



NORTH FRONT RANGE WATER QUALITY PLANNING ASSOCIATION
257 Johnstown Center Dr.; Unit 206
Johnstown, CO 80534
970-587-8872 – <http://www.nfrwqpa.org>

EXECUTIVE COMMITTEE AGENDA

May 4, 2023, @ 12:00 PM

Hybrid Meeting

Remote Access: Microsoft Teams meeting
[Click here to join the meeting](#)

Meeting Location: NFRWQPA Office

Or call in (audio only)

[+1 720-739-6745](tel:+17207396745) United States, Denver

Phone Conference ID: 438 069 278#

Notice is given to the members of the North Front Range Water Quality Planning Association (NFRWQPA) and the general public. The Association will hold its Executive Committee meeting, open to the public, on the date and location posted above.

1. **CALL MEETING TO ORDER.**
2. **NOTICE TO COMMITTEE MEETING IS RECORDED.**
3. **DETERMINATION OF A QUORUM.**
Brian Zick - Chair, Todd Hepworth - Vice Chair, Rob Fleck-Treasure, Chris Bieker, Derik Caudill, Tom Parko, and Tyler Eldridge.
4. **APPROVAL OF AGENDA.**
5. **DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST.**
6. **PUBLIC COMMENTS.**
7. **APPROVAL OF PAST MINUTES.** - Attachment #1 (pages 3-5).
For review and consideration by the Executive Committee are the March 2, 2022, meeting minutes.
8. **ACCOUNTS RECEIVABLES AND PAYABLES REVIEW.** - Attachment #2 (pages 6-8).
For review and consideration are the accounts receivables and payables for February & March 2023.
9. **DECISION ITEM.** Directors and Officers Insurance. Attachment #3 (pages 9-14).
The Executive Committee can decide whether the Association needs Directors' and Officers' Insurance based on legal counsel review.
Recommendation: Disapprove.
10. **DISCUSSION ITEM.** Colorado Health Rivers Fund Grant.
Colorado Healthy Rivers Fund Grant update.
11. **DISCUSSION ITEM.** South Platte Basin Roundtable Water Supply Reserve Fund Grant.
South Platte Basin Roundtable Water Supply Reserve Fund Grant update.
12. **DECISION ITEM.** 2024 Association Budget - Attachment #4 (pages 15-18).

Continuing the discussion from the March 2, 2023, Executive Meeting, the Executive Committee will provide a 2024 Association Budget for Approval by the Membership during the June 22, 2024, Association meeting. An option has been suggested for the Association to set an annual increase for dues for certainty to membership yearly rather than substantial unplanned increases. This approach allows members to budget annually adequately. The following costs have increased between 2020-2023.

1. Regional Projects 77%
2. Salary and Benefits 15%
3. Audits 9%
4. Rent 4%
5. Overall Budget 7%

Recommendation: Approve an annual standard rate of increase for membership dues.

13. DISCUSSION ITEM. Historical Documentation.

Quotes for shredding the historical documentation are upwards of \$1,000 dollars. Are there any other affordable and acceptable means for disposing of all this documentation?

14. DISCUSSION ITEM. Association Luncheons.

Association luncheons with membership for promoting 208 planning are proving more acceptable.

15. ADJOURN.

Attachment #1



NORTH FRONT RANGE WATER QUALITY PLANNING ASSOCIATION
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Johnstown, CO 80534
970-587-8872 – <http://www.nfrwqpa.org>

EXECUTIVE COMMITTEE MINUTES

March 2, 2023, 12:00 PM

Hybrid Meeting

1. **CALL MEETING TO ORDER.**

The meeting was called to order at 12:05 PM by Mr. Thomas.

2. **NOTICE TO COMMITTEE MEETING IS RECORDED.**

Mr. Thomas stated that the meeting is recorded.

3. **DETERMINATION OF A QUORUM.**

Attendance:

NFRWQPA – Mr. Thomas, Manager

Executive Committee Officers –

Chair – Brian Zick – Boxelder S.D.

Vice-Chair – Todd Hepworth – Evans

Treasurer – Robert Fleck – St. Vrain S.D.

Officer – Chris Bieker – Upper Thompson S.D.

Officer – Tom Parko – Weld County

Officer – Tyler Eldridge - Greeley

Officer – Derik Caudil – S. Ft. Collins S.D.

Executive Committee Officers Absent –

Membership –

N/A

Public –

N/A

- a quorum was announced

4. **APPROVAL OF AGENDA.**

Mr. Fleck moved to approve the agenda seconded by Mr. Hepworth. – motion carried unanimously.

5. **DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST.**

No conflicts of interest were disclosed during the meeting.

6. **PUBLIC COMMENTS.**

No public comments were stated.

7. **APPROVAL OF PAST MINUTES.**

Meeting minutes from December 1, 2022, were presented for review and consideration. Mr. Fleck moved to approve the December 1, 2022 minutes seconded by Mr. Hepworth. – motion carried unanimously.

8. **ACCOUNTS RECEIVABLES AND PAYABLES REVIEW.**

The accounts receivables and payables for November & December 2022 and January 2023 were presented and reviewed. Mr. Parko moved to approve the reviewed receivables and payables for November & December 2022 and January 2023, seconded by Mr. Eldridge – motion carried unanimously.

9. **DECISION ITEM.** Association Meeting Financial Statements.

Mr. Thomas presented a review of the Association’s Financial Statements presented during membership meetings. No action was taken.

10. DECISION ITEM. 2024 Association Budget.

Mr. Thomas presented the 2024 Association budget and fiscal outlook for the next five years. The Executive Committee discussed options for maintaining or increasing annual membership dues to support the Association's historical financial status. The Executive Committee will re-evaluate increasing membership dues during the next Executive Committee meeting—no action taken.

11. DECISION ITEM. Available Grant Funds to pursue.

Mr. Thomas discussed the following available grants for the Association to pursue.

- a. [Colorado Health Rivers Grant Fund](#) - \$20,000
 - i. Note: The deadline is February 28, 2023, and I am applying.
- b. [Environmental Justice](#) - \$1,000,000 annually
- c. EPA's [Bipartisan Infrastructure Law - Landing Page](#) - \$50 Billion available.
- d. CDPHE [Bipartisan Infrastructure Law](#) – Landing Page 700 million in Colorado available.
- e. Others?

12. DECISION ITEM. Directors and Officers Insurance - Attachment #1.

Mr. Thomas presented a quote for consideration for directors' and officers' insurance. The Executive Committee directed Mr. Thomas to obtain a legal review of whether the Association needs directors' and Officers' insurance. Members of the Executive Committee will also conduct their own legal review to determine if directors' and officers' insurance is necessary. The Executive Committee will re-evaluate directors' and officers' insurance during the next Executive Committee meeting—no action taken.

13. DISCUSSION ITEM. Ohio 208 Agencies Meeting Review and Discussion.

Mr. Thomas and the Executive Committee briefly discussed the Association and Ohio 208 agencies' similarities and differences in authority, policy, and structure.

14. OTHER BUSINESS.

1. Mr. Fleck requested that agenda items include a recommendation.
2. Mr. Thomas discussed an Association meeting on March 14, 2023, regarding recommendations for TMDL prioritization for Regulation No. 93.
3. Mr. Thomas discussed meeting requests for unsuccessful bidders for the Regional 208 Nonpoint Source Plan.

15. ADJOURN.

Attachment #2

February 2023

NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT		DEPOSIT/CREDIT	BALANCE
NFRWQPA - 6456			(-)		(+) \$	95,234.28
Electronic Deposits						
EFT	10-Feb	City of Loveland			\$ 14,500.00	\$ 109,734.28
		9010-Membership Dues				
EFT	23-Feb	NCWCD			\$ 1,000.00	\$ 110,734.28
		9010-Membership Dues				
Paper Deposits						
Dep	2-Feb	Mead, Kersey, La Salle, Berthoud, Evans, LCHD, Metro Water Recovery			\$ 31,300.00	\$ 142,034.28
		9010-Membership Dues				
Dep	13-Feb	SVSD, and Northglenn			\$ 6,300.00	\$ 148,334.28
		9010-Membership Dues				
Dep	16-Feb	Brighton & Greeley			\$ 17,650.00	\$ 165,984.28
		9010-Membership Dues				
Dep	28-Feb	Broomfield & Galetton W&SD 2nd QTR			\$ 14,833.33	\$ 180,817.61
		9010-Membership Dues				
						\$ 180,817.61
						\$ 180,817.61
						\$ 180,817.61
						\$ 180,817.61
				Total	\$ 85,583.33	
Electronic Transactions						
Draft	11-Feb	PERA-Mark-Citistreet 401K	\$ 521.60			\$ 180,296.01
		3100-Salary				
Draft	11-Feb	PERA/FICA/IRS	\$ 2,335.61			\$ 177,960.40
		3400-FICA/PERA Manager				
Draft	15-Feb	Tus Nau, LLC-Rent	\$ 1,353.00			\$ 176,607.40
		5010-Rent & Utilities				
Draft	28-Feb	Payroll-Mark Thomas	\$ 7,103.93			\$ 169,503.47
		3100-Salary				
Draft	28-Feb	FICA-Co Withholding	\$ 1,658.94			\$ 167,844.53
		3100-Salary				
AutoPay	4-Feb	First Nation Bank Credit Card	\$ 28.54			\$ 167,815.99
		5510-Meals & Lodging	\$ 28.54			
AutoPay	6-Feb	Century Link	\$ 143.66			\$ 167,672.33
		5130-Internet Service & Phone				
AutoPay	1-Feb	A Wych Tax & Accounting LLC (Invoice 1512)	\$ 208.75			\$ 167,463.58
		5600-Accounting				
AutoPay	3-Feb	A Wych Tax & Accounting LLC (Invoice 1631)	\$ 256.25			\$ 167,416.08
		5600-Accounting				
AutoPay	3-Feb	Invision GIS	\$ 420.00			\$ 166,996.08
		6010-Contract Services - State/GIS				
AutoPay	24-Feb	DigiTEKS Annual IT Contract	\$ 1,782.00			\$ 165,214.08
		6010-Contract Services - State/GIS				
AutoPay	4-Feb	Mark Thomas Expense Check (Jan-2022)	\$ 75.00			\$ 166,921.08
		5100-Telephone Cellular	\$ 75.00			
Check #		PAPER Transactions				
3773	1-Feb	Colorado Wastewater Utility Council 2022 D	\$ 500.00			\$ 166,421.08
		5400-NFR Dues & Subscriptions				
3774	16-Feb	GEI Consultants - Invoice 3774	\$ 782.35			\$ 165,638.73
		6010-Contract Services - State/GIS				
3775	24-Feb	Colorado Wastewater Utility Council	\$ 643.00			\$ 164,995.73
		5425-Intergovernmental Assistance				
		TOTALS	\$ 17,812.63		\$ 85,583.33	\$ 163,004.98
						Difference
		Bank Statement# Ending Balance:			\$ 163,647.98	-643.00
		Uncashed checks Total:	\$ 643.00		Balanced Amount	\$ (0.00)

March 2023

NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT		DEPOSIT/CREDIT	BALANCE
		NFRWQPA - 6456	(-)		(+)	\$ 163,647.98
		Electronic Deposits				
Dep						\$ 163,647.98
						\$ 163,647.98
		N/A				
		Paper Deposits				
Dep	3-Mar	Dacono			\$ 1,000.00	\$ 164,647.98
		9010-Membership Dues				
Dep	6-Mar	Estes Park SD			\$ 3,150.00	\$ 167,797.98
		9010-Membership Dues				
Dep	24-Mar	Galeton Water & SD-3rd Qtr. Payment			\$ 333.33	\$ 168,131.31
		9010-Membership Dues				
Dep	28-Mar	Town of Estes Park			\$ 1,000.00	\$ 169,131.31
		9010-Membership Dues				
						\$ 169,131.31
		N/A				\$ 169,131.31
		N/A				\$ 169,131.31
						\$ 169,131.31
				Total	\$ 5,483.33	
		Electronic Transactions				
Draft	11-Mar	PERA-Mark-Citistreet 401K	\$ 521.60			\$ 168,609.71
		3100-Salary				
Draft	11-Mar	PERA/FICA/IRS	\$ 2,335.61			\$ 166,274.10
		3400-FICA/PERA Manager				
Draft	15-Mar	Tus Nau, LLC-Rent	\$ 1,353.00			\$ 164,921.10
		5010-Rent & Utilities				
Draft	28-Mar	Payroll-Mark Thomas	\$ 7,103.94			\$ 157,817.16
		3100-Salary				
Draft	28-Mar	FICA-Co Withholding	\$ 1,658.92			\$ 156,158.24
		3100-Salary				
AutoPay	4-Mar	First Nation Bank Credit Card	\$ 187.19			\$ 155,971.05
		5510-Meals & Lodging	\$ 47.24			
		5140-IT Support	\$ 139.95			
AutoPay	8-Mar	Century Link	\$ 143.66			\$ 155,827.39
		5130-Internet Service & Phone				
AutoPay	6-Mar	A Wych Tax & Accounting LLC (Invoice 1867)	\$ 250.00			\$ 155,577.39
		5600-Accounting				
AutoPay	15-Mar	First National Bank PayMarker Fee	\$ 0.49			\$ 155,576.90
		5750-Bank Charges				
						\$ 155,576.90
AutoPay	1-Mar	Mark Thomas Expense Check (Feb)	\$ 127.32			\$ 155,449.58
		5100-Telephone Cellular	\$ 75.00			
		5500-Mileage Reimbursement	\$ 52.32			
Check #		PAPER Transactions				
3775	24-Feb	Colorado Wastewater Utility Council	\$ 643.00			\$ 154,933.90
		5425-Intergovernmental Assistance				
3776	1-Mar	CWWUC 2023 Dues	\$ 600.00			\$ 154,849.58
		5400-NFR Dues & Subscriptions				
DRAFT	3-Mar	To COLOTRUST (Test)	\$ 2.00			\$ 154,847.58
DRAFT	6-Mar	To COLOTRUST	\$ 125,000.00			\$ 29,847.58
		TOTALS	\$ 139,926.73		\$ 5,483.33	\$ 29,204.58
						Difference
		Bank Statement# Ending Balance:			\$ 29,204.58	0.00
		Uncashed checks Total:	\$ -		Balanced Amount	\$ -

Attachment #3

April 20, 2023

VIA EMAIL
mthomas@nfrwqpa.org

Mark Thomas, Manager
North Front Range Water Quality Planning Association
257 Johnstown Center Drive, Unit 206
Johnstown, CO 80534

Re: *Liability Protection for Officers and D & O Insurance*

Dear Mark:

This letter is in response to your question about whether the officers of the North Front Range Water Quality Planning Association (“NFRWQPA” or the “Association”) are protected against personal liability under federal and state immunity laws and, if so, whether directors and officers liability insurance (“D & O insurance”) would protect against any remaining risks. The answer to the question about the applicability of federal and state immunity laws is, yes, the Association’s officers should be protected under federal and state immunity laws. The answer to the second question depends on both the risk tolerance and financial stability of the Association.

In preparing my response, I reviewed the Association’s Articles of Incorporation, the Association’s Articles of Association, federal qualified immunity doctrine resources, the Colorado Government Immunity Act, IRS technical guidance, and federal and state volunteer protection statutes. Due to time and budgetary constraints, I did not perform an exhaustive review of federal or state case law related to the application of the various federal and state laws.

1. Section 501(c)(1) Nonprofit Corporation

The Association was established in 1987 as a Colorado nonprofit corporation under the authority of the Colorado Revised Nonprofit Corporation Act, C.R.S. Sec. 7-121-101, et seq. The Association’s articles of incorporation state that it was organized for the purpose of “Designated Areawide Water Quality Management Planning pursuant to State and Federal Water Quality Acts.” (NFRWQPA Articles of Incorporation, filed on 11/6/1987) The NFRWQPA Articles of Association, which effectively serve as the nonprofit corporation’s bylaws, describe a governance structure in which the corporation’s officers serve as the governing body responsible for managing

the business affairs of the Association. The Articles also provide for a voting membership of governmental entities.

For federal tax purposes, the Association is recognized as an exempt organization under section 501(c)(1) of the Internal Revenue Code. Section 501(c)(1) organizations are defined as “any corporation organized under Act of Congress which is an instrumentality of the United States”. IRS guidance¹ defines a federal instrumentality as “an organization created by or pursuant to statute and operated for public purposes.” The IRS guidance further describes a federal instrumentality as an organization that “performs governmental functions, but does not have the full powers of a government, such as police authority, taxation and eminent domain.”

The Association qualifies as a 501(c)(1) exempt organization because it is an instrumentality of government organized under section 208 of the Clean Water Act and operates for the public purpose of addressing substantial water quality control problems in a specified area of the state.

2. Federal and State Government Immunity Laws

Qualified immunity protects public officials from liability for their misconduct, even if the public official is at fault. Qualified immunity is based on case law, not statutory authority. In a recent case, the Supreme Court described the doctrine as one that “balances two important interests—the need to hold public officials accountable when they exercise power irresponsibly and the need to shield officials from harassment, distraction, and liability when they perform their duties reasonably.” *Pearson vs Callahan*, 555 U.S. 223 (2009). Qualified immunity applies primarily to claims based on civil rights violations. The immunity is referred to as “qualified” because, as a matter of legal principle, the immunity protection for public officials is not absolute.

Because qualified immunity is not based in statute, the term public official is not defined. However, court decisions have held that public officials protected by qualified immunity include officers, employees and other persons acting for or on behalf of a government agency in an official capacity. See, *McDonnell v. United States*, 792 F. 3d 478 (2016)

The application of the judicial doctrine is heavily fact-based, meaning a plaintiff must find a prior case in which a public official was held liable with virtually identical facts. As a result, the standard a plaintiff must meet to successfully hold a public official liable for their acts resulting in injury is very high. In other words, public officials rarely assume liability for acts taken (or not taken) within their official duties.

As discussed above, the Association is a government instrumentality. Accordingly, its officers are public officials when they act on behalf of the Association in their official capacity and would be protected against liability under qualified immunity.

¹ Exempt Organizations Technical Guide: TG 1 Instrumentalities of the United States, Government Corporations, and Federal Credit Unions - IRC 501(c)(1) (Technical Guide Revision Date: 3/17/2023)

The Colorado Governmental Immunity Act (CGIA), C.R.S. Sec. 24-10-101, et seq., authorizes immunity protection to public entities and public employees from liability against claims filed under Colorado law. A public entity is broadly defined as

“. . . any county, city and county, municipality, school district, special improvement district, and every other kind of district, agency, instrumentality, or political subdivision thereof organized pursuant to law and any separate entity created by intergovernmental contract or cooperation only between or among the state, county, city and county, municipality, school district, special improvement district, and every other kind of district, agency, instrumentality, or political subdivision thereof”; and

a public employee is defined as “an officer, employee, servant, . . . of the public entity, whether or not compensated, elected, or appointed,”

C.R.S. Sec. 24-10-103(4)(a) and (5)

The Association is an instrumentality organized pursuant to law and, therefore, its officers and employees are protected against claims for liability for injury caused by their official acts. The Association and officers would likely also satisfy the immunity requirements because of the governmental agencies comprising its membership.

3. Other Legal Protections Against Liability

a) Statutory Protections under the Colorado Revised Nonprofit Corporation Act (CRNCA). The CRNCA affords the Association’s officers the basic protections of the corporate form. Like its for-profit counterpart, the nonprofit corporation is treated as a separate legal entity apart from its officers and members. In other words, the corporate entity is liable for actions of the corporation resulting in physical or economic harm to others. Actions of the corporation include acts carried out by the corporation’s officers.

An Association officer, for example, would not be personally liable for the physical injuries resulting from someone tripping over an electrical cord at a meeting or for the financial detriment to a printing company for an unpaid bill. The officer whose actions caused the injuries would not be personally liable even if the officer was negligent in carrying out (or not carrying out) those actions.

Although the liability protections built into the corporate form are broad, they do not protect officers entirely from personal liability. Officers are not protected against liability for injury caused by their criminal, grossly negligent, bad faith, and other such misconduct.

i) *Fiduciary Standards of Conduct.* The CRNCA sets forth the standard of conduct by which officers must carry out their official duties, and makes clear that, if they act according to these standards, the officers will not be liable to the corporation or its members. The statutory standards of conduct for officers are based on common law fiduciary duties of care and loyalty.

The duty of care generally requires an officer to discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the director reasonably believes to be in the best interest of the nonprofit corporation. The duty of loyalty requires the officer to act in the interests of the nonprofit corporation over their own personal interests. The statute prescribes the standards for determining a conflict and for handling it.

As a matter of practice, an Association officer is more likely to be at risk of liability for a breach of fiduciary duties owed to the Association and its members than it is to be at risk of personal liability for injury to third parties. Acting according to the statutory fiduciary standards will help minimize the officer's liability risks. Adopting and complying with corporate policies, such as a conflict-of-interest policy, also will help to minimize risks of an officer's personal liability.

ii) Indemnification. The CRNCA also entitles officers of nonprofit corporations with indemnification protections. Indemnification is the agreement or duty of one party (for example, the Association) to protect another (for example, an Association officer) from loss or damage. When a nonprofit corporation's actions cause harm to a person, whether economically or physically, the injured party often names the corporation, its officers and directors, and anyone else that may be involved and able to pay for damages. Even if the officers named in a legal action are not liable because of the corporate statutory protections, defending oneself can be costly, not to mention, a disincentive to accept an appointment as an officer of the nonprofit.

Under the CRNCA, nonprofit corporate officers are entitled to indemnification for the reasonable expenses associated with his or her defense in a legal proceeding. Officers may also receive advancements in funds from the corporation to cover the costs of their legal defense, but only if the nonprofit corporation's articles of incorporation include a provision to that effect. While a basic indemnification provision allows corporations to reimburse officers for legal expenses at the conclusion of legal proceeding, the advancement of expenses gives an officer the relief from financial burden up front.

The Association's Articles of Association authorize the indemnification of officers for claims brought against them. However, because the Association's articles of incorporation, as recorded with the Secretary of State's Office, do not authorize it to advance legal costs, an Association officer would be responsible for paying all costs associated with his or her defense and, only at the end of the proceeding, would the Association be able to reimburse the officer for those costs.

b) Volunteer Liability Protection Laws. The Association's officers may also seek liability protection under the federal Volunteer Protection Act (VPA), 42 U.S.C. Sec 14501, et seq. The VPA generally provides that volunteers of nonprofits and governmental entities are not personally liable for their acts or omissions as long as the volunteer was acting within the scope of their responsibilities. Of course, the VPA protections do not extend to acts which cause harm through "willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the volunteer." It also specifically exempts misconduct that constitutes a crime of violence, terrorism, a hate crime, sexual offenses

Mark Thomas
4/20/2023

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for which the individual was convicted, a violation of state or federal civil rights law, or where the harm was committed while the volunteer was intoxicated. The VPA purposefully applies to nonprofit corporation officers as a means of encouraging such voluntary service.

3. Directors and Officers Liability Insurance

Given the multiple sources of legal protections for officers of nonprofit and governmental entities, one could conclude that a D & O insurance policy is unnecessary. An officer's remaining liability risks would appear to be limited to only those claims for which they probably should be liable (i.e., criminal, made in bad faith, grossly negligent and the like). Unfortunately, in spite of the liability protections, officers often find themselves as defendants to lawsuits and personally bearing the burden of legal defense costs.

D & O insurance policies, like other types of insurance, vary in their coverage. They generally cover liability arising from any kind of wrongful act of a nonprofit corporation's directors and officers. Wrongful acts usually include claims of breach of fiduciary duty and others as defined by the insurance policy. The basic coverage pays for legal costs of officers when the legal proceeding is completed and the nonprofit does not have the financial resources to reimburse the officer or is not authorized to indemnify the officers. Another type of coverage reimburses the nonprofit when it pays for the officer's legal costs in advance pursuant to an indemnification obligation. Costs for D & O policies vary according to the deductibles, coverage and other terms.

In sum, the Association's officers would likely be protected against personal liability for their official actions under federal qualified immunity and Colorado's immunity statute. They would also be afforded protections under the Colorado nonprofit corporation statute and the federal volunteer liability statute. Notwithstanding these various sources of legal protections, the Association should consider directors and officers liability insurance for the purpose of protecting them against the financial burden of attorney fees associated with costs necessary to support a legal defense.

If you have any questions about the information discussed above, please let me know. Also, if you would like to discuss steps the Association could take to further manage its liability risks, I am happy to discuss these with you.

Sincerely,

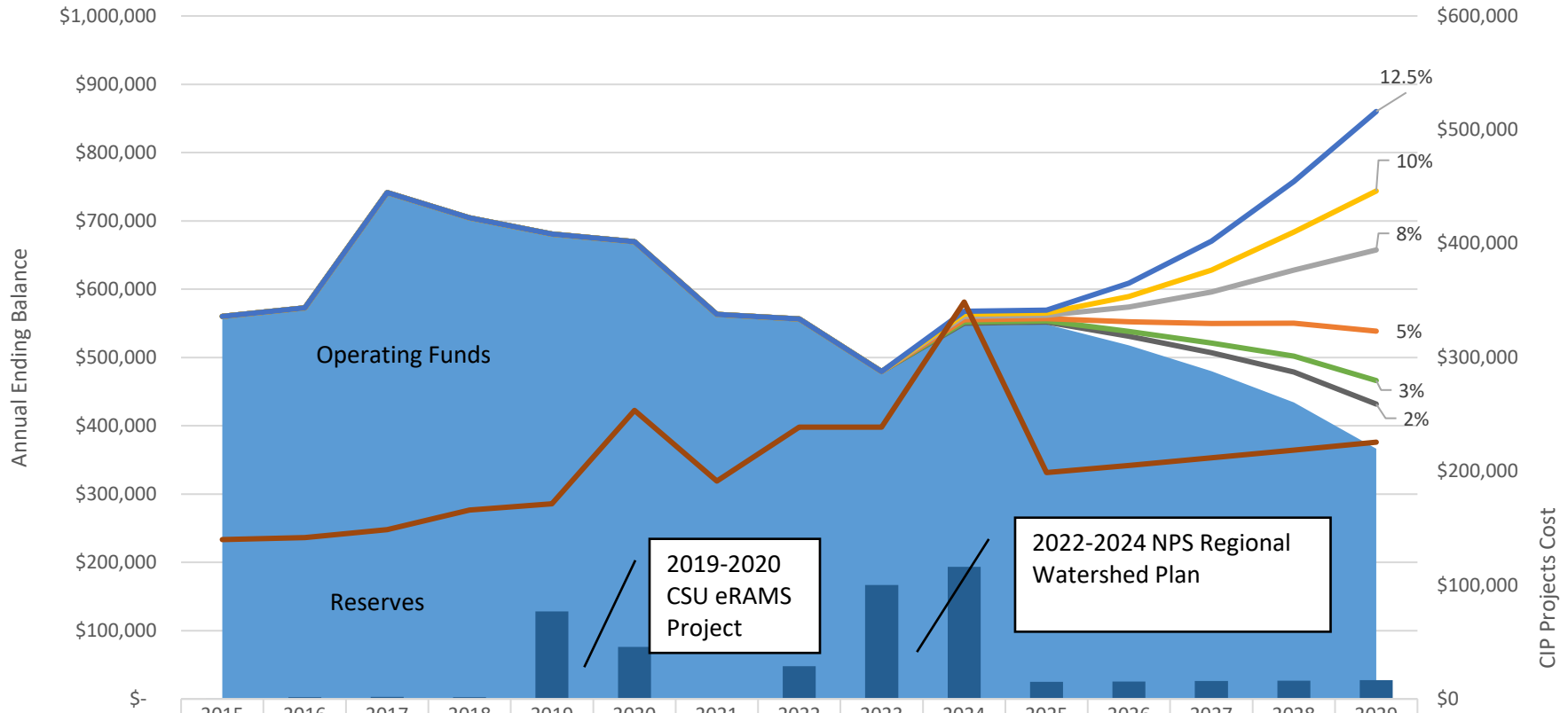
LYONS GADDIS, PC

By: 

Kimberly A. Barr

Attachment #4

Association Operation and Reserves Fund Flow Projections, 5-Year Annual Dues Increases



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Current	\$560,1	\$572,4	\$741,3	\$704,3	\$680,5	\$669,6	\$563,0	\$556,5	\$479,3	\$546,9	\$548,4	\$517,7	\$479,8	\$434,2	\$366,5
CIP Projects	\$510	\$1,515	\$1,935	\$1,508	\$76,996	\$45,611	\$443	\$28,742	\$100,00	\$116,00	\$15,000	\$15,375	\$15,759	\$16,153	\$16,557
2%	\$560,1	\$572,4	\$741,3	\$704,3	\$680,5	\$669,6	\$563,0	\$556,5	\$479,3	\$550,2	\$551,7	\$531,2	\$506,9	\$478,6	\$431,7
3%	\$560,1	\$572,4	\$741,3	\$704,3	\$680,5	\$669,6	\$563,0	\$556,5	\$479,3	\$551,9	\$553,3	\$538,1	\$520,9	\$501,7	\$466,1
5%	\$560,1	\$572,4	\$741,3	\$704,3	\$680,5	\$669,6	\$563,0	\$556,5	\$479,3	\$555,2	\$556,7	\$552,1	\$549,9	\$550,1	\$538,7
8%	\$560,1	\$572,4	\$741,3	\$704,3	\$680,5	\$669,6	\$563,0	\$556,5	\$479,3	\$560,2	\$561,6	\$574,0	\$595,7	\$628,0	\$657,4
10%	\$560,1	\$572,4	\$741,3	\$704,3	\$680,5	\$669,6	\$563,0	\$556,5	\$479,3	\$563,5	\$564,9	\$589,1	\$628,0	\$683,6	\$743,7
12.5%	\$560,1	\$572,4	\$741,3	\$704,3	\$680,5	\$669,6	\$563,0	\$556,5	\$479,3	\$567,6	\$569,1	\$608,6	\$670,4	\$757,7	\$860,1
Reserves	\$233,34	\$236,35	\$248,05	\$276,80	\$285,86	\$422,62	\$319,21	\$398,00	\$398,00	\$581,22	\$331,38	\$342,00	\$352,97	\$364,31	\$376,04

Budgeted Years

Association Operation and Reserves Fund Flow Projections, Onetime Dues Increase

