

ARABIAN ACRES METRO DISTRICT
Walker Schooler District Managers
614 N. Tejon Street
Colorado Springs, CO 80903
719.447.1777

NOTICE IS HEREBY GIVEN that a Public Regular Meeting of the Board of Directors of ARABIAN ACRES METROPOLITAN DISTRICT, Teller County, Colorado has been scheduled for WEDNESDAY, DECEMBER 18, 2019 at 5:30 p.m. at Little Chapel of the Hills County Road 5, Divide, Colorado 80814 for the purpose of addressing those matters in the Agenda set forth below.

Board of Directors Office Term/Expires

Edith Coffman, President 2020

Lucas Ortivez, Secretary 2020

Lanny Hoel, Treasurer 2020

Allan Brown, Assistant Secretary 2022

Stan Claassen, Assistant Secretary 2022

Lynn Willow, ORC

Kevin Walker, WSDM

Kristian Kulick, WSDM

AGENDA

1. ADMINISTRATIVE MATTERS

- a. Call to Order & Declaration of Quorum
- b. Confirm any Potential Conflicts of Interest
- c. Discussion and Approval of the Agenda
- d. Review and Approval of the November Board of Directors Meeting Minutes (see attached)

2. FINANCIAL MATTERS

- a. Review of billing and collection status (see attached)
- b. Review and approve the Payment of Claims (see attached)
- c. Review and accept the November 2019 Financial Status (see attached)

3. OLD BUSINESS

- a. Resolution calling for election in 2020 and naming a DEO (see attached)
- b. Review of Meter project status
 1. Project status
 2. Plan for resolving outstanding issues
- b. Review and report on design of system upgrades including priorities for construction
 1. Well upgrade report
- c. Report on grant application status for construction projects

3. OPERATOR'S REPORT

- a. ORC Report (see attached)

4. NEW BUSINESS

- a. Change to monthly billing
- b. Newsletter for residents

5. OTHER BUSINESS

6. PUBLIC COMMENT

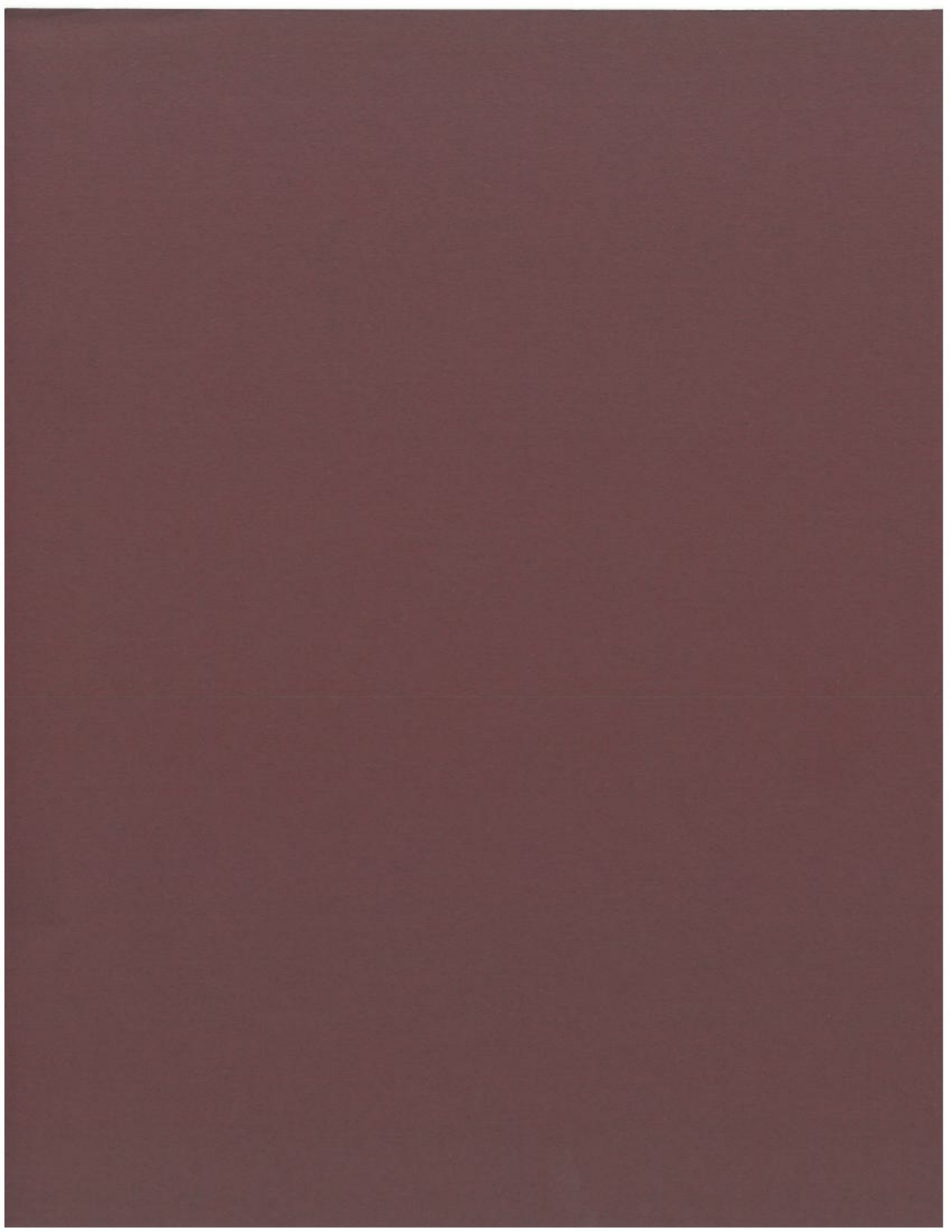
Comments will be limited to 3 minutes. Please remain respectful of the Board of Directors as well as of your fellow residents.

7. EXECUTIVE SESSION

- a. Pursuant to §24-6-402 (4)(e) to discuss negotiation of independent contractor agreement(s) and Pursuant to §24-6-402 (4)(e) to seek legal advice on collections

8. ADJOURNMENT

THE NEXT REGULARLY SCHEDULED MEETING WILL BE HELD ON WEDNESDAY, JANUARY 15, 2019 at 5:30 p.m. at the DIVIDE FIRE STATION, 103 CEDAR MOUNTAIN ROAD, DIVIDE, COLORADO 80814



**MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING
ARABIAN ACRES METROPOLITAN DISTRICT**

November 20, 2019 at 5:30 P.M.

Divide Fire Station, 103 Cedar Mountain Road, Divide, Colorado 80814

In attendance were Directors:

Edith Coffman, President

Lanny Hoel, Treasurer

Lucas Ortivez, Secretary

Allan Brown, Assistant Secretary

Stan Claassen, Assistant Secretary

Also in attendance were:

Lynn Willow, ORC

Lori VonFeldt, WSDM (by phone)

Members of the public (see sign-in sheet)

1. ADMINISTRATIVE MATTERS

- a. **Call to Order & Declaration of Quorum:** President Coffman called the meeting to order at 5:38 p.m. and confirmed all Board members were present.
- b. **Confirm any Potential Conflicts of Interest:** The Board confirmed there were no conflicts of interest.
- c. **Discussion and Approval of the Agenda:** Director Claassen requested an update on the website. President Coffman confirmed the website will be transitioned after January. Director Claassen requested a discussion of Mr. Willow's contract update. President Coffman explained Mr. Willow's contract is not up until April and she thinks there are too many items on the agenda to discuss that tonight. She offered to take it to a vote. Director Brown moved to amend the agenda to spend 5 minutes to discuss a process to update Mr. Willow's contract; seconded by Director Claassen. Director Ortivez said he would feel more comfortable waiting until Mr. Walker is there to discuss the process of Mr. Willow's contract. The motion failed due to lack of votes. Director Ortivez asked about agenda item 2.c. since he was absent for the Special Meeting. Ms. VonFeldt explained that Mr. Walker was reviewing the numbers and she did not have anything to present. The Board agreed to table item 2.c. until next meeting. Director Claassen asked about a budget discussion and the deadline for the budget. Ms. VonFeldt clarified that the mill levy must be certified by December 15th, but the budget does not have to be submitted to the State until the end of January. The Board added agenda item 2.d., Budget Discussion. Director Claassen moved to approve the agenda as amended; seconded by Director Ortivez. Motion passed unanimously.
- d. **Review and Approval of the October Board of Directors Meeting Minutes:** Director Claassen asked about the minutes stating the budget must be adopted by December 15th. Ms. VonFeldt explained the mill levy must be approved by December 15th. Director Claassen requested the minutes be changed to reflect that the budget does not have to be adopted by December 15th, but the mill levy must be certified tonight. Director Claassen moved to approve the October Board of Directors Meeting Minutes as amended; seconded by Director Ortivez. Motion passed unanimously.
- e. **Excuse the absence of Lucas Ortivez at the 11/6/2019 Meeting:** Director Brown moved to accept Director Ortivez's absence; seconded by Director Claassen. Motion passed unanimously.

2. FINANCIAL MATTERS

- a. **Review of billing and collection status:** Ms. VonFeldt reported in October there were 23 reminder letters, 12 warning letters, 8 shut-off notices and 0 shut-offs. There have been 20 reminder letters sent for November so far. Ms. VonFeldt noted Mr. Willow had turned off services to a customer for non-payment, and the customer went and turned themselves back on which is considered tampering and the District does have a fine up to \$10,000 for tampering. Mr. Willow said he rechecked the meter pit today, and they have picked the lock and opened it up again. Mr. Willow said he put on another master lock but may need to find a different solution since they are continuing to tamper with it. The Board will need to decide on whether to assess a fine. He noted that the house will be foreclosed, so the fine could be collected at closing when it sells. Director Claassen moved to assess a \$10,000 fine on the property for tampering; seconded by Director Hoel. Motion passed unanimously. The Board directed Ms. VonFeldt to move forward with the paperwork to file the lien on the property. Mr. Willow will attempt to make the meter pit tamper-proof and noted the customer has previously shot bullets into the air when Mr. Willow's assistant was working. Ms. VonFeldt reported that all new meter reads will be on January's billing.
- b. **Review and approve the Payment of Claims:** Director Claassen asked about Mr. Adam Fiedler's hours for snow removal. Mr. Willow said he will need to review his hours. The Board agreed to hold off on his payment until they can review. After review and discussion, Director Ortivez moved to approve the payment of claims; seconded by Director Claassen. Motion passed unanimously.
- c. **Review and accept the October 2019 Financial Status:** Director Claassen moved to accept the October 2019 Financials; seconded by President Coffman. Motion passed unanimously.
 1. **Current Cash Status**
 2. **Review of Financial Analysis presented at November 6 workshop**
- d. **Budget Process**
 1. **Budget Hearing and Discussion:** President Coffman opened the public budget hearing. Mr. Baker asked why the budget was blown by \$87,000. The Board explained it was mainly due to Recall expenses and water purchases. The Board discussed budgeted Director fees. The Board discussed District Management fees and that they were split into two different line items, but they will confirm with Mr. Walker. Mr. Willow noted that there may be an additional \$8,000 tap fee received in 2020 as revenue. Mrs. Williams asked about the line item for Title Pass Through received in 2018. Ms. VonFeldt said they are unaware what that line item was and have been unable to find any information on it, so that is why it is not budgeted for in 2020. She thinks it is something done by the previous District Manager, Ms. Bertrand. The woman from the public asked about late fees. The Board confirmed it is late fees from water billing. She also asked about interest income. The Board confirmed it is from all the bank accounts. Mrs. Williams asked why the District pays bank service charges. The Board explained commercial bank accounts charge fees. President Coffman closed the public budget hearing.
 2. **Approve 2020 Budget Resolution:** Director Claassen moved to approve the

2020 Budget Resolution as amended; seconded by Director Ortivez. Motion passed unanimously.

3. Approve Amended 2019 Budget: Director Claassen asked about the \$3,500 line item for bank service charges since \$500 has only been spent to date. The Board agreed to amend bank service charges to \$750 for the 2019 amended budget. The Board discussed legal costs and Ms. VonFeldt noted they have yet to receive an invoice from Mr. Downey after months of requests. The Board changed the legal costs to \$20,000 for the 2019 amended budget. Ms. VonFeldt confirmed the amended total expenses for 2019 is \$292,468.88 and the difference is \$87,403.88. President Coffman signed the approved Amended 2019 Budget.
4. Approve Mill Levy: Ms. VonFeldt confirmed the mill levy is 24 mills. Director Claassen moved to approve the mill levy; seconded by Director Hoel.

3. OLD BUSINESS

a. Review of Meter project status

1. Project status: Mr. Willow reported that all meters were installed. He explained that they are working out the bugs in the system with billing and meter reads. The Board discussed the issues with the new billing currently and the time it is taking to work these problems out. The Board discussed 20 faulty meters that were installed that are reading incorrectly. Director Brown stated that Mr. Sommers should have provided an installation and test plan. Mrs. Marilyn Callan said Velocity told her that her meter was initially installed backwards, and they had to come and fix it. President Coffman noted she brought that up with them and they told her it was impossible due to the fittings, but that is not true, and it actually was installed backwards. Mr. Willow confirmed there were 3 meters installed backwards that had to be fixed that he is aware of.
2. Plan for resolving outstanding issues: President Coffman informed the Board that Mr. Walker is going to provide a complete explanation of what went wrong with these meters and the plan for moving forward at the next meeting.

3. OPERATOR'S REPORT

- a. ORC Report: Mr. Willow went over pump testing that was done at the wells. 2 wells did not make it through testing due to running out of water at the end, and 2 wells will probably need to have upgraded pumps but that depends on if they install the new buildings with booster pumps. The Board directed Walker Schooler District Managers to request a schedule and priority list from Mr. Sommers.

4. NEW BUSINESS

- a. Approve Annual Administrative Resolution: Director Claassen moved to approve the Annual Administrative Resolution; seconded by Director Ortivez. Motion passed

unanimously. Director Claassen moved to delete paragraphs 21 and 31 that reference Mr. Downey as the DEO from the Annual Administrative Resolution; seconded by Director Brown. Motion passed unanimously.

- b. **Approve 2020 Election Resolution:** Director Claassen moved to approve the 2020 Election Resolution. The Board discussed changing the District's DEO. Director Claassen withdrew his motion to approve the 2020 Election Resolution. The Board agreed to discuss this further with Mr. Walker at the next meeting. The Board discussed cost-effective DEO options.
- c. **Approve Meeting Notice Resolution:** Ms. VonFeldt explained the Resolution allows the District to post meeting notice online 24 hours before the meeting. Director Ortivez moved to approve the Meeting Notice Resolution; seconded by Director Hoel. Motion passed unanimously.
- d. **Change to monthly billing**
 - Posting of notice for a public meeting regarding changes to rates and charges – monthly billing, change fees and charges to reflect monthly billing
- e. **Newsletter for residents** – Director Brown discussed the newsletter that will be sent out with December's billing and a planned second mailed newsletter. He noted it will direct residents to the website and request email addresses for those who are interested. A woman from the public said she did not see the notice for the November 6th Special Meeting on the website. Ms. VonFeldt explained there were issues with logging into the District's current website, but once the website is transitioned over to the State's website these issues should be resolved. The Board noted a change to monthly billing has not been officially approved but the goal is January, so Director Brown will edit that in his newsletter. Ms. VonFeldt noted each Board member will need to sign the signature cards for Eastern Colorado Bank that authorizes them as signers on the account.

5. OTHER BUSINESS

6. **PUBLIC COMMENT:** President Coffman opened the meeting to public comment. A woman from the public complimented the Board and said they are getting off to a great start and getting things resolved. She added that she likes that the Board is questioning things.
7. **ADJOURNMENT:** Director Brown moved to adjourn the meeting at 7:57 p.m.; seconded by Director Ortivez. Motion passed unanimously.

THE NEXT REGULARLY SCHEDULED MEETING WILL BE HELD ON WEDNESDAY, DECEMBER 18, 2019 at 5:30 p.m. at the DIVIDE FIRE STATION, 103 CEDAR MOUNTAIN ROAD, DIVIDE, COLORADO 80814

Respectfully Submitted,
Walker Schooler District Managers

By: Kristina Kulick for the Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 20, 2019 MINUTES OF THE ARABIAN ACRES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

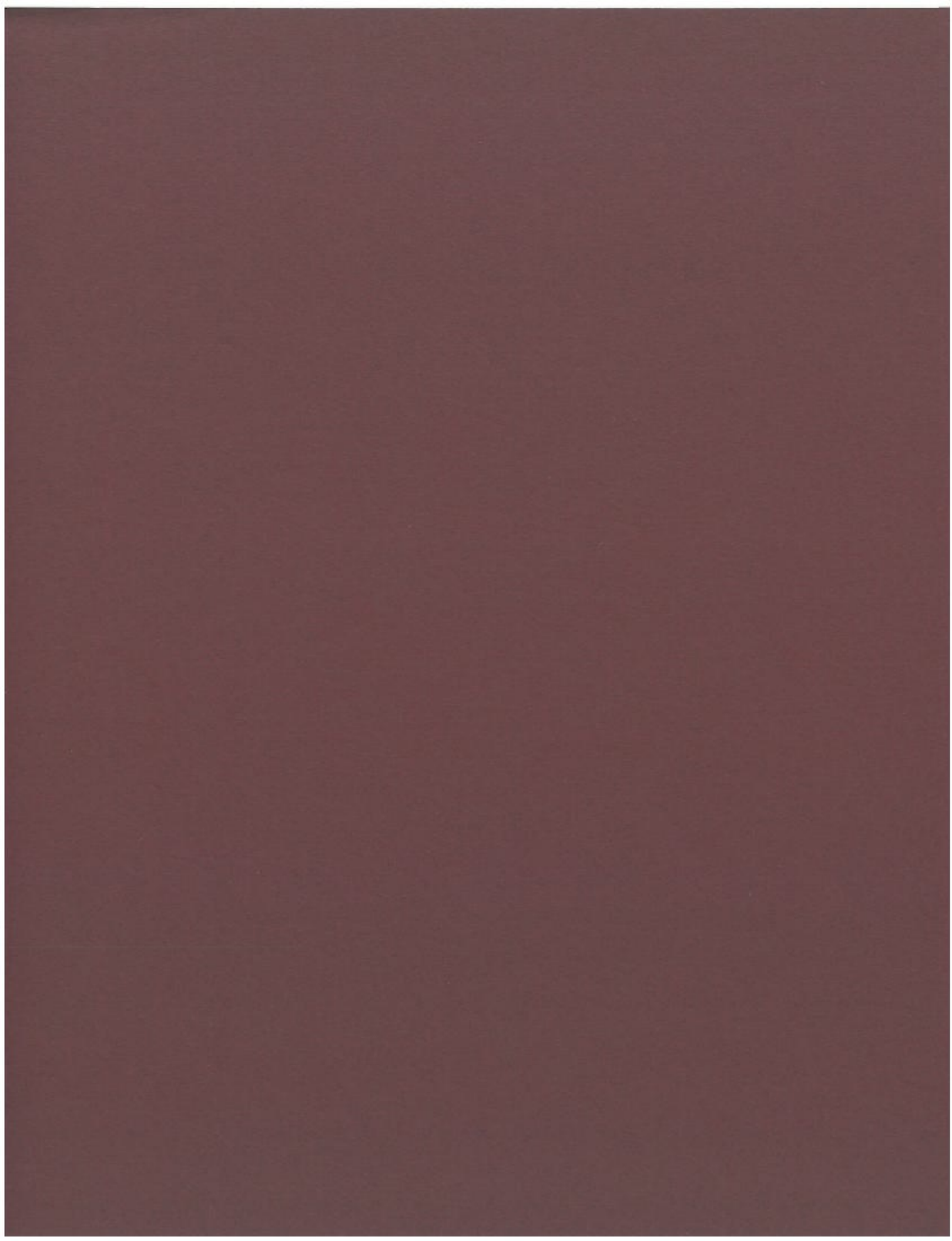
Edith Coffman, President

Lucas Ortivez, Secretary

Lanny Hoel, Treasurer

Allan Brown, Assistant Secretary

Stan Claassen, Assistant Secretary





WALKER SCHOOLER
DISTRICT MANAGERS

MEMORANDUM

TO: ARABIAN ACRES METROPOLITAN DISTRICT BOARD OF DIRECTORS
FROM: REBECCA HARDEKOPF
SUBJECT: MONTHLY MANAGERS REPORT FOR DECEMBER 18, 2019 BOARD MEETING
DATE: DECEMBER 13, 2019

Billing Update

- Meters were not read for this billing cycle, bills mailed on December 6, 2019.
- Collection Matters:
 - November Collections:
 - 21 Reminder Letters were sent out on November 15th, 2019.
 - 9 Warning Letters were sent on December 2nd, 2019.
 - 6 Shut off notices were posted December 10th, 2019
 - 1 Shut off requested 12/13/2019, 1 ongoing shut off.
 - 1 of the original 5 payment agreements are still active.
 - 1 new extended payment agreement for back due balance on account
 - November Collections:
 - Reminder Letters will be sent out on December 16th, 2019.
 - Warning Letters will be sent on December 30th, 2019.
 - Shut off Notices will be posted January 7th, 2019.
 - Shutoffs will occur January 11th, 2019.
 - There is 1 of the original 5 payment plan arrangements still active.
- The one shut off location turned their own water back on (this is considered tampering and eligible for a fine determined by the board up to \$10,000). They were turned back off and a new lock put on the stop box.
- New meters that were installed will now be reflected on customer bills moving forward.
 - Our office has requested a "Bucket-Test" on 24 locations to verify the new meters reading water consumption accurately.
 - Starting January billing, all locations will be on the new meters for billing.
- We have 8 customers signed up on Auto Payment, 1 customer moved out removing them from the list.
- Email billing is available, and we have 39 signed up to receive their bills through e-mail.
- We had 2 Move-outs occur in November

Arabian Acres Metropolitan District

PAYMENT REQUEST

12/18/2019

GENERAL FUND

Company	Invoice	Date	Amount	Retainage	Amount this Draw	Comments
Edith Coffman	12182019EC	12/18/2019	\$ 100.00		\$ 100.00	
Lanny Hoel	12182019LH	12/18/2019	\$ 100.00		\$ 100.00	
Lucas Orivez	12182019LO	12/18/2019	\$ 100.00		\$ 100.00	
Allan Brown	12182019AB	12/18/2019	\$ 100.00		\$ 100.00	
Stan Claassen	12182019SC	12/18/2019	\$ 100.00		\$ 100.00	
Adam Fiedler	INV0064					
El Paso County Public Health Lab	113019	11/30/2019	\$ 21.00		\$ 21.00	
Elbert County Clerk and Recorder	9172019	11/30/2019	\$ 3,087.25		\$ 3,087.25	
IREA	40045402	12/12/2019	\$ 107.17		\$ 107.17	ACH
IREA	40032202	12/12/2019	\$ 218.23		\$ 218.23	ACH
IREA	40299901	12/12/2019	\$ 228.75		\$ 228.75	ACH
IREA	43071702	12/12/2019	\$ 114.10		\$ 114.10	ACH
IREA	43183502	12/12/2019	\$ 375.14		\$ 375.14	ACH
J.A. Excavation & Septic's LLC	Contracted122019	11/30/2019	\$ 538.00		\$ 538.00	
J.A. Excavation & Septic's LLC	Contracted122019	11/30/2019	\$ 2,550.00		\$ 2,550.00	
Key Bank Credit Card	*8927	12/5/2019	\$ 433.93		\$ 433.93	ACH - Paid
Mailing Services Inc.	13233	11/28/2019	\$ 166.76		\$ 166.76	
National Rural Water Association	1012020	12/18/2019	\$ 924.10		\$ 924.10	
Walker Schooler District Managers	6432	11/30/2019	\$ 4,501.00		\$ 4,501.00	
TOTAL			\$ 13,775.43	\$ -	\$ 13,775.43	

DEBT SERVICE FUND

Company	Invoice	Date	Amount	Retainage	Amount this Draw	Comments
Zions Bank			\$ -		\$ -	Bond Interest-wire from Colo Trust
TOTAL			\$ -	\$ -	\$ -	

CAPITAL FUND

Company	Invoice	Date	Amount	Retainage	Amount this Draw	Due	Comments
AquaWorks DBO, Inc.	2041	12/2/2019	\$ 7,898.05		\$ 7,898.05		
Jehn Water Consultants, Inc.	982.1/12-19	12/1/2019	\$ 11,211.78		\$ 11,211.78		
TOTAL			\$ 19,109.83	\$ -	\$ 19,109.83		

 , Treasurer
 Arabian Acres Metropolitan District
TOTAL \$ 32,885.26

Arabian Acres Metropolitan District
Balance Sheet
 As of November 30, 2019

	Nov 30, 19
ASSETS	
Current Assets	
Checking/Savings	
ECB Checking	66,434.33
1-1000 · Key Bank Checking	4,826.80
1-1020 · Zions First National Bank	0.76
2-1000 · COLOTRUST 4001	20,179.01
2-1020 · COLOTRUST Reserve 8002	125,113.44
3-1000 · COLOTRUST-Capital Reserve 8003	234,948.41
Total Checking/Savings	451,502.74
Accounts Receivable	
1-1200 · Accounts Receivable	25,838.53
Total Accounts Receivable	25,838.53
Other Current Assets	
1-1210 · Accounts Receivable County	1,010.44
1-1250 · Prepaid Expense	6,408.57
1-1300 · Property Tax Receivable	92,587.44
Total Other Current Assets	100,006.45
Total Current Assets	577,347.72
Fixed Assets	
1-1850 · Construction In Progress	68,299.63
Total Fixed Assets	68,299.63
Other Assets	
3-1500 · Capital Assets	1,262,622.90
3-1520 · Equipment	3,307.55
3-1540 · Land	101,000.00
3-1560 · Water Rights	172,588.00
3-1590 · Accumulated Depreciation	-442,548.00
Total Other Assets	1,096,970.45
TOTAL ASSETS	1,742,617.80
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
1-2000 · Accounts Payable	11,132.98
Total Accounts Payable	11,132.98
Other Current Liabilities	
1-2020 · Accrued Interest	4,767.00
2-2200 · Deferred Revenue-Property Taxes	92,587.44
Total Other Current Liabilities	97,354.44
Total Current Liabilities	108,487.42
Long Term Liabilities	
1-2420 · Judgement -SDMD & CCC	173.00
2-2400 · 2007 Bonds Payable	1,170,000.00
2-2440 · Natural Rural Water	58,918.87
Total Long Term Liabilities	1,227,091.87
Total Liabilities	1,335,579.29

Arablan Acres Metropolitan District
Balance Sheet
As of November 30, 2019

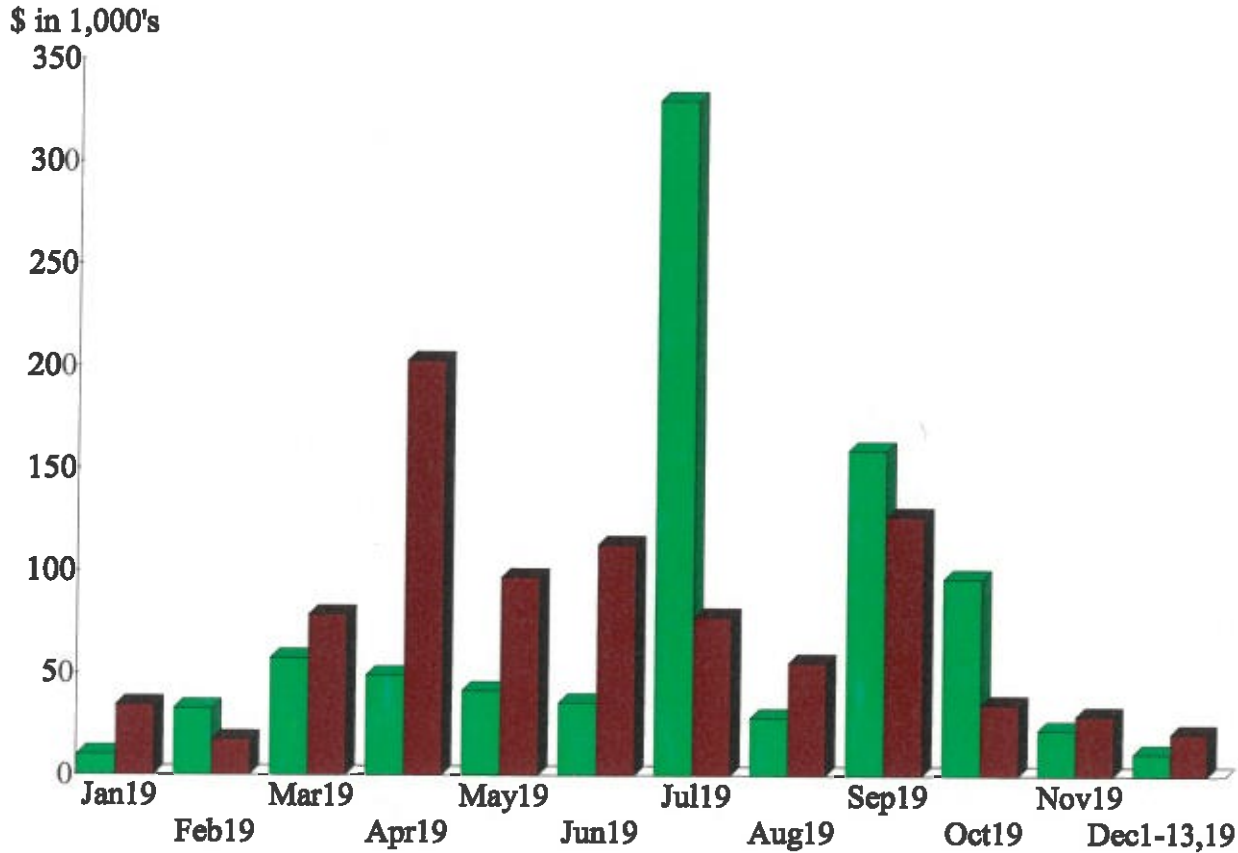
	<u>Nov 30, 19</u>
Equity	
30000 · Opening Balance Equity	215,933.51
32000 · Retained Earnings	195,116.43
Net Income	-4,011.43
Total Equity	<u>407,038.51</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,742,617.80</u></u>

Arabian Acres Metropolitan District Profit & Loss Budget vs. Actual January through November 2019

	Jan - Nov 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
1-4000 · Capital Improvement Fees	101,940.14	134,379.00	-32,438.86	75.9%
1-4020 · CORA Requests	0.00			
1-4030 · Late Fee Revenue	1,247.00	3,750.00	-2,503.00	33.3%
1-4050 · Water Service Fee	108,836.14	107,503.00	1,333.14	101.2%
1-4070 · Water Tap Fees	0.00	8,000.00	-8,000.00	0.0%
1-4080 · Water Usage	87,817.33	82,000.00	5,817.33	109.1%
2-4400 · Property Tax Revenue	87,832.36	92,587.00	-4,754.64	94.9%
2-4450 · Specific Ownership Tax	10,382.27	9,000.00	1,382.27	115.4%
2-4460 · Restitution	28.91			
2-4470 · State Senior/ Veteran Funds	4,597.04			
3-4085 · CDPHE Grant 10K	10,000.00			
3-4090 · CWCB Meter Loan 400K	182,239.00			
3-4095 · CDPHE Grant 300K	123,888.70			
3-4100 · DOLA EIAF Meter Fund 200K	154,864.40			
Total Income	853,473.29	417,219.00	436,254.29	204.6%
Gross Profit	853,473.29	417,219.00	436,254.29	204.6%
Expense				
1-6020 · Bank Service Charges	522.88	3,500.00	-2,977.12	14.9%
1-6030 · Website	699.21	500.00	199.21	139.8%
1-6040 · Computer and Internet Expense	0.00	1,265.00	-1,265.00	0.0%
1-6050 · District Management-Operating	44,602.41	60,000.00	-15,397.59	74.3%
1-6060 · Dues Fees and Subscriptions	2,788.43	1,750.00	1,038.43	159.3%
1-6070 · Election Expense				
Recall - Court Recorder	1,843.40			
Recall - DEO	22,860.43			
Recall - DEO's Legal	25,845.40			
Recall - Legal	9,700.00			
1-6070 · Election Expense - Other	0.00	0.00	0.00	0.0%
Total 1-6070 · Election Expense	60,049.23	0.00	60,049.23	100.0%
1-6080 · Insurance Expense-Operating	0.00	7,000.00	-7,000.00	0.0%
1-6090 · Office Supplies	127.10	500.00	-372.90	25.4%
1-6100 · Postage and Copies-Operating	826.68	500.00	426.68	185.3%
1-6110 · Audit	6,000.00	7,500.00	-1,500.00	80.0%
1-6120 · Directors Fees	6,700.00	7,000.00	-300.00	95.7%
1-6130 · Legal	12,434.85	25,000.00	-12,565.15	49.7%
1-6150 · Water Billing	4,494.76	6,000.00	-1,505.24	74.9%
1-6160 · Other Expense	0.00			
1-6170 · Chemicals and Supplies	1,434.79	2,000.00	-565.21	71.7%
1-6180 · ORC Fees-Operating	35,746.40	44,000.00	-8,253.60	81.2%
1-6190 · Repairs and Maintenance	23,171.31	7,100.00	16,071.31	326.4%
1-6210 · Utilities	9,527.51	6,000.00	3,527.51	158.8%
1-6220 · Water Distribution Purchases	23,716.90	5,000.00	18,716.90	474.3%
1-6230 · Water Testing	990.00	3,000.00	-2,010.00	33.0%
2-6240 · Treasurer Collection Fee	2,636.37	2,700.00	-63.63	97.6%
3-6000 · Capital Outlay	597,152.74	500,000.00	97,152.74	119.4%
3-6030 · Bid Advertising	126.20			
3-6050 · District Management	1,000.00			
3-6100 · Postage and Copies	127.10			
66900 · Reconciliation Discrepancies	60.00			
Total Expense	835,034.87	690,315.00	144,719.87	121.0%
Net Ordinary Income	18,438.42	-273,096.00	291,534.42	-6.8%
Other Income/Expense				
Other Income				
1-7020 · Interest Income - Operating	1.00			
2-7000 · Interest Income	8,259.33	10,000.00	-1,740.67	82.6%
Total Other Income	8,260.33	10,000.00	-1,739.67	82.6%
Other Expense				
2-8000 · Bond Interest	28,801.25	57,202.00	-28,600.75	50.0%
2-8050 · National Rural Water Interest	1,858.93	1,859.00	-0.07	100.0%
2-8080 · Trustee Fees	250.00	250.00	0.00	100.0%
Total Other Expense	30,710.18	59,311.00	-28,600.82	51.8%
Net Other Income	-22,449.85	-49,311.00	26,861.15	45.5%
Net Income	-4,011.43	-322,407.00	318,395.57	1.2%

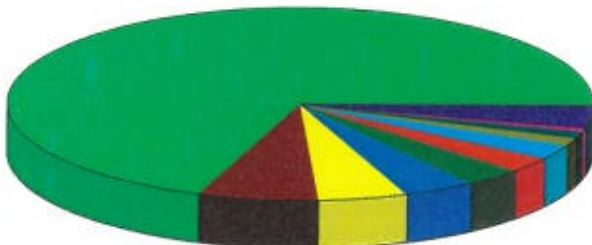
**Income and Expense by Month
January 1 through December 13, 2019**

Income
Expense



**Expense Summary
January 1 through December 13, 2019**

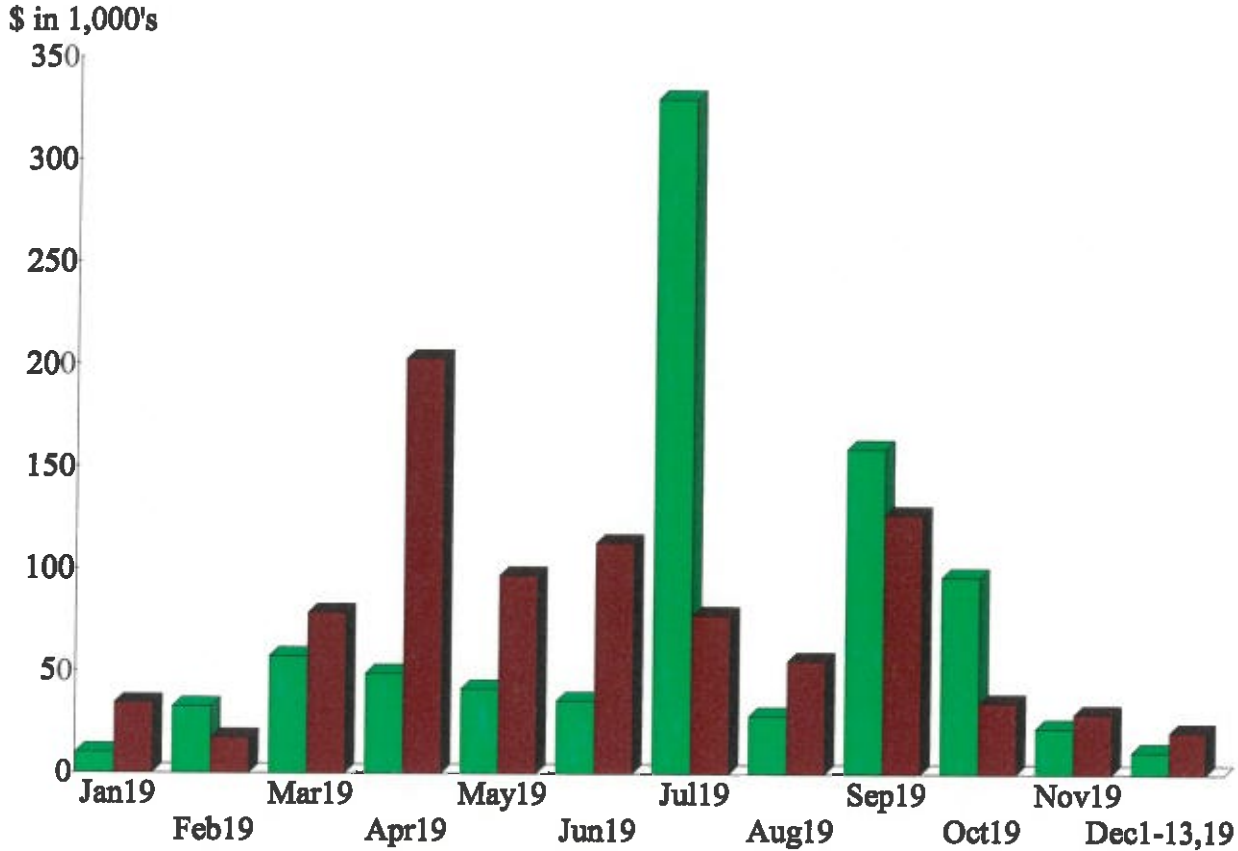
3-6000 · Capital Outlay	69.53%
1-6070 · Election Expense	6.78
1-6050 · District Management-Operating	5.03
1-6180 · ORC Fees-Operating	4.03
2-8000 · Bond Interest	3.23
1-6220 · Water Distribution Purchases	2.68
1-6190 · Repairs and Maintenance	2.66
1-6130 · Legal	1.40
1-6210 · Utilities	1.19
1-6120 · Directors Fees	0.76
Other	2.72
Total	\$886,332.20



By Account

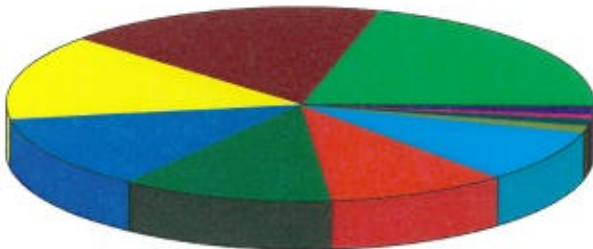
**Income and Expense by Month
January 1 through December 13, 2019**

■ Income
■ Expense

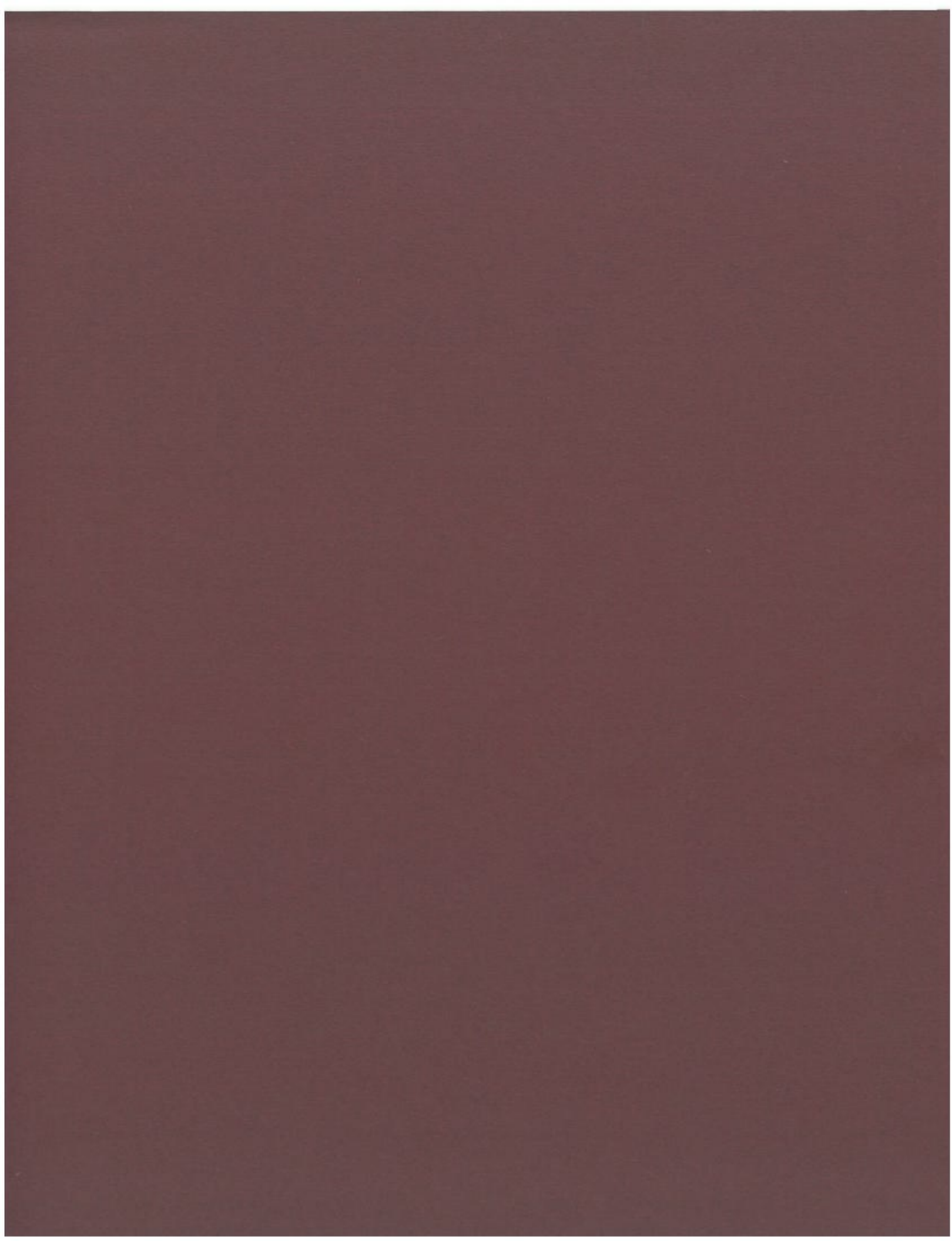


**Income Summary
January 1 through December 13, 2019**

■ 3-4090 · CWCB Meter Loan 400K	20.88%
■ 3-4100 · DOLA EIAF Meter Fund 200K	17.75
■ 3-4095 · CDPHE Grant 300K	14.20
■ 1-4050 · Water Service Fee	12.47
■ 1-4000 · Capital Improvement Fees	11.68
■ 2-4400 · Property Tax Revenue	10.07
■ 1-4080 · Water Usage	8.99
■ 2-4450 · Specific Ownership Tax	1.19
■ 3-4085 · CDPHE Grant 10K	1.15
■ 2-7000 · Interest Income	0.95
■ Other	0.67
Total	\$872,585.88



By Account



**RESOLUTION OF BOARD OF DIRECTORS
CALLING ELECTION**

ARABIAN ACRES METROPOLITAN DISTRICT

§§ 32-1-804, 1-1-111(2), 1-13.5-1103(1), and 1-13.5-513(1)

At a meeting of the Board of Directors (the "Board") of the Arabian Acres Metropolitan District (the "District"), it was moved to adopt the following Resolution:

WHEREAS, the District was organized as a special district pursuant to §§ 32-1-101, *et seq.*, C.R.S. (the "Special District Act"); and

WHEREAS, the District is located entirely within Teller County, Colorado (the "County"); and

WHEREAS, pursuant to § 32-1-804, C.R.S., the Board governs the conduct of regular and special elections for the District; and

WHEREAS, the Board anticipates holding a regular election on May 5, 2020, for the purpose of electing directors and desires to take all actions necessary and proper for the conduct thereof (the "Election"); and

WHEREAS, the Election shall be conducted pursuant to the Special District Act, the Colorado Local Government Election Code and the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, including any amendments thereto, and shall also comply with Article X, § 20 of the Colorado Constitution ("TABOR"), as necessary; and

WHEREAS, pursuant to § 1-1-111(2), C.R.S., the Board is authorized to designate an election official (the "Designated Election Official") to exercise authority of the Board in conducting the Election; and

WHEREAS, pursuant to § 1-13.5-513(1), C.R.S., the Board can authorize the Designated Election Official to cancel the Election upon certain conditions.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby calls the Election for the purpose of electing directors. The Election shall be conducted as an independent mail ballot election in accordance with § 1-13.5-1101, *et seq.*, C.R.S.

2. The Board names _____

_____ as the Designated Election Official for the Election. The Designated Election Official

shall act as the primary contact with the County and shall be primarily responsible for ensuring the proper conduct of the Election.

3. Without limiting the foregoing, the following specific determinations also are made:

- a. The Board hereby directs general counsel to the District to approve the final form of the ballot to be submitted to the eligible electors of the District and authorizes the Designated Election Official to certify those questions and take any required action therewith.
- b. The Board hereby directs general counsel to the District to oversee the general conduct of the Election and authorizes the Designated Election Official to take all action necessary for the proper conduct thereof and to exercise the authority of the Board in conducting the Election, including, but not limited to, appointment, training and setting compensation of election judges and a board of canvassers, as necessary; all required notices of election, including notices required pursuant to TABOR; printing of ballots; supervision of the counting of ballots and certification of election results; and all other appropriate actions.

4. The District shall be responsible for the payment of any and all costs associated with the conduct of the Election, including its cancellation, if permitted.

5. The Board hereby ratifies any and all actions taken to date by general counsel and the Designated Election Official in connection with the Election.

6. The Board hereby authorizes and directs the Designated Election Official to cancel the Election and to declare the candidates elected if, at the close of business on the sixty-third day before the Election, or at any time thereafter, there are not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates, and so long as the only ballot questions are for the election of candidates. The Board further authorizes and directs the Designated Election Official to publish and post notice of the cancellation as necessary and file such notice and cancellation resolutions with the County Clerk and Recorder and with the Division of Local Government, as required. The Designated Election Official shall also notify the candidates that the Election was canceled and that they were elected by acclamation.

7. This Resolution shall remain in full force and effect until repealed or superseded by subsequent official action of the Board.

[Remainder of Page Intentionally Left Blank]

ADOPTED THIS ___th DAY OF _____, 20__.

ARABIAN ACRES METROPOLITAN DISTRICT

Officer of the District

ATTEST:

ARABIAN ACRES METROPOLITAN DISTRICT

MONTHLY OPERATIONS REPORT

November 15, 2019 to December 13, 2019

Submitted by: Lynn Willow, O.R.C/Operator

TOTAL WATER PUMPED

Control A 327,536

Control B 168,743

TOTAL PURCHASED WATER

Trucked – 0

(Amount actually received per each 4,000 gallon load is generally 200-300 gallons less due to standard and typical hauling losses)

OPERATIONS & MAINTENANCE ISSUES

- 1) Bac-T samples for the month have been taken and are negative.
- 2) Have been working with Tim from Dana Kipler and Adam Fedler on completing the import information for the route file for the new metering system.
- 3) I anticipate the route file being completed by this month's billing.
- 4) We have had a number of customers with concerns about their usage after the new meters have been installed. This was expected, with the old and less accurate meters being replaced with the new highly accurate meters.
- 5) Some homes have had from a 10% to 25% and higher usage. So I started Bucket test for those customers who have requested one.
- 6) The new meters have all been certified from the factory as with in the American Water Works Association standards of 98.5% to 100% accuracy.

OTHER BUSINESS:

Freezing night time temps are here. Please disconnect any outside hoses from your house to prevent damage to your plumbing.

I will stay after each BOD meeting (when I can) for a short period of time to answer any questions regarding water treatment and distribution.