims as presented.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending October 31, 2011 with adjustments made through November 1, 2011. Following review and discussion, the Board accepted the cash position as presented.

Review Financial Statements: Ms. Noon distributed the financial statements dated October 31, 2011. After review, the Board accepted the financial statements.

Public Hearing to Approve the 2012 Budget, Appropriate Expenditures and Certify the Mill Levy – Ms. Noon noted that she and Mr. Meggers of CRS had met on October 20, 2011 with Directors Baer and Forney to draft the 2012 budget and 2012 water rate analysis. The Board reviewed said documents and discussed increasing personal interaction with the District's auditor in 2012 for greater understanding of the District's financial position. Upon a motion duly made and seconded, the Board voted unanimously to approve a 5.5% water consumption rate increase in 2012. The base rate will remain constant. Mr. Flynn is to prepare the Water Rate Resolution for the Board's signature at the December Board meeting.

Director Forney opened the Public Hearing on the 2012 Budget, notice of which had been published in the Villager Newspaper in accordance with state law. No members of the general public

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appeared in person, or otherwise registered any objections or offered any modifications to the proposed 2012 budget. Director Forney then closed the public hearing on the 2012 budget.

The proposed budget is balanced as required by law. Following a discussion, a motion was made by Director Viseur and seconded by Director Ryan to adopt Resolution 2011-11-1, which formally adopts the proposed budget as the official budget for the Cherry Creek Village Water District for 2012, subject to whatever final adjustments may be necessary when the District's final Assessed Valuation is received from the Arapahoe County Assessor's office. The Chair called for a vote and the motion was unanimously adopted. A copy of Resolution 2011-11-1 is attached to the original of these minutes.

The Board then considered Resolution 2011-11-2, which appropriates for expenditure in calendar year 2012 the sum of \$848,070, subject to whatever adjustments are necessary as a result of the District's final Assessed Valuation from the Arapahoe County Assessor's office. Following a brief discussion, a motion was made by Director Viseur and seconded by Director Ryan to adopt Resolution 2011-11-2. The Chair called for a vote and the motion was unanimously adopted. A copy of Resolution 2011-11-2 is attached to the original of these minutes.

The Board then considered Resolution 2011-11-3, which resolution authorizes the certification of an operation and maintenance mill levy of 2.800 mills to be levied against the District's total Assessed Valuation of \$19,426,020 to raise a total of \$54,393 in revenue. Following a brief discussion, motion was made by Director Viseur and seconded by Director Ryan to adopt Resolution 2011-11-3. The Chair called for a vote and the motion was unanimously adopted, subject to whatever changes are made as a result of the District's receipt of its final Assessed Valuation on or around December 5th. A copy of Resolution 2011-11-3 is attached to the original of these minutes.

Discussion on CD Renewal – Ms. Noon presented the current CD rates for the Board's consideration. Following discussion, the Board directed staff to take \$100,000 from the CD up for renewal at First Citizens Bank (formerly Colorado Capital Bank), place it in an 18-month CD and have the balance at the time of rollover transferred to the District's Colotrust account. The Board further directed staff to transfer \$95,000 from the Colotrust account to an 39 month CD at Redstone Bank at a rate of 1.71 APY. Ms. Noon

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also updated the Board on the recent change in portfolio management companies for ColoTrust from Cutwater Assets Management to Public Trust Advisors.

Review Delinquent Account Report – Ms. Noon presented the report to the Board. Ms. Noon brought forward to the Board a customer request for the District to accept ACH payments. **The Board instructed Ms. Noon to place this item on the December agenda for discussion.**

MANAGEMENT MATTERS

Review Consumption Report – Ms. Noon reviewed the Consumption Report with the Board. The Board accepted the Consumption Report as presented.

MAINTENANCE AND OPERATIONAL ITEMS

Engineering Report – Mr. Sekera reviewed the Kennedy/Jenks engineering memo dated November 1, 2011 and it was noted that this report will become a part of the official minutes. Mr. Sekera informed the Board that he feels there is a need for another adjustment to the valves and plans to contact Denver Water and the valve manufacturer for assistance. **Mr. Sekera will review the data with Director Ryan and they will present the findings to the Board in early 2012.**

LEGAL

Consider Approval of the Revised Contract with CRS of Colorado – Upon a motion duly made and seconded, the Board voted unanimously to approve said contract with CRS of Colorado for 2012 management services.

Fall 2011 Legal Update – This was distributed to the Board for their information purposes only.

ADJOURNMENT

There being no further business to come before the Board, upon a motion made, seconded and upon vote, unanimously carried, the meeting was adjourned at 11:30 a.m.

Respectfully submitted,


Secretary for the Meeting