

Conservatory Metropolitan District
Community Update
October 30, 2009

As part of its ongoing effort to keep residents apprised of current matters before the Board of Directors of the Conservatory Metropolitan District, the Board intends to provide periodic updates to the community. The information contained here is only a brief summary, and residents are encouraged to attend Board meetings to learn about matters firsthand. The Board meets regularly at 9:00 a.m. on the third Monday of each month at the Conservatory Clubhouse, 2665 S. Jebel Way. For additional information please contact the District Manager at (303) 987-0835 or visit our website at www.yourcmd.org.

Service Plan Amendment: The District's Board and consultants are presently pursuing an amendment to the Service Plan. The Service Plan is the primary governing document for the District, and as presently adopted limits the operational revenue that can be collected via property tax, hence the need to impose the quarterly fee paid by all residents. In order to amend the Service Plan the District is required to have a public hearing before the Aurora City Council, which is scheduled for November 23, 2009 at 7:30 P.M. at the City Council Chambers.

A recent analysis revealed that the District can significantly reduce its operating expenses and maximize its proportional share of vehicle registration taxes distributed by Arapahoe County by collecting its annually required revenue through property taxes as opposed to fees. Current projections reveal that if collected through fees the general operating and maintenance fee would need to be set at approximately \$500 per year per resident.

If the operating revenue were to be collected through property taxes the amount due from each homeowner would vary depending on the Assessor's valuation of the individual property. By way of example, for a home valued by the Assessor at \$225,000 the annual tax increase to cover general operations and maintenance would be \$376 a savings of \$124 per year when compared to the fee. Additionally, homeowners would benefit from the allowable income tax deduction for property taxes paid.

For more information on the proposed Service Plan Amendment the District has set the following meetings:

November 2, 2009 at 6:00 P.M. at the Conservatory Clubhouse (Question and Answer Meeting)
November 16, 2009 at 9:00 A.M. at the Conservatory Clubhouse (District Regular Meeting)
November 18, 2009 at 6:30 P.M. at the Frontier Elementary School (HOA Annual Meeting)
November 23, 2009 at 7:30 P.M. at the City Council Chambers (Public Hearing)

Budget Hearing: The District is presently working on its 2010 annual budget and is considering several measures to control and reduce costs. The District's Budget Hearing is set for Monday, December 7, 2009 at 9:00 A.M. at the Conservatory Clubhouse.

Stone Walls, Monuments and Fences: The District has become aware of problems with the original construction of these items and has attempted to address these concerns with the builders, but has not received an appropriate response. The District intends to pursue a construction defect lawsuit against the builder. Should you have any questions concerning this matter please feel free to contact Cass McKenzie with McKenzie, Rhody & Hearn, the law firm retained to handle the District's claim. Cass can be reached at (303) 561-4740.

Board Vacancy: There are currently two vacancies on the Board of Directors. If you are interested in becoming a Board member please contact AJ Beckman, the District Manager at (303) 987-0835 for more information.