

What GVR Homeowners Are Paying For

By Earleen Brown, President of the GVR Metropolitan District

Green Valley Ranch is served by two entities, the GVR Metropolitan District and the Master Homeowners Association For Green Valley Ranch. While both of these entities are serving a common community, they are independent entities with separate boards of directors and they are governed by very different authorizing documents and state statutes.

The District is a local government with a generally elected seven- member board. The District was organized to finance the installation and maintenance of public improvements and is subject to all of the same laws regarding transparency and accountability that govern all local governments in Colorado - to include the holding of public meetings and the maintenance of public records regarding its financial matters, budgets, audits and financial statements. The District can enforce the HOA's covenants if the District has a written agreement with the HOA to do so.

The HOA was established primarily to maintain the common areas within the community and to enforce the covenants that are recorded on the residential property within Green Valley Ranch. The property within the HOA is divided into districts. Delegates are elected, through a proxy process, to represent each district. The elected delegates elect the HOA Board of Directors.

In November of 2007, the voters of the District approved Ballot Measure 5A which authorized the District to increase its mill levy up to 11.750 in order to fund the operating expenses required for covenant enforcement and for the landscape, maintenance and improvements of common areas or to be used for other purposes- at the discretion of the Board. In budget year 2008, the District entered into an Agreement with the HOA to perform covenant enforcement and related services. The District agreeably assumed, performed and funded services previously provided by and funded by the HOA.

The District's goal is to provide quality service to the community in an efficient and cost effective manner.

The District budgeted for and used tax dollars to provide cost-effective covenant enforcement and related services. The District also budgeted for and used tax dollars to provide landscape, maintenance, and improvements to the common areas previously owned by the HOA and maintained with funds provided by assessments against its members and homeowners.

The District, in consideration of the expressed will of homeowners, did not support the expansion of the HOA's budget for 2009 to include the use of tax dollars to fund new HOA programs and services. The District's budgets, audits and financial statements are public documents.

In December of 2008, the HOA filed a lawsuit to compel the District to increase its mill levy and to fund the HOA expanded programs that were not supported by homeowners and funded by the District. A two-day evidentiary hearing was held on this issue and the Court ruled in the District's favor, finding that the District had used reason when determining the mill levy and

how tax dollars would be spent on the HOA. This ruling is a matter of public record and can be found on the District's web site at www.gvrmetrodistrict.com.

Having failed to force the District to allocate additional tax dollars to fund HOA programs, the HOA's next tactic was to demand termination of the Agreement with the District.

The HOA's lawsuit against the District forced the District to spend significant sums of tax dollars on its attorneys' fees. Moreover, the District also spent significant sums of tax dollars to pay HOA attorneys through its contractually-bound funding of HOA expenses.

Although the District is confident that it would have prevailed in the litigation with the HOA, and the District believes it is in the best interests of the community for the District to provide covenant enforcement services with tax dollars instead of an assessment by the HOA, the District did not believe it was prudent to continue expending tax dollars it receives from hard-working tax payers to continue litigating an agreement which will ultimately terminate with the District's budget cycle in December of 2009.

The District agreed to a settlement that it expects to end the litigation and the expenditure of community resources caused by the HOA's litigation. As a result of this settlement, the District ceased providing covenant enforcement services as of June 30, 2009. The District's provision of cost-effective landscape, maintenance and improvements of common areas with tax dollars has not been and will not be disrupted by the termination of the Agreement with the Homeowners Association

The framework for the District to provide covenant enforcement services with tax dollars, to avoid unnecessary duplication of services, and to save the community money, remains in place as authorized by the voters who approved Ballot Measure 5A.; however, in order for the District to provide covenant enforcement services funded by tax dollars, Colorado statutes require the District to have an agreement with the HOA. The District hopes that in the near future the HOA Board of Directors will cooperate with the District Board of Directors to negotiate a new agreement.

The GVR Metro District Board will be holding several public information meetings, starting in August, to solicit your feedback related to the District's Budget for 2009/2010. We invite and encourage you to attend the meetings in order to obtain a better understanding of the dynamics of your property taxes and the many services the District provides to you with those tax dollars.

The public are always welcome to attend the District's regular Board meetings, held the third Wednesday of each month, at 6:30 PM, in the District's office building, located in Green Valley Ranch, at the intersection of 45th Avenue and Argonne Street.

You may contact the District Manager at 303-307-3246 or at manager@gvrmetrodistrict.com with any questions.

The District website is located at www.gvrmetrodistrict.com and is updated frequently with current District events and programming information.

Contributions to the article were made by MaryAnn McGeady, Andy Fisher, and Evan Ela, legal counsel for the District