

BOARD OF TRUSTEES BYLAWS

01.02.01 Board of Trustees Bylaws

Article I - Name

The name of this organization is the Board of Trustees of the Pueblo Library District, Pueblo, Colorado. The Board shall have those duties and responsibilities authorized by the Colorado Revised Statutes.

The Pueblo Library District, serving the City and County of Pueblo, was formed under Colorado Revised Statutes, on July 15, 1968, by joint resolution of the Pueblo City Council and the Pueblo Board of County Commissioners.

Article II - Membership and Responsibilities

- 1. The Board of Trustees shall be comprised of seven (7) trustees appointed and ratified in accordance with Colorado Revised Statutes applicable at the time of appointment. Appointees to the Library Board of Trustees shall be chosen from the residents within the service area of the library. At least one member of the Library Board of Trustees shall reside outside the City of Pueblo.
- 2. The term of office shall be five years. There shall be no limit to the number of terms a Trustee can serve on the Board. (Revised February 23, 2006)
 - (a) Six months prior to the completion of a trustee term, the President of the Board shall notify appropriate County and City officials of the approaching vacancy and request that they begin the process necessary for filling the vacancy in a manner by which trustees are regularly chosen so as to minimize the impact of the vacancy on the work of the Board. (Revised February 23, 2006)
 - (b) When a Board vacancy occurs prior to the anticipated expiration date of the position, the President of the Board shall notify appropriate County and City officials as soon as possible and request that they fill the remainder of the unexpired term as soon as possible in a manner by which trustees are regularly chosen so as to minimize the impact of the vacancy on the work of the Board. (Revised February 23, 2006)
- 3. A Trustee can be removed only by a majority vote of the appointing authority and only upon a showing for cause. For the purpose of these bylaws, for cause shall be shown if a Trustee:
 - (a) Fails to attend any combination of seven regular scheduled Board meetings or regular scheduled work sessions in a calendar year. (Revised May 28, 2009)
 - (b) Is found guilty of gross neglect of duties;

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GOVERNANCE - Board of Trustees Bylaws and Ethics
Board of Trustees Bylaws

- (c) Is convicted of a crime involving moral turpitude;
- (d) Violates a statute or ordinance which results, or could result, in serious damage to the Pueblo Library District's property or interests.
- (e) Should a member of the Board meet any requirements "for cause" prescribed in subsections (a)-(d), upon majority vote of the Board, a written request will be made by the President of the Board to the appointing authority to remove the Trustee and declare the seat vacant, and begin their process of filling the seat so as to minimize any disruptions to the productivity of the Board. (Revised May 28, 2009)
- 4. A Trustee shall receive no salary or other compensation for services as a Trustee, but necessary traveling and subsistence expenses actually incurred may be paid from the library budget.
- 5. All members of the Board shall participate in at least one continuing education activity annually. This may be part of a regularly scheduled Board meeting with a presentation provided or attendance at continuing education activities sponsored by various continuing education providers. Trustees who participate in continuing education shall be offered reimbursement in the same manner and at the same rate as the library staff. (Adopted Dec. 14, 2010)
- 6. The Board shall retain a qualified Executive Director to whom shall be delegated the responsibility to employ, direct, and supervise staff member and update the Board on terminations, new hires and changes in status in his/her monthly Director's Report; prepare required reports and budgets; recommend policies, develop procedures consistent with those policies, administer policies adopted by the Board; and promote effective library service. (Revised June 26, 2008)
- 7. The powers and duties of the Board of Trustees shall include, but not be limited to, the following. The Board of Trustees shall:
 - (a) Adopt such bylaws, rules, and regulations for its own guidance and for the government of the library as it deems appropriate. The bylaws shall include, but not be limited to, provisions for the definition of cause to be applied in the removal of a Trustee pursuant to Colorado Revised Statutes; designation of those officers to be appointed or elected and the manner of such appointment or election; rules and regulations for conducting meetings; rules for public participation in meetings; and procedures for amending the bylaws. The bylaws shall further provide for the length and number of terms of Board members. A copy of the bylaws shall be filed with the legislative body of each participating governmental unit;
 - (b) Supervise, care for, and have custody of all property of the library, including rooms or buildings constructed, leased, or set apart therefore;
 - (c) Submit annually a budget as required by law and certify to the Pueblo Board of County Commissioners the sums necessary to maintain and operate the library during the ensuing year;
 - (d) Adopt a budget and make appropriations for the ensuing fiscal year as set forth in Colorado Revised Statutes, and have exclusive control and spending authority over the disbursement of library funds as set forth in the Colorado Revised Statutes;
 - (e) Accept such gifts of money or property for library purposes as it deems appropriate;
 - (f) Acquire and hold land by gift, lease, or purchase for library purposes;

- (g) Lease, purchase, or erect any appropriate building for library purposes and acquire such other property as may be needed therefore;
- (h) Sell, assign, transfer, or convey any property of the library, whether real or personal, which may not be needed within the foreseeable future for any purpose authorized by law, upon such terms and conditions as it may approve. The Trustees may lease any such property, pending sale thereof, under an agreement of lease, with or without an option to purchase the same. The Board, prior to the conveyance of such property, shall make a finding that the property will not be needed within the foreseeable future for library purposes, but no such finding shall be necessary if the property is sold or conveyed to a state agency or political subdivision of this state:
- (i) Borrow funds for library purposes by means of a contractual short-term loan when money is not currently available. Such loan shall not exceed the amount of immediately anticipated revenues, and such loan shall be liquidated within six months;
- (i) Authorize the bonding of persons entrusted with library funds:
- (k) Submit financial records for audit as required by the Pueblo Board of County Commissioners:
- (I) Authorize the purchase of library materials and equipment on the recommendation of the Executive Director;
- (m) Hold title to property given to or for the use or benefit of the library, to be used according to the terms of the gift;
- (n) Perform all other acts necessary for the orderly and efficient management and control of the library;
- (o) Have the authority to enter into contracts;
- (p) At the close of each year, the Board of Trustees shall submit a report to the Pueblo City Council and the Pueblo Board of County Commissioners showing the condition of its trust during the year, the sums of money expended, and the purposes of the expenditures. A copy of this report shall also be filed with the state librarian. The report shall include such other statistics and information as the Board of Trustees deems of public interest and as may be requested by the state library;
- (q) Under such rules and regulations as it may deem necessary and upon such terms and conditions as may be agreed upon, the Board may allow nonresidents of Pueblo County to use library materials and equipment and may make exchanges of books and other materials with any other library, either permanently or temporarily; and,
- (r) Shall have the authority to request of the Pueblo Board of County Commissioners that an election be held to alter the maximum tax levied to support the library district, pursuant to Colorado Revised Statutes.

Article III - Officers and Duties

 The officers of the Board shall be President and Vice-President. The Board may name such other officers as it deems necessary.

- The President shall preside at all meetings of the Board of Trustees, and shall perform all acts usually incident to said officer. The President shall serve as the official spokesperson for the Board with regard to Board action or may designate the Executive Director to serve as the spokesperson as the President deems necessary. (Revised May 25, 2006)
- 3. The Vice-President shall perform the duties of the President in the absence of the President or in the event the President is unable to perform the duties of the office.
- 4. The President shall, to the extent possible serve a term of two years. It shall be the practice of the Board, to the extent possible, for the Vice-President to become the President following the expiration of the President's term. (Revised February 24, 2005)
- The Secretary to the Executive Director shall be the Secretary to the Board of Trustees. The Secretary shall keep the minutes of the Board of Trustees and shall give notice of the meetings and shall perform such duties as are assigned by the Board.
- 6. The officers shall remain in office until their successors are elected.

Article IV - Meetings

- 1. There shall be 12 regular meetings as well as 12 regular work sessions, to be set on a specified day of the week one week prior to the regular monthly meeting, held monthly at the main library, a branch library or at another location in the Pueblo community determined by the Board. The date, hour, and location of the meetings and work sessions shall be set by the Board at its annual meeting and used in calculating Board member attendance. The purpose of the regular work sessions will be to allow Board members to become more familiar with the month's meeting agenda including, but not limited to, hearing reports, discussing any new or old business and/or action items without pressure of immediate formal actions so as to foster and build a more well informed Board; whereas, the purposes of the Board meetings are to conduct the official business of the Library, to give and receive reports, to allow for public input into the operation of the Library. The Board shall abide by all requirements of Colorado law regarding open meetings and notification. (Revised July 24, 2008)
- 2. The annual meeting shall be held at the time of the regular meeting in January. Officers shall be elected at the annual meeting.
- Special meetings may be held at any time when called by the President, the Executive Director, or at the request of three (3) Trustees. All Trustees must be notified at least 24 hours in advance of a special meeting. Only items on the announced agenda may be considered at a special meeting.
- 4. A quorum of the Board consists of four (4) members. A member, with the approval of the President of the Board, may participate fully in the meeting, including voting, by means of a teleconference or a video conference, provided that the member advised the President of his or her intent to participate telephonically or by video conference and sufficient time and means exists for arrangements to be made so that the participation will allow all persons participating to hear each other at the same time and, if by video conference, to see each other as well. Any member may participate in this manner no more than three times in a calendar year. (Revised September 22, 2005)
- An affirmative vote of the majority of all members of the Board present shall be necessary to approve any action before the Board. Any member of the Board of Trustees may request a roll call vote. The President may vote upon and may move or second a proposal before the Board. (Revised May 25, 2006)

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6. A proposed Agenda for the meeting is established by the Executive Director. The Agenda may be corrected or modified by the Board at its meeting. The order of business for regular meetings shall include, but not be limited to, the following items which shall be covered in the sequence shown so far as circumstance will permit.

Call to Order and Roll Call
Corrections and Modifications to the Agenda
Approval of Minutes
Reports:
Old Business
New Business:
Public Comment
Adjournment
(Revised May 25, 2006)

- 7. At any regular or special meeting the Board may proceed into executive session as authorized by law. Only those persons invited by the Board may be present. (Revised May 25, 2006)
- 8. The following policy shall govern participation by the public at Board meetings:
 - (a) Citizens of the Library District shall have the right and are encouraged to attend Board meetings, observe its deliberations, and participate at appropriate times.
 - (b) In the interest of orderly conduct of Board meetings, individuals or organizations desiring to be heard on the Board Agenda shall make their request to the Executive Director ten (10) business days prior to the scheduled meeting, stating name, address, purpose of request, and topic. The Executive Director and/or Board President shall determine whether or not the topic is appropriate to be placed on the Board's proposed Agenda. Individuals may present a matter during Public Comment which the Board may direct to be taken up on the Board Agenda. The Board may agree to hear any individual or organization at any time, notwithstanding the requirements for notice set forth above. (Revised May 25, 2006)
 - (c) Any person who wishes to speak during Public Comment should sign in at the meeting indicating that they wish to be heard, and the speaker must first be recognized by the President. Should the request to speak be granted, the President may limit the time for presentation, and if there are numerous requests to address the Board on the same subject, the President may select representatives to speak on each side of the issue. Every person who has been recognized to address the Board is requested to state name and address. (Revised May 25, 2006)
 - (d) These procedures are not designed to restrict the scheduled appearances of citizens who have regular business with the Board and whose presentations are provided for on the agenda.
 - (e) The Board encourages media coverage of its public meetings and shall provide reasonable accommodation for the media in its coverage of Board meetings. No restriction shall be placed on media coverage of Board meetings so long as the coverage does not disrupt the orderly conduct of the meetings. (Revised May 25, 2006)

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- (f) The Pueblo City-County Library District has purchased recording equipment for the purpose of recording Library Board Meetings. Occasionally, citizens may wish to request a digital recording of the Board Meeting which is available on a CD. Citizens who wish to obtain a copy of a digital recording of a Board Meeting should present the request together with the date of the Board Meeting and a payment of \$5.00 to the attention of the Executive Director's office. The Library will make every effort to provide the digital recording on CD following such request. At such times that an equipment malfunction or other unforeseeable circumstance prevents the Library from providing the requested recording, the \$5.00 payment will be refunded. Citizens may review Board proceedings free of charge by listening to the CD using the Government Documents computer available in Special Collections. Board Minutes also are available for inspection free of charge at Rawlings, and at each branch, as well as on the Library website following Board approval. (Revised May 25, 2006)
- 8. Copies of the agenda and minutes shall be delivered to Trustees prior to each regular meeting.
- 9. Meetings shall be conducted in accordance with the rules and procedures set forth in the most recent edition of *Roberts Rules of Order*.

Article V - Committees

- 1. The Board of Trustees may function as a committee of the whole without appointment of standing committees.
- 2. The Board may establish standing committees, which shall make regular reports.
- 3. Special committees may be authorized and appointed by the President for special, limited purposes and shall serve only until completion of the assignment.

Article VI - General

Amendments to these bylaws or to any policy documents of the Board may be adopted by a majority vote of members of the Board present at a regular or annual meeting, provided notice of the proposed amendments shall have been given to all members at least five (5) days prior to the meeting at which such action is proposed to be taken.

APPENDIX III

THE TEN BASIC RESPONSIBILITIES

- 1. Determine mission and purposes. It is the board's responsibility to create and review a statement of mission and purpose that articulates the organization's goals, means, and primary constituents served.
- Select the chief executive. Boards must reach consensus on the chief executive's responsibilities and undertake a careful search to find the most qualified individual for the position.
- 3. Support and evaluate the chief executive. The board should ensure that the chief executive has the moral and professional support he or she needs to further the goals of the organization.
- 4. Ensure effective planning. Boards must actively participate in an overall planning process and assist in implementing and monitoring the plan's goals.
- 5. Monitor and strengthen programs and services. The board's responsibility is to determine which programs are consistent with the organization's mission and monitor their effectiveness.
- 6. Ensure adequate financial resources. One of the board's foremost responsibilities is to provide adequate resources for the organization to fulfill its mission.
- 7. Protect assets and provide financial oversight. The board must assist in developing the annual budget and ensuring that proper financial controls are in place.
- 8. Build a competent board. All boards have a responsibility to articulate prerequisites for candidates, orient new members, and periodically and comprehensively evaluate their own performance.

- Ensure legal and ethical integrity. The board is ultimately responsible for adherence to legal standards and ethical norms.
- 10. Enhance the organization's public standing. The board should clearly articulate the organization's mission, accomplishments, and goals to the public and garner support from the community.

Good Governance Practices for 501(c)(3) Organizations

The Internal Revenue Service believes that governing boards should be composed of persons who are informed and active in overseeing a charity's operations and finances. If a governing board tolerates a climate of secrecy or neglect, charitable assets are more likely to be used to advance an impermissible private interest. Successful governing boards include individuals not only knowledgeable and passionate about the organization's programs, but also those with expertise in critical areas involving accounting, finance, compensation, and ethics.

Organizations with very small or very large governing boards may be problematic: Small boards generally do not represent a public interest and large boards may be less attentive to oversight duties. If an organization's governing board is very large, it may want to establish an executive committee with delegated responsibilities or establish advisory committees.

The Internal Revenue Service suggests that organizations review and consider the following to help ensure that directors understand their roles and responsibilities and actively promote good governance practices. While adopting a particular practice is not a requirement for exemption, we believe that an organization that adopts some or all of these practices is more likely to be successful in pursuing its exempt purposes and earning public support.

Mission Statement

Code of Ethics

Due Diligence

Duty of Loyalty

Transparency

Fundraising Policy

Financial Audits

Compensation Practices

Document Retention Policy

1. Mission Statement

A clearly articulated mission statement that is adopted by an organization's board of directors will explain and popularize the charity's purpose and serve as a guide to the organization's work. A well-written mission statement shows why the charity exists, what it hopes to accomplish, and what activities it will undertake, where, and for whom.

2. Code of Ethics and Whistleblower Policies

The public expects a charity to abide by ethical standards that promote the public good. The board of directors bears the ultimate responsibility for setting ethical standards and ensuring they permeate the organization and inform its practices. To that end, the board should consider adopting and regularly evaluating a code of ethics that describes behavior it wants to encourage and behavior it wants to discourage. The code of ethics should be a principal means of communicating to all personnel a strong culture of legal compliance and ethical integrity.

The board of directors should adopt an effective policy for handling employee complaints and establish procedures for employees to report in confidence suspected financial impropriety or misuse of the charity's resources. Such policies are sometimes referred to as *whistleblower* policies.

3. Due Diligence

The directors of a charity must exercise due diligence consistent with a duty of care that requires a director to act:

- · In good faith;
- With the care an ordinarily prudent person in a like position would exercise under similar circumstances;
- · In a manner the director reasonably believes to be in the charity's best interests.

Directors should see to it that policies and procedures are in place to help them meet their duty of care. Such policies and procedures should ensure that each director:

- Is familiar with the charity's activities and knows whether those activities promote the charity's mission and achieve its goals;
- · Is fully informed about the charity's financial status; and
- · Has full and accurate information to make informed decisions.

4. Duty of Loyalty

The directors of a charity owe it a duty of loyalty. The duty of loyalty requires a director to act in the interest of the charity rather than in the personal interest of the director or

some other person or organization. In particular, the duty of loyalty requires a director to avoid conflicts of interest that are detrimental to the charity. To that end, the board of directors should adopt and regularly evaluate an effective conflict of interest policy that:

- Requires directors and staff to act solely in the interests of the charity without regard for personal interests;
- Includes written procedures for determining whether a relationship, financial interest, or business affiliation results in a conflict of interest; and
- Prescribes a certain course of action in the event a conflict of interest is identified.

Directors and staff should be required to disclose annually in writing any known financial interest that the individual, or a member of the individual's family, has in any business entity that transacts business with the charity. Instructions to Form 1023 contain a sample conflict of interest policy.

5. Transparency

By making full and accurate information about its mission, activities, and finances publicly available, a charity demonstrates transparency. The board of directors should adopt and monitor procedures to ensure that the charity's Form 990, annual reports, and financial statements are complete and accurate, are posted on the organization's public website, and are made available to the public upon request.

6. Fundraising Policy

Charitable fundraising is an important source of financial support for many charities. Success at fundraising requires care and honesty. The board of directors should adopt and monitor policies to ensure that fundraising solicitations meet federal and state law requirements and solicitation materials are accurate, truthful, and candid. Charities should keep their fundraising costs reasonable. In selecting paid fundraisers, a charity should use those that are registered with the state and that can provide good references. Performance of professional fundraisers should be continuously monitored.

7. Financial Audits

Directors must be good stewards of a charity's financial resources. A charity should operate in accordance with an annual budget approved by the board of directors. The board should ensure that financial resources are used to further charitable purpose by regularly receiving and reading up-to-date financial statements including Form 990, auditor's letters, and finance and audit committee reports.

If the charity has substantial assets or annual revenue, its board of directors should ensure that an independent auditor conduct an annual audit. The board can establish an independent audit committee to select and oversee the independent auditor. The auditing firm should be changed periodically (e.g., every five years) to ensure a fresh look at the financial statements.

For a charity with lesser assets or annual revenue, the board should ensure that an independent certified public accountant conduct an annual audit.

Substitute practices for very small organizations would include volunteers who would review financial information and practices. Trading volunteers between similarly situated organizations who would perform these tasks would also help maintain financial integrity without being too costly.

8. Compensation Practices

A successful charity pays no more than reasonable compensation for services rendered. Charities should generally not compensate persons for service on the board of directors except to reimburse direct expenses of such service. Director compensation should be allowed only when determined appropriate by a committee composed of persons who are not compensated by the charity and have no financial interest in the determination.

Charities may pay reasonable compensation for services provided by officers and staff. In determining reasonable compensation, a charity may wish to rely on the rebuttable presumption test of section 4958 of the Internal Revenue Code and Treasury Regulation section 53.4958-6.

9. Document Retention Policy

An effective charity will adopt a written policy establishing standards for document integrity, retention, and destruction. The document retention policy should include guidelines for handling electronic files. The policy should cover backup procedures, archiving of documents, and regular check-ups of the reliability of the system. For more information see IRS Publication 4221, Compliance Guide for 501(c)(3) Tax-Exempt Organizations, available on the IRS website.

APPENDIX I

INDIVIDUAL BOARD MEMBER RESPONSIBILITIES

Although governing boards have the responsibilities discussed in this book because they have the legal authority to exercise them as their organization's "fiduciaries," their individual members don't. Indeed, while individual board members possess considerably different yet complementary responsibilities to those held by the board, they do not possess the board's legal authority (except when the board specifically authorizes its officers or other members to have certain and limited authority to act on its behalf).

Clearly articulating the board's corporate responsibilities and authority (preferably in the bylaws) and the responsibilities and expectations of board members (preferably codified as a separate policy statement), are best practices. Asking leading peer organizations with missions similar to your own for copies of what they have developed can be helpful to developing your own versions. Alternatively, use the sample below as a framework to write your own statement of individual board member commitment and responsibilities.

A clear statement of individual board member responsibilities adapted to the organization's mission and needs will serve at least two purposes. First, when recruiting new board members, it helps to clarify what the organization expects before candidates accept the invitation to be nominated. Also, such a statement can provide criteria by which the governance committee identifies and recruits prospective nominees and reviews the performance of incumbents eligible for re-election or reappointment. Prospective and incumbent board members should commit themselves to these illustrations of generally accepted responsibilities.

GENERAL EXPECTATIONS

- Know the organization's mission, purpose, goals, policies, programs, services, strengths, and needs.
- Serve in leadership positions and undertake special assignments willingly and enthusiastically.
- Avoid prejudiced judgments on the basis of information received from individuals; urge staff members with grievances to follow established policies and procedures through their supervisors. All significant matters coming to you should be called to the attention of the chief executive and/or the board's elected leader as appropriate.
- Follow trends in the organization's field of interest and keep informed.
- Bring goodwill and a sense of humor to the board's deliberations.
- Suggest to the appropriate committee possible nominees for board membership who are clearly women and men of achievement and distinction and would make significant contributions to the board and organization.

MEETINGS

- Prepare for and conscientiously participate in board and committee meetings, including appropriate organizational activities when possible.
- Ask timely and substantive questions at board and committee meetings, consistent with your conscience and convictions, while supporting the majority decision on issues decided by the board.
- Maintain confidentiality of the board's executive sessions and
 when confidential information is given to you. Never speak
 for the board or organization unless authorized to do so, but
 also remember that all utterances from board members carry
 great weight with those within and outside of the
 organization. Private opinion on any matter is often
 construed by others as the board's official posture whether it
 really is or isn't.

 Suggest board and committee meeting agenda items occasionally to board leaders and the chief executive to ensure that significant, policy-related and strategic matters are discussed.

RELATIONSHIP WITH STAFF

- Counsel the chief executive as appropriate, providing support through often difficult relationships with groups or individuals.
- Avoid asking the staff for favors, including special requests for extensive information that may take extraordinary time to gather and are not part of ongoing board or committee work — unless you have consulted with the chief executive, board chair, or appropriate committee chair.
- Remember that it is most appropriately the chief executive
 who is responsible for assessing staff performance, not board
 members or the board. Most chief executives, however,
 welcome comments or opinions, offered during private
 conversations, that are complimentary or constructively
 critical of a senior officer.

AVOIDING CONFLICTS

- Serve the organization as a whole rather than any special interest group or constituency. Even if you were invited to fill a vacancy reserved for a certain constituency or organization, your first obligation is to avoid any preconception that you "represent" anything other than the overall organization's best interests.
- Avoid even the appearance of a conflict of interest that might embarrass the board or the organization; disclose any possible conflicts to the board in a timely fashion.
- Maintain independence and objectivity and do what a sense of fairness, ethics, and personal integrity dictate, even though not necessarily obliged to do so by law, regulation, or custom.
- Never accept (or offer) favors or gifts from (or to) anyone who does business with the organization.

FIDUCIARY RESPONSIBILITIES

- At all times, exercise prudence with the board in the control and transfer of funds.
- Faithfully read and understand the organization's financial statements and otherwise help the board fulfill its fiduciary responsibility.

FUNDRAISING

- Give an unrestricted annual gift and restricted program or project support in line with your particular interests and personal means. Always do your best to set an example for other board members.
- Remember, giving one's time and expertise, as important as
 they are, are not substitutes for providing financial support
 according to one's capacity. As one experienced and
 exemplary director candidly said, "Nonprofit organizations
 need money, and money simply has to come from those
 who have it. If board members don't support their own
 organization, why should anyone else?"
- Assist the development committee and staff by helping to identify potential givers and implement fundraising strategies through personal influence where you have it (corporations, individuals, foundations).

AMBASSADORIAL SERVICE

- Serve your organization responsibly and diligently by telling the organization's story and presenting its accomplishments as well as its needs and current challenges. You are your organization's logo.
- Represent, as well, your community to your organization.
 Bring back concerns, ideas, suggestions, compliments, and
 the like when you believe they may have merit. Remember,
 as a board member, you are at the nexus of two-way
 communication.

PUEBLO CITY-COUNTY LIBRARY DISTRICT EXECUTIVE SESSION

	DATE: June 1	1,2011
PURPOS	SE: receive legal advice from	- Library attorney Douglyke
CITATIO	•	
	Purchase, sale, lease of any real or pers	onal property (24-6-402(4)(a)).
X	Legal advice (24-6-402(4)(b)).	s .
	Matter that is required to be kept confide Personnel Files (24-72-204(3)(a)(II)). Letters of Reference (24-72-204(3)(a) Library and museum contributions if r contributor (24-72-204(3)(a)(V)). Library records disclosing the identity Address/phone number/personal fination of public facility unless requested by the Records regarding sexual harassment other than a person of interest (24-72). Other	of a Library user (24-72-204(3)(a)(VII)). Incial information of past or present users aw enforcement (24-72-204(3)(a)(IX)). It complaint or investigation to anybody -204(3)(a)(X)).
aariing	g the Executive Gession.	
*	e e	Chairman of the Board
		Date
20 3(6)	For attorney-Client Communication	ONLY, complete the following:
	ortion of the Executive Session that was new-client communication.	Attorney June 15, 2011 Date
	ortion of the Executive Session that was n rized for discussion in an executive sessio	ot recorded was confined to the topic
. ,*		Chairman of the Board
		Date



Colorado State Library 201 East Colfax Ave., Room 309 Denver, CO 80203 Phone: 303-866-6900 Fax: 303-866-6940

Web: www.ColoradoStateLibrary.org

Colorado Library Law – The Quick Guide Library Capital Facilities Districts CRS 24-90-501 et seq.

Library Capital Facilities Districts PART 5 CRS 24-90- 501 et seq.	Rough, non-legal summary of statute: Capital Facilities Districts (LCFD)*
24-90-501. Short title. This part 5 shall be known and may be cited as the "Library Capital Facilities Districts Act".	Title of statute - Library Capital Facilities District (LCFD)
24-90-502. Legislative declaration. The general assembly finds and declares that the organization of library capital facilities districts within library districts of the state, having the purposes and powers provided in this part 5, will serve a public purpose, will promote the health, safety, prosperity, security, and general welfare of the residents of said library districts and facilities districts, property owners within said library districts and facilities districts, and the people of the state generally, will promote the continued vitality of library services within library districts, and will be of special benefit to property located within the boundaries of any such facilities district created pursuant to this part 5.	Legislative declaration
24-90-503. Definitions. As used in this part 5, unless the context otherwise requires:	
(1) "Board" means the board of trustees of a facilities district created pursuant to this part 5.	Board of trustees
(2) "Facilities district" means a library capital facilities district organized by a library district pursuant to this part 5 to provide library capital facilities within a library capital facilities area.	 Part of a library district that has been designated for the building project.
(3) "Governing body" for the purposes of this part 5, means the board of trustees of a library district forming an area pursuant to this part 5.	 Library district's board of trustees is the governing body.
(4) "Library capital facilities" means any real or personal property, improvement, or facility, including, without limitation, land, buildings, site improvements, equipment, furnishings, or collections, that are directly related to any service that a library district is authorized to provide, together with any necessary costs related to the acquisition, construction, installation, operation, or maintenance of such property, improvement, or facility.	 Definition of capital facilities: land, building, equipment, furnishings, etc.
(5) "Library capital facilities area" means the geographical division within a library district that is described in the resolution establishing a facilities district pursuant to this part 5. Notwithstanding any provision in this subsection (5) to the contrary, the library capital facility area may include a location designated by the library district, after public notice and hearing, as a location for the siting of new library capital facilities.	Geographic area of the capital facility district.
(6) "Library district" has the same meaning as set forth in section 24-90-103 (6).	

Library Capital Facilities Districts PART 5 CRS 24-90- 501 et seq.	Rough, non-legal summary of statute: Capital Facilities Districts (LCFD)*
(7) "Net effective interest rate" means the net interest cost of securities divided by the sum of the products derived by multiplying the principal amount of the securities maturing on each maturity date by the number of years from their date to their respective maturities. In all cases, the net effective interest rate shall be computed without regard to any option of redemption prior to the designated maturity dates of the securities.	 Computed interest rate may not regard redemption options.
(8) "Net interest cost" means the total amount of interest to accrue on securities from their date to their respective maturities, less the amount of any premium above par, or plus the amount of any discount below par, at which said bonds are being or have been sold. In all cases, the net interest cost shall be computed without regard to any option of redemption prior to the designated maturity dates of the securities.	Total accrued interest is the total interest less the amount of premium OR plus the amount of discount.
24-90-504. Authority of governing body. The board of trustees of the library district as the governing body of said district is hereby vested with jurisdiction, power, and authority to establish one or more facilities districts within the boundaries of the library district in which the library capital facilities are to be acquired, constructed, installed, operated, or maintained in accordance with the requirements of this part 5.	 Library district board may establish one or more facilities districts within its boundaries as needed.
24-90-505. Organization - preliminary resolution. (1)The organization of a facilities district shall commence with a preliminary resolution of the board. (2) The preliminary resolution required by subsection (1) of this section shall specify: (a) The name of the proposed facilities district, which shall include a descriptive name of such district along with the words library capital facility district; (b) A general description of the boundaries of the proposed library capital facilities area; and (c) A general description of the library capital facilities to be acquired, constructed, installed, operated, or maintained in the proposed library capital facilities area by the proposed facilities district.	Library district board makes a preliminary resolution naming and describing the facilities district and its boundaries. Describes generally what the LCFD will acquire, construct, install, operate, or maintain.
24-90-506. Notice of hearing - disqualification of member of governing body. (1) The governing body, as soon as possible after the adoption of the preliminary resolution, shall fix by order the place and time for a public hearing on the resolution, which hearing shall be held not less than twenty days or more than forty days after the adoption of the preliminary resolution. Thereupon, the governing body shall cause notice by publication to be made of the resolution and of the time and place of the hearing on the resolution. A copy of the notice shall be mailed to each property owner within the boundaries of the proposed library capital facilities area at the owner's last-known address as	 Library district board must have public hearing between 20 and 40 days after adoption of the resolution. Notice of the hearing must be mailed to each property owner.

Library Capital Facilities Districts PART 5 CRS 24-90- 501 et seq.	Rough, non-legal summary of statute: Capital Facilities Districts (LCFD)*
disclosed by the tax records of any county in which the library district is located.	
(2) No member of the governing body shall be disqualified from performing any duty imposed by this part 5 by reason of direct or indirect ownership of property within the boundaries of any proposed library capital facilities area, by reason of relationship to any person who owns property within the proposed library capital facilities area, or by reason of ownership of, or employment with, any entity that owns property within the boundaries of the proposed library capital facilities area.	 Trustees who own property in the proposed facilities district are not disqualified from performing board duties.
24-90-507. Hearing - resolution - when action barred.	
(1) On the date fixed for the hearing described in section 24-90-506 or at any adjournment of the hearing, the governing body shall ascertain, from the tax rolls of any county in which the library district is located, the total valuation for assessment of the taxable property located within the proposed library capital facilities area.	 Library district board must ascertain total valuation of taxable property in the SCFD from the tax rolls by, or just after the hearing date.
(2) Upon the conclusion of the hearing required by section 24-90-506, if it appears that the library capital facilities specified in the preliminary resolution pursuant to section 24-90-505 (2) (c) are of the type and kind of library capital facilities that satisfy the purposes of this part 5, the governing body:	 After the hearing, the library district board shall adopt a resolution designating boundaries, naming the capital facilities district, specify the tax levy or bond issue and submit it to the voters.
 (a) Shall by adoption of a resolution: (l) Adjudicate all questions of jurisdiction; (II) Designate the boundaries of the facilities district pursuant to section 24-90-505 (2) (b); 	 Board may submit question of a bond issue or other matters to voters in the same resolution.
(III) Affix a name to the facilities district that shall be the name as is specified in the preliminary resolution pursuant to section 24-90-505 (2) (a) and by which, in all subsequent proceedings, the facilities	 Taxpayer Bill of Rights [TABOR] Amendment restrictions.
district shall thereafter be known; and (IV) Specify that the facilities district shall have the power to levy 1 ad valorem taxes in accordance with the requirements of section 24- 90-511.	See footnote for definition of ad valorem
(b) May order that the question of the organization of the facilities district and other matters as the governing body deems appropriate, including, without limitation, the issuance of bonds or other matters for which voter approval is required under section 20 of article X of the state constitution, be submitted to the registered electors residing within the boundaries of the proposed facilities district at an election to be held for that purpose in accordance with the provisions of articles 1 to 13 of title 1, C.R.S. Unless otherwise provided in section 20 of article X of the state constitution, such election may be held in conjunction with a general election or on the election held on the first Tuesday in November of odd-numbered years.	Election to be held first Tuesday in November of odd-numbered years.
(3) At an election held under paragraph (b) of subsection (2) of this section, the registered electors residing within the boundaries of the proposed facilities district shall vote for or against the organization of	 After a successful election, the LFFD is formally established unless a review action questions validity. Library

Library Capital Facilities Districts PART 5 CRS 24-90- 501 et seq.	Rough, non-legal summary of statute: Capital Facilities Districts (LCFD)*
such district and such other matters as the governing body may deem appropriate, including, without limitation, the issuance of bonds of the library district or facilities district or other matters for which voter approval is required under section 20 of article X of the state constitution. If, upon canvassing the vote, it appears that a majority of the registered electors voting at such election vote in favor of the organization of the facilities district, the governing body shall adopt a resolution declaring the facilities district organized.	district board may issue bonds.
(4) If a resolution is adopted establishing the facilities district in accordance with the requirements of subsection (3) of this section, the resolution shall finally and conclusively establish the regular organization of the facilities district against all persons unless an action, including an action for view, attacking the validity of the facilities district is commenced in a court of competent jurisdiction within thirty days after the adoption of the resolution. Thereafter, any such action shall be perpetually barred. The organization of the facilities district shall not be directly or collaterally questioned in any suit, action, or proceeding.	 Any court action against the facilities district election must take place within 30 days.
24-90-508. Recording of resolution establishing area. Within thirty days after the facilities district has been declared duly organized, the secretary of the governing body shall transmit for recording to the county clerk and recorder in each county in which the facilities district or a part of the facilities district extends a copy of the resolution of the governing body establishing the facilities district pursuant to section 24- 90-507 (4).	 Within 30 days of being organized, the board secretary shall get a copy of the resolution to the county clerk and recorder of each county involved.
24-90-509. Governing body - meetings. (1) The board of trustees of the library district that creates the facilities district, as the governing body of said district, shall constitute ex officio the board of the facilities district. The presiding officer of the board of trustees of the library district shall be ex officio the presiding officer of the board of the facilities district, the secretary of the board of trustees of the library district shall be ex officio the secretary of the board of the facilities district, and the treasurer of the board of trustees of the library district shall be ex officio the treasurer may be one person. The board of the facilities district shall adopt a seal. The secretary shall keep, in a well-bound book, a record of all its proceedings, minutes of all meetings, certificates, contracts, and all corporate acts, which shall be open to inspection of all owners of property in the facilities district as well as to all other interested parties. The treasurer shall keep permanent records containing accurate accounts of all money received by and disbursed for and on behalf of the area.	 Library district board is ex officio board of the LCFD, with official titles corresponding for each. LDFD shall adopt a seal. Secretary shall record all named proceedings which are open for inspection. Treasurer shall keep permanent, accurate accounting records of money received and disbursed.
(2) The board shall hold meetings, on notice to each member of the board, which shall be open to the public in a place to be designated by the board as often as the needs of the facilities district require. A quorum of the governing body shall constitute a quorum at any meeting.	 Open meetings with quorum at a designated place as needed.

Library Capital Facilities Districts PART 5 CRS 24-90- 501 et seg.

Rough, non-legal summary of statute: Capital Facilities Districts (LCFD)*

24-90-510. General powers of facilities district.

- (1) The facilities district has the following limited powers:
 - (a) To have perpetual existence;
 - (b) To have and use a corporate seal;
- (c) To sue and be sued and be a party to suits, actions, and proceedings:
- (d) To enter into contracts and agreements, except as otherwise provided in this part 5, affecting the affairs of the facilities district, including contracts with the United States and any of its agencies or instrumentalities. Except in cases in which a facilities district receives aid from an agency of the federal government, a notice shall be published for bids on all construction contracts for work or material or both involving an expense of one thousand dollars or more. The facilities district may reject any and all bids, and, if it appears that the facilities district can perform the work or secure material for less than the lowest bid, it may proceed to do so.
- (e) To borrow money and incur general obligation indebtedness and evidence the same by bonds, certificates, warrants, notes, and debentures in accordance with the provisions of this part 5;
- (f) To acquire, finance, construct, install, operate, and maintain the library capital facilities contemplated by this part 5, including all property, rights, or interests incidental or appurtenant thereto, and to dispose of real and personal property and any interest therein, including leases and easements in connection therewith;
- (g) To refund any general obligation indebtedness of the facilities district without an election; otherwise, the terms and conditions of refunding bonds shall be substantially the same as those of an original issue of bonds of the facilities district;
- (h) To have the management, control, and supervision of all the business and affairs of the facilities district and of the acquisition, construction, installation, operation, and maintenance of the facilities district's library capital facilities;
- (i) To adopt and amend bylaws not in conflict with the constitution and laws of the state or with the ordinances of the county or municipality affected for carrying on the business, objects, and affairs of the governing body and of the facilities district;
- (j) To exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this part 5. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this part 5.

To conduct an election in accordance with articles 1 to 13 of title 1, C.R.S., for any purpose the board deems necessary or required.

- Powers of the district are limited to the following:
 - Perpetual existence.
 - Use a corporate seal.
 - Sue and be sued.
 - Enter into contracts, agreements.
 - Except for federal aid, construction contracts over \$1000 must be put to bid.
 - Any and all bids may be rejected, or work may be done by LCFD if it is cheaper than lowest bid.
 - Borrow money and/or issue general obligation (G.O) bonds.
 - Finance, construct, maintain, and sell facilities.
 - Refund G.O. bonds without an election.
 - Manage, control, and supervise facilities district affairs.
 - Adopt bylaws for the facilities district.
 - Exercise powers of the facilities district.
 - Conduct elections.

24-90-511. Power to levy taxes.

Subject to the requirements of section 20 (4) of article X of the state constitution, in addition to any other means of providing revenue for a facilities district, the board has the power to levy and collect ad valorem taxes on and against all taxable property located within the boundaries of the facilities district. The rate of levy to be submitted to the registered electors for their approval in accordance with the requirements of this section, or, if such rate is unlimited, shall be

 May levy taxes (not in conflict with TABOR) and collect them, subject to the voters in the capitals facilities district.

Library Capital Facilities Districts PART 5 CRS 24-90- 501 et seq.	Rough, non-legal summary of statute: Capital Facilities Districts (LCFD)*
specified in the resolution creating the facilities district pursuant to section 24-90-507.	
24-90-512. Determining and fixing rate of levy. The governing body shall determine the amount of moneys necessary to be raised by a levy on the taxable property located within the facilities district, taking into consideration other sources of revenue of the library district and the facilities district, and shall fix a rate of levy that, when levied upon every dollar of the valuation for assessment of taxable property within the facilities district together with other revenues, shall raise the amount required by the library district and the facilities district during the ensuing fiscal year to supply funds for paying expenses of organization and the costs of acquiring, financing, constructing, installing, operating, or maintaining the library capital facilities and promptly to pay in full when due all interest on and principal of general obligation bonds, indebtedness, and other obligations issued by the library district or the facilities district for the library capital facilities located within the facilities district. In the event of accruing defaults or deficiencies, additional levies may be made as	 Board determines the amount needed, and fixes a levy rate to raise the amount to pay bills and interest in ensuing fiscal year. Other revenue sources shall also be considered and additional levies may be made in case of defaults or deficiencies.
provided in section 24-90-513. In accordance with the time schedule provided in section 39-5-128, C.R.S., the governing body shall certify to the board of county commissioners of each county in which the facilities district or a portion of the facilities district lies the rate so fixed in order that, at the time and in the manner required by law for the levying of taxes, such board of county commissioners shall levy such tax upon the valuation for assessment of all taxable property within the facilities district.	 Board must certify to appropriate county commissioners that they shall levy the LCFD tax.
24-90-513. Levies to cover deficiencies. The governing body, in certifying annual levies, shall take into account the maturing indebtedness for the current and ensuing year as provided in its contracts, maturing bonds, and interest on bonds and the deficiencies and defaults of prior years and shall make ample provisions for the payment thereof. In case the moneys produced from such levies, together with other revenues of the library district or facilities district, are not sufficient to pay punctually the annual installments on its contracts or bonds and interest thereon and to pay defaults and deficiencies, the governing body, from year to year, shall make such additional levies of taxes as may be necessary for such purposes, and, notwithstanding any limitations, such taxes shall be levied and shall continue to be levied until the indebtedness of the library district or facilities district is fully paid.	 Board shall take maturing indebtedness into account as provided in contracts, maturing bonds, and bond interest and make payment as needed. Board shall make additional levies as needed until LCFD is paid for.
24-90-514. County officers to levy and collect taxes - lien. It is the duty of the body having authority to levy taxes within such county to levy the taxes certified to it as provided in this part 5. It is the duty of all officials charged with the duty of collecting taxes to collect and enforce such taxes at the time and in the form and manner and with like interest and penalties as other taxes are collected and, when collected, to pay the same to the library district or facilities district ordering its levy and collection. The payment of such collections shall	 Board levies taxes for LCFD. Appropriate officials collect and pay taxes to LCFD. Payment made monthly to library district treasurer who pays LCFD

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Rough, non-legal summary of statute: Capital Facilities Districts (LCFD)*

be made monthly to the treasurer of the library district and paid into the depository thereof to the credit of the facilities district. All taxes levied under this part 5, together with interest thereon and penalties for default in payment thereof, and all costs of collecting the same shall constitute a lien, until paid, on and against the property taxed, and such lien shall be a lien as for all other general taxes.

depository.

All taxes and interest, default penalties, and collection cost are a lien on the property taxed.

24-90-515. Property sold for taxes.

The taxes provided for in this part 5 shall be included as a part of general ad valorem taxes and shall be paid and collected accordingly. The sale of properties for delinquencies shall be conducted in the manner provided by the statutes of this state for selling property for nonpayment of other ad valorem taxes.

Taxes for the LCFD are part of the general ad valorem taxes. If not paid, the property shall be sold according to statutes covering nonpayment.

24-90-516. Governing body can issue bonds - form.

To carry out the purposes of this part 5, the governing body is hereby authorized to issue bonds of the library district or facilities district for the purpose of financing the acquisition, construction, installation, operation, or maintenance of library capital facilities within the facilities district. The bonds shall bear interest at a rate such that the net effective interest rate of the issue of bonds does not exceed the maximum net effective interest rate authorized, payable at such times as determined by the governing body, and shall be due and payable in installments at such times as determined by the governing body extending not more than thirty years from the date of issuance. The form and terms of the bonds, including provisions for their sale, payment, and redemption, shall be determined by the governing body. If the bonds are payable from the general ad valorem taxes levied on property located within the facilities district, the bonds shall not be issued unless first approved at an election held for that purpose pursuant to section 24-90-507 (3). If the governing body so determines, bonds issued pursuant to this section may be redeemable prior to maturity, with or without payment of a premium, but no premium shall exceed three percent of the principal thereof. The bonds shall be executed in the name of the library district or the facilities district and signed by the presiding officer of the governing body with the seal of the library district or facilities district affixed thereto and attested by the secretary of the governing body. The bonds shall be in such denominations as the governing body shall determine. Under no circumstances shall any of the bonds be held to be an indebtedness, obligation, or liability of the municipalities or counties in which the area is located, and bonds issued pursuant to the provisions of this part 5 shall contain a statement to that effect.

- Board is authorized to issue bonds at a rate that the net effective interest rate doesn't exceed maximum net effective interest rate authorized.
- Due and payable in not more than 30 vears from issue.
- Board determines form and terms of bond sale, payment, and redemption.
- Election must be held to approve bonds if payable from general ad valorem taxes on property.
- Bonds may be redeemed prior to maturity with or without a premium which may not exceed 3% of principal.
- Bonds under name and seal of LCFD must be attested to by secretary.
- Board determines bond denominations.
- No bond may be held to be indebtedness, obligation, or liability of municipalities or counties in LCFD.

24-90-517. Dissolution procedures.

Any facilities district organized pursuant to this part 5 may be dissolved after notice is given, publication is made, and a hearing is held in the manner prescribed by sections 24-90-506 and 24-90-507. The dissolution shall be commenced with a filing by the governing body with the clerk or secretary of the governing body of a resolution of the governing body approving the dissolution. After hearing any protest against or objection to the dissolution, and if the governing body determines that it is for the best interests of all concerned to dissolve

- LDFD may be dissolved after notice, publication, and hearing (see CRS 24-90-506 and 507)
- Board resolution approving dissolution is filed with governing body.
- If no objections, a certified copy of the

Library Capital Facilities Districts PART 5 CRS 24-90- 501 et seq.	Rough, non-legal summary of statute: Capital Facilities Districts (LCFD)*
the facilities district, the governing body shall so provide by an effective resolution, a certified copy of which shall be filed in the office of the county clerk and recorder in each county in which the facilities district or any part of the facilities district is located. Upon the filing, the dissolution shall be complete. However, no facilities district shall be dissolved until it has satisfied or paid in full all outstanding indebtedness, obligations, and liabilities issued to provide library capital facilities or until funds are on deposit and available therefor.	resolution is filed with county clerks in LCFD affected areas. Debts must be paid, or money is on deposit to pay.
24-90-518. Exemption from taxation - securities laws. The income or other revenues of the library district or facilities district, any property owned by the library district or facilities district, any bonds issued by the library district or facilities district, and the transfer of and any income from any bonds issued by the library district or facilities district shall be exempt from all taxation and assessments by the state.	 Income, revenue, property owned, bonds issued, and income transferred from bonds are exempt from state taxation and assessments.
24-90-519. Limitation of actions. Any legal or equitable action brought with respect to any acts or proceedings of the library district or facilities district, the creation of a facilities district, the authorization or issuance of any bonds, or any other action taken under this part 5 shall be commenced within thirty days after the performance of such action or else shall be thereafter perpetually barred.	Any legal action must take place within 30 days.

¹ ad valorem tax: A tax that is specified as a percentage of value. Sales, income, and property taxes are three of the more popular ad valorem taxes devised by government. The total ad valorem tax paid increases with the value of what's being taxed.

Additional statutes cited:

Article X, Section 20 of the Colorado Constitution: Taxpayer Bill of Rights (TABOR)

CRS 39-5-128: Certification of valuation for assessment

CRS 1 Articles 1-13: Statutes dealing with elections, procedures, notices, ballots, challenges, etc.

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voice: 303-866-6900, fax: 303-866-6940

^{*} Consult with your respective city, county, or district lawyers for legal advice on, and implications of, Colorado Library Law, or call the Colorado State Library for additional information.

COSTS FOR ST. LEANDER RENOVATION/OPERATION

Walsenburg renovation

Historical site considerations:

Lots of additional money spent to maintain standards

Funding from Colorado Historical Society - \$500K

Funding from DOLA - \$500K

Additional grant monies available for historical sites

Cost of building, land

Purchased from school for \$50,000 Appraisal value: \$120,000

Bonds for \$1.7 million; total cost of project: \$3.5 million

Renovated 10,000 sf on 1st floor - including elevator.

Couldn't afford to bring 2nd and 3rd floors up to code -

still working on grants to get that going.

Calculated cost per s/f to renovate

\$ 345.00

Cost @ St. Leander based on historical bldg costs (Renovate only lst floor - 2,500 sf @ \$345/sf)

\$ 862,500

Following are the four scenarios included in the spreadsheets. These scenarios are identified at the bottom of each mill levy increase section.

Scenario #1: Operating only - average costs of operation for Barkman and Library @ the Y	\$ 280,000
Scenario #2: Annual debt service for renovation Operating only - average costs of operation for Barkman and Library @ the Y	\$ 65,000 280,000 345,000
Scenario #3: Operating expenses only - based on Barkman	\$ 500,000
Scenario #4: Annual debt service for renovation Operating expenses - based on Barkman	\$ 65,000 500,000 565,000

Assessed Valuation based on East Side, including Airport Municipal Park

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Н						MILL	. LEVY	ö	COMPARISON		CHART							
7			Increase by	ease	e by 4.43	23	u	cre	Increase by 5.45	5.45	=	Increase by 7.9	by 7.5		Inc	rease	Increase by 8.93	33
\top	Average cost of home	ь	50,000	₩	100,000	\$ 150,000	\$ 50,000	↔	100,000	\$ 150,000	\$ 50,000	\$ 100,	100,000 \$	\$ 150,000	\$ 50,000	\$ 100	100,000	\$ 150,000
100	Assessed valuation %		0.0796		0.0796	0.0796	0.0796		0.0796	0.0796	0.0796		0.0796	0.0796	0.0796	0	0.0796	0.0796
\Box	Current mill levy		0.00525	,	0.00525	0.00525	0.00525		0.00525	0.00525	0.00525		0.00525	0.00525	0.00525	0.0	0.00525	0.00525
\top	Taxes receivable in 2012	s	20.90	49	41.79	\$ 62.69	\$ 20.90	49	41.79	\$ 62.69	\$ 20.90	\$	41.79 \$	65.69	\$ 20.90	8	41.79 \$	62.69
	Increase in mill levy		0.00443	J	0.00443	0.00443	0.00545		0.00545	0.00545	0.0079		0.0079	0.0079	0.00893	0.0	0.00893	0.00893
\neg	New mill levy		0.00968	_	0.00968	0.00968	0.0107		0.0107	0.0107	0.01315		0.01315	0.01315	0.01418	0.0	0.01418	0.01418
19	Total annual increase		17.63		35.26	52.89	21.69		43.38	65.07	31.44	79	62.88	94.33	35.54	7	71.08	106.62
17	Total monthly increase		1.47		2.94	4.41	1.81		3.62	5.42	2.62		5.24	7.86	2.96		5.92	8.89
$\neg \neg \neg$	Total annual taxes with increase	49	38.53	49	77.05	\$ 115.58	\$ 42.59	49	85.17	\$ 127.76	\$ 52.34	\$ 10	104.67 \$	157.01	\$ 56.44	4	112.87 \$	169.31
22	% of annual increase		84.38%		84.38%	84.38%	103.81%		103.81%	103.81%	150.48%		150.48%	150.48%	170.10%	170	170.10%	170.10%
25 24	Additional property tax revenue to District:																	
12	Assessed valuation: 2011			63,	63,312,571			9	63,312,571			63,312,571	,571			63,312,571	2,571	
62	PCCLD mill levy				5.250				5.250			5.	5.250			2	5.250	
31	Property tax revenue: 2012		370	⊛ ⊛	332,391			69	332,391			\$ 332,391	391			\$ 332	332,391	
33	Increase in mill levy				4.430				5.450			7.9	7.9000			8.8	8.9300	
35	Annual increase in revenue		35	\$ 2	280,475			49	345,054			\$ 500,169	169			\$ 565	565,381	
37		Opera	perating expenses only, @ average c Barkman & Library @ the Y expense level. \$280K	penses Libran level.	s only, @ y y @ the Y \$280K	Operating expenses only, @ average of Barkman & Library @ the Y expense level. \$280K		& d e of	erating & debt service average of Barkman & the Y expense level.	Operating & debt service expenses, @ average of Barkman & Library @ the Y expense level. \$345K	ä	Operating expenses only, @ Barkman expense level. \$500		ly, @ \$500K	Operating & debt service expenses, @ Barkman expense level. \$565K	k debt s ι expen	service e	expenses \$565K
38																		

Assessed Valuation based on East Side, without Airport Municipal Park

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						MILL	_	S	MPAR	LEVY COMPARISON CHART	HART							
7			Incre	sase	Increase by 9.024	74	lnc	rea	Increase by 11.12	1.12	Inc	reas	Increase by 16.12	12	Inci	rease	Increase by 18.21	21
$\neg \neg$	Average cost of home	↔	20,000	€9	100,000	\$ 150,000	\$ 50,000	69	100,000	\$ 150,000	\$ 50,000	\$ 10	100,000	\$ 150,000	\$ 50,000	\$ 100	100,000 \$	\$ 150,000
1 0 1	Assessed valuation %		0.0796		9620.0	0.0796	0.0796		0.0796	0.0796	0.0796		0.0796	0.0796	0.0796	0	96200	0.0796
	Current mill levy		0.00525		0.00525	0.00525	0.00525		0.00525	0.00525	0.00525	0	0.00525	0.00525	0.00525	0.0	0.00525	0.00525
	Taxes receivable in 2012	49	20.90	₩	41.79	\$ 62.69	\$ 20.90	49	41.79	\$ 62.69	\$ 20.90	69	41.79	\$ 62.69	\$ 20.90	4	41.79 \$	62.69
\neg	Increase in mill levy	0	0.009024	0	0.009024	0.009024	0.01112		0.01112	0.01112	0.01612	0	0.01612	0.01612	0.01821	0.0	0.01821	0.01821
13 N 14 N	New mill levy	0	0.014274	0	0.014274	0.014274	0.01637		0.01637	0.01637	0.02137	0	0.02137	0.02137	0.02346	0.0	0.02346	0.02346
$\overline{}$	Total annual increase		35.92		71.83	107.75	44.26		88.52	132.77	64.16	,7	128.32	192.47	72.48	14	144.95	217.43
17 T	Total monthly increase		2.99		5.99	86.8	3.69		7.38	11.06	5:35		10.69	16.04	6.04	1	12.08	18.12
18 20 20 21	Total annual taxes with increase	49	56.81	↔	113.62	\$ 170.43	\$ 65.15	49	130.31	\$ 195.46	\$ 85.05	49	170.11	\$ 255.16	\$ 93.37	48	186.74 \$	280.11
\neg	% of annual increase		171.89%		171.89%	171.89%	211.81%		211.81%	211.81%	307.05%	30	307.05%	307.05%	346.86%	346	346.86%	346.86%
24 22 25 25 25 25 25 25 25 25 25 25 25 25	Additional property tax revenue to District:																	
27 A	Assessed valuation: 2011			31	31,028,752			'n	31,028,752			31,0	31,028,752			31,028,752	,752	
29	PCCLD mill levy				5.250				5.250				5.250			5	5.250	
31	Property tax revenue: 2012			69	162,901			69	162,901			\$ 16	162,901		(C)	\$ 162,901	901	
33	Increase in mill levy				9.024				11.120			16	16.1200			18.2	18.2100	
35 A	Annual increase in revenue			\$	280,003			69	345,040			\$ 50	500,183			\$ 565,034	034	
9		Opera	ating exp∈ kman & Li	ense	perating expenses only, @ average o Barkman & Library @ the Y expense	- Je		& de	ebt service 3arkman &	Operating & debt service expenses, @ average of Barkman & Library @	Operat	ing ex	Operating expenses only, @	%اد	Operating & debt service expenses,	& debt s	ervice e	xpenses
37			le	level.	\$280K		the Y e.	xpe	the Y expense level.	\$345K	Barkman	exper	Barkman expense level.	\$500K	@ Barkman expense level.	nexpen	se level.	\$565K

Five Year Record of TIF Diversions from PCCLD Revenues

2006 - \$10,828

2007 - \$30,183

2008 - \$45,680

2009 - \$81,793

2010 - \$248,167

2010 TIF DISTRICT IMPACT ON PROPERTY TAXES

		City Portion 36,952 349 11,809 96,384 80,368 1,143 489,989	
		өөөөөөө	
		Library Portion 12,795 121 4,089 33,373 27,828 396 169,661 248,263	
		9999999	
Tax to TIF Districts \$ 1,375,348 \$ 1,151,693 \$ 636,207 \$ 248,263 \$ 716,994		District 70 Portion 32,788 310 10,478 85,524 5 71,312 5 434,780 8 636,207	
F 60 60 60 60	%%%%%% %	0, 0, 0, 0, 0, 0, 0, 0, 0,	
	percentage 5.15% 0.05% 1.65% 13.44% 11.21% 0.16% 68.34%	\$ 59,355 \$ 59,355 \$ 18,968 \$ 154,820 \$ 129,093 \$ 787,059 \$ 787,059	
337	2 6201523	=	
Mill Levy 29,999 38,811 39,297 5,413 15,633	Total 222,406 2,102 71,075 580,121 483,720 6,882 2,949,166	County Portion 70,881 670 22,652 184,886 154,162 2,193 939,904	
	99999999	0 6 6 6 6 6 6 6 6)
County Dist 60 Dist 70 Library City	TIF DISTRICTS DOWNTOWN 1 SOUTH SANTA FE NORTH PUEBLO DOWNTOWN 2 LAKE MINNEQUA THUNDER VILLAGE ST CHARLES IND PARK TOTAL 2010 TIF PORTION	TIF DISTRICTS DOWNTOWN 1 SOUTH SANTA FE NORTH PUEBLO DOWNTOWN 2 LAKE MINNEQUA THUNDER VILLAGE ST CHARLES IND PARK	PER ENTITY



Colorado Virtual Workforce Centers @ the Library

A partnership between Colorado State Library and the Colorado Department of Labor and Employment's Rural Workforce Consortium



BACKGROUND

The Colorado Department of Labor and Employment's Rural Workforce Consortium and the Colorado State Library (Department of Education) are partnering to create "virtual Workforce Centers" in libraries across Colorado. Currently, a statewide network of Workforce Centers provides quality job placement and related services to job seekers. This new partnership will allow jobseekers who may not have access to a Workforce Center receive services through a local library. The partnership will:

- o Increase access to workforce centers throughout Colorado including remote areas
- Offer job skills training in libraries
- Advance the use of Connecting Colorado and other Colorado Workforce e-services through library marketing and awareness
- Provide workforce consulting, technical support and other resources that support job search, career advancement and case management

TARGETED LOCATIONS

Nine workforce regions will participate in the partnership. The project will kick-off with one site in the fall and expand into workforce regions throughout the state.

MARKETING AND OUTREACH

The outreach campaign for these service offerings will include (but is not limited to):

- A statewide launch in the fall marked with an on-site demonstration, promoted to relevant local media and statewide.
- Marketing and promotional materials in workforce centers and participating library locations.
- Key messaging on the program placed on agency Web sites and promoted to workforce system clients through the Unemployment Insurance program and the statewide network of Workforce Centers.
- Customized press release to local media in each location.

Key messages:

- The partnership is an example of efficient, effective and elegant government service delivery.
- The partnership enhances the existing wide array of services provided through the state's libraries.
- The Colorado Department of Labor and Employment has long provided services to job seekers —this partnership increases access to those services.

FUNDING

Colorado Rural Workforce Consortium will use existing allocations for necessary equipment dedicated to workforce activities including secure case management virtual meetings, resume scanning and faxing and workforce software access.

Property, liability insurance Renewal bids

CWG - declined to bid.

PUEBLO CITY-COUNTY LIBRARY DISTRICT

June 23, 2011

	Current - Hanover	Special Districts	Fireman's Fund
General Liability	3,621	7,081	9,800
Property	19,179	36,484	25,000
Auto	2,938	1,582	8,200
Crime	2,123	430	Not included
Inland Marine	12,324	Included in property	12,000
Excess Liability (Umbrella)	825	785	Not included
Basic premium:	41,010	46,362	55,000
Additional: Coverage included in	Special Districts packag Fireman's Fund		y with Hanover and
Public Officials Liability	4,622	3,980	4,622
Workers' Compensation	15,799	10,865	15,799
Grand Total	61,431	61,207	75,421
Membership fee	N/A	825	N/A
Total including fee	61,431	62,032	75,421
Deductible information:			
Automobile	\$ 1,000	\$ 1,000	Not included
Property, contents, books	\$ 1,000	\$ 1,000	Not included
Books	included above	included above	\$ 10,000
Computer, fine arts	\$ 1,000	\$ 2,500	Not included
Public Officials Liability	\$ 20,000	\$ 10,000	Not included
Other considerations:	Hanover has been slow to respond, and their accounting process has been difficult and inaccurate.	Membership required @ \$1,650/yr. 1st year only \$825. Membership would also provide access to training and information that would be of value to PCCLD.	Fireman's Fund did not offer a complete package; required appraisal to insure fine arts
Other companies contacted: Travelers - declined to bid; Philadelphia - no response;		SDA will also prorate policy for 2011 through Dec. 31, then renew for calendar year 2012 at	

same rates. Other

companies won't quote for 18 months.

RECOMMENDATION:

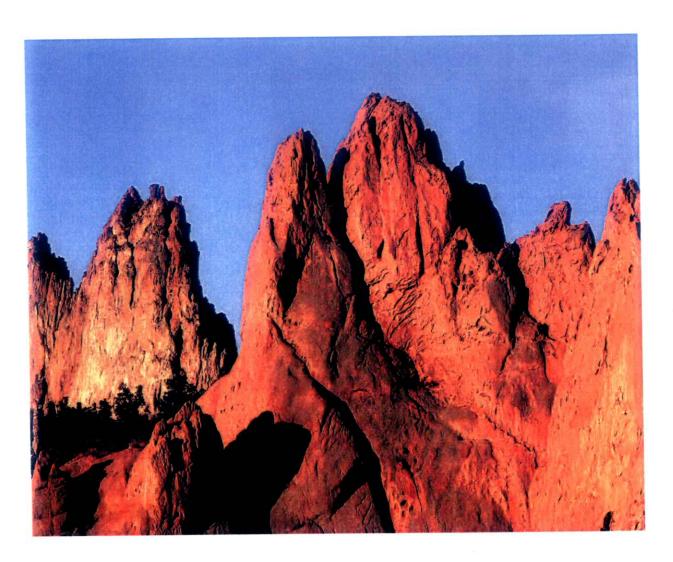
Having received three quotes for property and liability insurance for 2011-12, I recommend we accept the bid from the **Colorado Special District Association of Colorado** for the following reasons:

- Fireman's Fund was almost \$15,000 higher, and incomplete. Eliminate.
- Hanover has been difficult to deal with very slow in responding, errors in invoicing, difficulty in getting account mistakes cleared up. Customer service is poor.
- Special Districts is \$224 less than Hanover, for the same scope of coverage. The
 membership fee for Special Districts is \$825 (lst year doubles thereafter), which
 increases the premium to \$62,032 the first year \$601 greater than Hanover.
- Special Districts is a self-funded pool, with approximately 1,100 members insured. They
 work solely with governmental entities in Colorado.
- Membership fee of \$1,650 annually is required through Special Districts to participate in the pool, but it also affords us access to valuable training and information.
- This one insurance policy rolls property & liability, workers compensation and Public Officials coverage all into one insurance package, simplifying accounting, claims reporting, budgeting, etc.
- Premium cost for Public Officials coverage is about \$600 less and the deductible is half of what our current carrier charges - \$20,000. SDA is \$10,000.
- Our current insurance term is June 30 through June 30. It would be much better for budgeting and accounting purposes to have our insurance premium scheduled on a calendar year basis. Other insurance companies wouldn't quote for 18 months, but SDA will maintain this quoted price for 6 months of 2011, then renew for 12 months in 2012, getting us on an annual calendar-year renewal plan.
- AnyThink Library District in Adams County has used SDA for a number of years, and offered very positive recommendations for their customer service and premium costs.
- HUB International, our insurance broker, has several very satisfied clients currently insured through Special Districts; this company is our broker's recommended vendor.

Motion to accept the quote for property & liability, workers compensation & Public Officials insurance coverage from the Special District Association of Colorado for the annual premium cost of \$60,951; and, approve the SDA resolution for membership in the Colorado Special District's Property and Liability Pool; and, approve the Intergovernmental Agreement referenced in the resolution.



Colorado Special Districts Property and Liability Pool



McGriff, Seibels & Williams, Inc.
Pool Administrator for the
Colorado Special Districts Property and Liability Pool

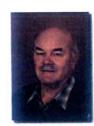
PO Box 1539 Portland, OR 97207-1539



Pool Board Members and SDA Representatives



Stanley Gengler, President Manager of Estes Valley Recreation & Park District



James Borland Board - Ft. Collins/Loveland Water District



Leo Johnson, Vice President Pool Representative for West Metro Fire Protection District



Larry Moore
Manager of Roxborough
Water & Sanitation District



Jack DeLange Board - San Juan Water Conservancy District



James Heckman Manager of Fountain Sanitation District



Ann Peppin, Secretary Finance Officer for Parker Water & Sanitation District



Charles Dwyer, Comptroller Board - Bear Creek Water & Sanitation District



Dave Lorenz
Manager of South Suburban
Park & Recreation District



Ann Terry, Ex-Officio Board Member SDA Executive Director



Donna Alengi, Pool Liaison SDA Deputy Executive Director

What is the Role of the SDA?

The Special District Association of Colorado (SDA) was formed in 1975 to serve the interests of the special district form of local government in Colorado. Organized to provide better communication, research, legislative input, administrative support, and educational opportunities for member districts, the SDA is there to help special districts serve the public in the most efficient and economical manner possible and works with members to maintain a positive public image for all special districts.

Mission

The Special District Association of Colorado exists to preserve and enhance the legal and political environment for the existence and successful operation of the special district form of government, and to assist special districts to operate efficiently and appropriately.

Member-Owned Public Entity Pool

It was through the implementation of the SDA Mission that a member-owned and directed self insurance group formed. This came at a time when special district insurance premiums were tripled or non-renewed by other major insurance carriers across the nation.

In 1988 our Board of Directors established the Colorado Special Districts Property and Liability Pool (CSD Pool) to escape the volatilities of the traditional insurance industry. The CSD Pool created an opportunity for members to control their own insurance costs through the joint pooling of resources, making it possible to self insure property, liability and workers' compensation insurance. The CSD Pool is member-owned, and all surplus revenues support the stabilization of rates, coverage enhancements, innovation, and technology to bring the most value to our members.

A special district is a quasi-municipal corporation and political subdivision providing improvements and/or operations of public facilities for residents within a district. Special districts provide a range of services including fire protection, parks and recreation, development infrastructure, mosquito control, hospital, library, sanitation, transportation, and water. There are over 400 public entity pools in the United States including over ten pools in Colorado alone, serving 90% of all cities, counties, school districts, universities, and special districts. It is estimated that 80% of all public entities nationwide are either self insured or members of a public entity Pool.

The CSD Pool is a member-owned public entity pool offering the broadest coverage available to Colorado special districts. As the CSD Pool matures and builds more surplus, we continue to provide financial security for our members, expand on coverage enhancements, create additional services, and stabilize rates. Enhancements to standard industry coverage are driven by the needs of CSD Pool members. We provide the following and more, eliminating the need to buy separate insurance policies, which can lower the cost of coverage for special districts:

What Makes our Coverage Unique

- Occurrence Form, not Claims-Made (except Pollution)
- Package policy approach
- · Defense outside the limit of liability
- Pre-Loss Legal Assistance
- Negligence in the issuance process of bonds/securities
- Sexual Molestation (vicarious liability)
- Mold, Fungus Liability
- Limited No-Fault Water and/or Sewer Back-Up (water/sanitation)
- \$25,000 Defense Costs for Non-Monetary Damages
- Up to \$10 million in Excess Liability limits available
- Underground Pipes on Premises
- Pollution Liability (Claims-Made)
- Workers' Compensation coverage with \$2 million Employer's Liability limit

Public Liability Coverage

- General Liability
- Public Officials Liability
- Employment Practices Liability
- Employee Benefits Administration Liability
- · Liability under Federal Discrimination and Civil Rights Statutes
- Automobile Liability
- ERISA Fiduciary Liability
- · Data Compromise including the broader Cyber Liability
- All District Directors, Officers, Employees, and Volunteers are included as Insureds

Property Coverage

- Property, Mobile Equipment, Electronic Data Processing Equipment
- \$2,000,000 Earthquake and \$2,000,000 Flood (included on scheduled property)
- Automobile Physical Damage
- Equipment Breakdown, Offsite Power Interruption
- Business Income & Extra Expense
- Errors and Omissions
- Money and Securities
- Limited Pollution

The CSD Pool has more than fulfilled its mission of providing special districts with a viable and stable alternative, including competitive rates, exceptional customer service, claims handling,

loss prevention, technology, and innovation. As our membership grows and the operations of special districts become more complex, we have become a valuable partner to special districts.

Reporting and Financial Analysis

The CSD Pool is an entity created by the Colorado State Legislature and is issued a Certificate of Authority by the Colorado Department of Insurance, to whom we report annually.

From inception, the CSD Pool has maintained a strong financial performance. This is demonstrated each year in our yearend Annual Report. This report is presented at the Annual Membership Meeting held in September in conjunction with the SDA Annual Conference.

If financial stability is your concern, the CSD Pool's financial ratios, as compared to those of the insurance industry, are convincing. The CSD Pool has a conservative financial position to best respond to the needs of our membership. Please request a copy of our yearend Annual Report, as well as a copy of our financial ratios. We are more than happy to share our success with you.

Pool Programs Overview

Management Liability

The CSD Pool's Management Liability coverage protects your district, Board of Directors, and employees from improper acts or allegations of discrimination, sexual harassment, or wrongful termination, which are all referred to as Employment Related Practices.

- Public Officials / Directors & Officers / Employee Benefits Administration / Employment Related Practices
- Liability under federal discrimination and civil rights statutes
- Cost to defend you against covered claims will not erode your liability limits

Employee Benefits Liability

The intent of the CSD Pool's Employee Benefits Liability coverage is to cover claims arising out of errors and omissions in the administration of a benefit plan. This includes the failure to enroll an employee in the plan, as well as the administration or improper advice of benefits.

General Liability Coverage

The CSD Pool's General Liability coverage protects our members, their Board of Directors, employees, and volunteers when negligent acts and/or omissions result in damages on or to district premises, or injuries caused by any wrongful act within the course and scope of district operations.

Automobile Liability

The CSD Pool covers Automobile Liability for owned, non-owned, or hired autos while they are used within the course and scope of district operations.

Fiduciary Liability

If district employees, officers, directors, or Board of Directors make decisions on your district's retirement or other qualified employee benefits plan(s), their personal assets could be at risk. Under ERISA, fiduciaries may be held personally liable for breach of their responsibilities in the administration or handling of employee benefit plans. The CSD Pool includes a \$200,000 per member/\$1,000,000 shared annual all member aggregate within the Public Entity Liability coverage form.

Workers' Compensation

The workers' compensation and occupational disease laws are referred to as "Exclusive Remedy" and serve as a mutual agreement between the employer and employee. The law provides for benefits, both medical and partial wage replacement, for bodily injury by accident or disease – including death – as a result of employment.

Purpose of Workers' Compensation - Part 1

- Promote injured employees' return to pre-injury condition
- Prompt/reasonable payment of benefits for injured workers
- Provide a single remedy in place of suits, if necessary
- · Avoid litigation, attorney fees, lengthy trials
- Encourage employer interest in safety and risk management
- · Promote analysis of losses to avoid future injury and human suffering

Employer's Liability Insurance - Part 2

Tort Liability Coverage against an employer for accidents to employees, as distinguished from liability imposed by a workers' compensation law. The three causes of action listed below only apply if they are the direct consequence of bodily injury to an injured employee while in the course and scope of employment. Generally permitted by law, are sums the insured must legally pay because of:

- Third-Party Over suits, where the insured is liable to a third party for claims against that third party by an injured employee of the insured
- Care and Loss of Services (Consortium suits)
- Dual Capacity suits, when an employer is responsible for an employee's injury not as the immediate employer, but in a separate capacity, such as manufacturer defect

Excess Liability (following form)

The CSD Pool can provide increased limits in excess of \$1,000,000 up to \$9,000,000. Our occurrence coverage form helps eliminate potential exhaustion of limits that are possible from employment, civil rights violations, and other state torts that are not restricted by the Colorado Governmental Immunity Act.

Pollution Liability (claims-made form)

The CSD Pool's Pollution Liability coverage protects districts against sudden and accidental newly discovered events and includes clean-up costs:

- \$1,000,000 shared per occurrence limit for all members combined
 - Includes aboveground storage tank coverage
- \$5,000,000 shared annual aggregate for all members combined

Property Coverage

The CSD Pool's Property coverage form is broad enough to cover district assets from direct physical loss or damage located in the 50 states comprising the United States of America, the District of Columbia, Puerto Rico, the Virgin Islands, Canada, and all other countries unless listed under the United States embargoes and sanctions in force by the United States of America.

If property is scheduled, it automatically includes limits of:

- \$2,000,000 Earthquake
- \$2,000,000 Flood

Automobile Physical Damage

The CSD Pool covers Automobile Physical Damage for owned, non-owned, or hired autos while used within the course and scope of district operations. Emergency response vehicles can be covered for replacement cost (when designated); otherwise, actual cash value applies and includes all other vehicle types. If an employee's vehicle is damaged while performing job duties for the member, the CSD Pool will reimburse the employee up to \$2,500 against their personal auto insurance deductible(s), either comprehensive or collision.

Machinery and Equipment Breakdown

The CSD Pool's Machinery and Equipment Breakdown coverage is for losses involving the sudden and accidental breakdown of electrical, mechanical and/or air conditioning/refrigeration equipment.

Crime Coverage

To assist our districts in satisfying their legal requirement, our Crime coverage for Board of Directors, volunteers, employees, non-compensated officers, and trustees includes the faithful performance of duty criteria established by state statutes and also include coverage for:

- Public Employee Dishonesty
- Forgery or Alteration
- Theft, Disappearance and Destruction
- Computer Fraud and Funds Transfer Fraud
- Money Orders and Counterfeit Paper Currency

Identity Theft Recovery

The CSD Pool's Identity Theft coverage includes a \$25,000 limit for the recovery costs associated with the identity theft of district Board of Directors, full-time employees of the district, as well as SDA Board Members and staff, when Crime coverage is purchased.

Cyber Liability/Data Compromise

The CSD Pool's Cyber Liability/Data Compromise coverage offers a \$200,000 sub-limit for the cost to respond to liability due to the district's or its employees' participation on the internet within the course and scope of their business, or data breach of a member's and/or their constituent's personal data. This also includes compliance with state or federal statute regarding notification and remediation. Cyber Liability/Data Compromise coverage is automatically included in the Liability program.

Pool Services

Members and prospects alike can visit the CSD Pool website at www.csdpool.com to find the following:

- Important Contact Information
- Risk Management Solutions
- · Archived Newsletters
- Multi Media Training that is available
- · Quick Overview of coverages offered
- Coverage Manuals
- Other Member Resources
- Access to Special Grant Programs
- Online Quote Request Forms

Please visit our website often for the latest in service updates, as we are always working to strengthen what we have to offer our members.

An integral part of our Mission is to make safety and loss prevention training available to all of our members. The CSD Pool publishes a quarterly newsletter, the Risk Management Review, to educate readers on how to manage, predict and prepare for risk. We also post an Annual Training Calendar on our website, along with our monthly Free Featured Courses offered through the CSD Pool Online University.

We also grant our members access to other valuable services, such as:

- eRisk Hub
 - an online portal to help in the assessment and mitigation of cyber threats
 - hosts information on pre-screened service providers who can respond to Cyber Liability issues and Data Compromise situations

HRSentry

- a human resources web portal that provides our members with what they need to institute and manage employee policies
- FREE access for all CSD Pool members
- well organized, user-friendly online resource
- thousands of downloadable sample policies on hundreds of topics

CSD Pool Online University

- a 24/7 employee training resource
- hosts over 270 topics dealing with safety, ergonomics, employee and public relations, human capital, leadership, and PC desktop training
- Six free training classes available to all members in 2011, including: Slips, Trips and Falls; Sexual Harassment Prevention; Sexual Harassment Prevention for Supervisors; Preventing Discrimination; New Employee Orientation; and Defensive Driving

Safety and Loss Prevention Grant Program

Under our Safety and Loss Prevention Grant Program, all training opportunities are eligible for 50% cost reimbursement, which covers eligible goods and services purchased by districts to improve worker safety and help prevent losses covered by the Pool's various coverage forms.

- Funds are available to Pool member districts after their first year of Pool participation, including both Property/Liability and Workers' Compensation contributions
- Funds scaled based on longevity and contribution
- With this reimbursement program, a member district can obtain approval in advance, but reimbursement cannot be made until the district takes delivery of the Safety and Loss Prevention goods or services. Copies of eligible receipts must be sent in conjunction with the submission of the electronic application
- Members can apply online at www.csdpool.com

SDA Conference and Training Scholarship Program

With our Scholarship Program, we reimburse districts for costs incurred to send first time supervisors and/or Board Members to specific training offered by the CSD Pool and the SDA. We offer forty-six scholarships annually, with a total value of \$25,000. The scholarships are intended to cover out of pocket expenses associated with travel and attendance at training workshops. Our Annual Training Calendar is available on our website at www.csdpool.com.

Scholarship Program includes:

- 23 \$350 scholarships available for attending regional CSD Pool training workshops
- 23 \$750 scholarships available for attending the SDA Annual Conference
- Board Members and district supervisors are eligible
- Must be a first time attendee from a member district

- Preference will be given in this order to districts who have:
 - never had an attendee at the event
 - no district attendees in the past three years
 - new managers or Board Members who have never attended
- Nominations from districts will be accepted for eligible supervisor or Board Member; once selected, we will confirm with a personal invitation to attend nearly cost free
- · Authorization must be confirmed by Pool Administrator prior to incurring any cost
- Reimbursement payments will be made directly to CSD Pool member districts within thirty days receipt of documented expenses
- District must use the online Application and Expense Reimbursement Form

For more information and/or to apply for a scholarship, please visit www.csdpool.com.

Our Team

Pool Administration Services have been contracted out since the CSD Pool's inception in 1988. The individuals at McGriff, Seibels & Williams, Inc. were first hired in 1998 at a time when the CSD Pool was experiencing a churning membership, declining in numbers, and the Board of Directors felt that a change in direction was needed. Our Team today presented a five-year plan to reinvent the CSD Pool, and two years after implementation, we were growing at a rate of over 30% a year with a 40% reduced administrative cost. Over the next seven years, the CSD Pool achieved growth of 700% in membership, contributions, and surplus. As a credit to our administrative team, the CSD Pool is now more financially secure than most insurance company counterparts.

Joe DePaepe - CPCU, CIC, Senior Vice President

Joe is McGriff Portland's Group Risk Pooling Leader and an industry-oriented resource dedicated to developing organizational direction in serving the insurance and risk management needs of Risk Sharing Groups. Joe is currently the CSD Pool Administrator.

Before joining McGriff in 2007, Joe spent eighteen years working with Group Risk Pooling, as well as in program development and design. Joe was the national resource for a large brokerage firm and the National Public Entity Practice Leader. He began his career as an all-lines sales/field underwriter for large commercial risks. Over the last fifteen years, he has concentrated on Group Risk Pooling Programs, has been involved in the day-to-day administration of five pools and consulted on several other projects. Joe has a deep understanding of all phases of group risk sharing administration.

Jenniffer Alvarado - Vice President, Account Executive

Jenniffer is the senior underwriter for the CSD Pool Workers' Compensation program. Her twenty-five year career has included risk management consulting while overseeing all aspects of Pool Administration. This includes the marketing of self-insured, primary and captive programs, all with an emphasis on workers' compensation.

Before joining McGriff in 2007, Jenniffer spent twenty-one years as a Client Service Representative, Program Coordinator and Advisor of workers' compensation plans for both small and large national accounts in the brokerage industry. She is responsible for the handling of major worker's compensation plans as well as administering program oversight and consulting for self-insured pools and other insured programs. Throughout her experience, Jenniffer has developed an understanding of individual membership needs within pool administration.

Joyce Howell - Senior Account Manager

Joyce is the senior underwriter of the CSD Pool Liability programs. Her duties have included risk management consulting as well as reinsurance placement on primary and excess programs. She has assisted in overseeing all aspects of pool administration and all phases of program design and structure with an emphasis on Liability coverage.

With over thirty-five years of insurance experience, Joyce began her career as a Client Service Representative in personal lines insurance, middle market commercial accounts, and adjusted property and liability claims. The majority of her thirty-five years have been as a Client Advisor for a large national brokerage firm, specializing in public entities, manufacturing, hospitality, public transportation, and coverage analysis and contract review.

Joyce joined McGriff in 2007 and has been responsible for administering program oversight and consulting for other insured programs. She has developed a keen understanding of individual membership needs within pool administration and public entities.

Sandy Carter - Senior Account Manager

Sandy has over thirty-five years of insurance experience beginning as a Claim Representative for a national insurance company. She then moved to claims adjusting, working her way up to commercial accounts. Her responsibilities as a Client Advisor for a large national brokerage firm were specialized in electric and gas utilities, above and below ground coal mining, manufacturing, and public entities.

Sandy joined McGriff in 2010 as the senior underwriter of the CSD Pool Property programs. She is responsible for risk management consulting and Pool administration, overseeing design and coverage placement of the property and equipment breakdown coverage. Sandy is quickly developing an understanding of individual membership needs within the CSD Pool's programs.



Contact List

TO REPORT A CLAIM

County Technical Services, Inc. (CTSI)

Phone:

303-861-0507

Toll free:

1-888-559-6829

Fax:

303-861-1022

After Hours Emergency Contacts:

Property & Liability Workers' Compensation Janet Grossnickle Norma Stimmler

720-425-6227 720-425-6350

OUESTIONS?

About coverage, new quotes, loss prevention, or about the CSD Pool in general

Toll free: Fax:

888-313-7322 503-943-6622

Program Administration

Joe DePaepe

jdepaepe@mcgriff.com

Property & Liability

Joyce Howell Sandy Carter Noel Paul

jhowell@mcgriff.com scarter@mcgriff.com npaul@mcgriff.com

Workers' Compensation

Jenniffer Alvarado

jalvarado@mcgriff.com

Ashley Browning

abrowning@mcgriff.com

Accounting

Noel Paul

npaul@mcgriff.com

Loss Prevention

Joyce Howell Jenniffer Alvarado ihowell@mcgriff.com jalvarado@mcgriff.com

Communications Coordinator

Morgan Brothers

mbrothers@mcgriff.com

PRE-LOSS LEGAL SERVICES

County Technical Services, Inc. (CTSI) Janet Grossnickle

> If you are contemplating an action or if an event has occurred that could result in liability, call immediately for Pre-Loss Legal Advice. Discuss your plans or your situation with skilled attorneys.

Phone: Toll Free: 303-861-0507

Fax:

888-559-6829 303-861-1022

Email:

igrossnickle@ctsi.org

SPECIAL DISTRICT ASSOCIATION OF COLORADO • POOL LIAISON

Donna Alengi, Deputy Executive Director

Phone:

303-863-1733

Toll Free:

800-886-1733

Fax:

303-863-1765

Email:

donna.alengi@sdaco.org

	RESOLUTION NO.			
WHEREAS, the Board of Directors of Pueblo City County Library District (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, hereby:	THEREFORE, BE IT RESOLVED that the Board of Directors of the District			
5	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.			
	Authorizes and directs the Chairman of the Board of Directors and President of the District to execute Exhibit A on behalf of the District.			
S N	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.			
ţ	Designates Jon Walker as District's initial Representative to the Pool and designates Chris Brogan as the District's Alternative Representative.			

5.

Representative Mailing Address:

Alternate Representative Mailing Address:

100 E. Abriendo Avenue, Pueblo, CO 81004

100 E. Abriendo Avenue, Pueblo, CO 81004

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>	Coverage						
6/30/11	Workers' Compensation						
6/30/11	Property						
6/30/11	General Liability						
6/30/11	Automobile						
6/30/11	Public Officials Liability						
6/30/11	Inland Marine						
6/30/11	6/30/11 Equipment Breakdown / Boiler & Machinery						
6/30/11	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_11							
	Chairman of the Board and President of the District						
ATTEST:							
Secretary of the Board							

City

Exhibit A

INTERGOVERNMENTAL AGREEMENT FOR THE COLORADO SPECIAL DISTRICTS PROPERTY AND LIABILITY POOL

As Amended SEPTEMBER 13, 2000

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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 <u>CLAIM YEAR</u>: Any twelve consecutive month period established by the Board. The "initial" claim year is the first claim year established for the Pool.
- 1.3 <u>DIRECTOR</u>: A person serving on the Board.
- 1.4 <u>MEMBER</u>: 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 <u>MEMBER REPRESENTATIVE</u>: That person who has been designated in writing by a Member as its representative to the Pool.
- 1.6 <u>POOL</u>: 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 <u>POOL AGREEMENT</u>: This Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool.
- 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 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 24-10-103(5), C.R.S., as amended.
- 1.9 <u>SDA BOARD</u>: 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

- 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 within the State of Colorado. It is the intent of the Members that, by entering into this Pool Agreement, they do not waive and are not waiving any immunity provided by any law to the Members or their public employees, as defined in 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:
 - 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;
 - b. 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 of this Article may be authorized to participate in the Pool for the other of those purposes upon further compliance, as necessary, with Paragraph 5.1 of this Article 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.

ARTICLE 6. Board of Directors and Officers

- 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.
- 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.

- 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:
 - Submits a written resignation to the Board.
 - b. Dies.
 - Ceases to be a Member Representative.
 - d. 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.
 - e. Is convicted of a felony.
- 6.6 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:
 - Exercise all powers necessary to carry out the purposes of the Pool.
 - b. 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.
 - Purchase, sell, encumber, and lease real property, and purchase, sell, encumber or lease
 equipment, machinery, and personal property.
 - d. 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.
 - Purchase excess insurance, stop-loss insurance, and reinsurance as the Board deems prudent.
 - Adopt and adjust the coverages provided through the Pool.
 - Adopt and adjust contributions to the Pool.
 - Enter into contracts including, but not limited to, contracts for risk management, claim adjustment, and brokerage services.
 - 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.
 - Purchase fidelity bonds from an insurance company approved by the Insurance Commissioner of the State of Colorado to do business in Colorado.
 - Establish reasonable and necessary loss reduction, prevention and risk management policies and procedures to be followed by the Members.
 - 1. Appoint committees from time to time as the Board considers desirable.

- Provide for claims and loss control procedures, and establish conditions to be met prior to the payment or defense of claims.
- Establish rules governing its own conduct and procedure, and the authority of its officers, not inconsistent with this Pool Agreement.
- Approve attorneys or firms of attorneys to represent Members in claims covered through the Pool.
- p. 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:
 - a. 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.
 - b. 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.
 - Designate one or more persons or entities to administer the Pool.
 - Adopt a budget annually and report the budget to the Members.
 - e. 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

shall be established by the Board. 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. 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.
- 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 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.
- 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.
- 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 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

may be distributed among the Members and former Members, subject to Paragraph 15.1, pursuant to the following:

- a. 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.
- b. 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.
- c. 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.
- d. 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.
- e. The amount established by the Board for a claim year pursuant to paragraph c., above, 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.
- f. 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.
- g. 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.

- 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.
- 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.
- 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, 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, 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 and employee's duties hereunder, and shall make reasonable effort to obtain errors and omissions coverage for each Director, officer, committee member, and employee of the

employee of the Pool. The Pool shall obtain bonds for all Directors, officers, committee members, 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

- 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:
 - a. 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,
 - b. 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

- 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:
 - a. 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.
 - b. 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 paragraph c.
 - c. 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

- 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.
- 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.
- 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.

- 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 entitles 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:
 - a. 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.
 - b. The decision of the panel shall be binding on the Board or its authorized representative and the Member.

c. 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.

Special District:	
By:	President
Dated:	
Attest:	
By: Title: Secretary	