

**SILVER PEAKS EAST
 METROPOLITAN DISTRICT**
 141 Union Boulevard, Suite 150
 Lakewood, Colorado 80228
 Phone: 303-987-0835

NOTICE OF SPECIAL MEETING AND AGENDA

DATE:	December 3, 2020
TIME:	4:00 p.m.
PLACE:	<p>DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT BOARD MEETING WILL BE HELD BY CONFERENCE CALL WITHOUT ANY INDIVIDUALS (NEITHER DISTRICT REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE JOIN THE VIDEO ENABLED WEB CONFERENCE VIA ZOOM AT:</p> <p>https://us02web.zoom.us/j/87641069942?pwd=N2dIbThKR3JGM3VHMxpIOTI4eSt4dz09</p> <p>Meeting ID: 876 4106 9942</p> <p>Passcode: 340992</p> <p>Or Dial in at: 1-346-248-7799</p>

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Harvey E. Deutsch	President	May, 2023
Michael Blumenthal	Assistant Secretary	May, 2023
Steve A. Steele	Treasurer/Assistant Secretary	May, 2023
VACANT	Assistant Secretary	May, 2022
VACANT	Assistant Secretary	May, 2022
Judy Leyshon	Secretary	

I. ADMINISTRATIVE MATTERS

- A. Present disclosures of potential conflicts of interest.

B. Review and consider the engagement of Collins Cockrel and Cole P.C. as District General Counsel (enclosure).

C. Review and consider acceptance of the resignation of McGeady Becher P.C. as District General Counsel (enclosure).

D. Consider the appointment of Michael Bird and Michael Cannon to the Board of Directors to fill current vacancies on the Board (Notice of Vacancies published on September 17, 2020). Administer Oaths of Office.

E. Consider Appointment of Officers:

President: _____

Secretary: _____

Treasurer/Assistant Secretary: _____

Asst. Secretary: _____

Asst. Secretary: _____

F. Approve agenda and confirm quorum; confirm location of meeting and posting of meeting notices.

G. PUBLIC COMMENT. Matters not specifically included on the Agenda may be addressed. As a courtesy to others, comments shall be limited to three minutes per person.

II. CONSENT AGENDA

Consent Agenda – These items are considered to be routine and will be ratified by one motion. There will be no separate discussion of these items unless a board member so requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- Review and consider approval of the November 18, 2019 Special Meeting Minutes (enclosure).
- Ratify approval of Third Amendment to 2016-2017 Operation Funding Agreement by and between Silver Peaks East Metropolitan District (the “District”) and LOB LLC.
- Rescind prior approval of Intergovernmental Agreement regarding Storm Drainage by and between the District and South Beebe Draw Metropolitan District.
- Rescind prior acknowledgement of Special Warranty Deed from LOB LLC to the District (conveyance of Tracts AA, BB, CC, DD, EE, FF, GG, II, JJ, KK, LL and MM to the District).
- Rescind prior approval of the Easement Agreement (Silver Peaks East Storm Drainage Facilities) by and between the District and South Beebe Draw Metropolitan District.
- Rescind prior approval of Canal Crossing Agreement by and among the District, LOB, LLC and The Farmers Reservoir and Irrigation Company.

III. FINANCIAL MATTERS

- A. Review and consider acceptance of Cost Verification Report for District Capital Project and Operating Costs Paid by LOB LLC, prepared by CliftonLarsonAllen LLP (to be distributed).
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- B. Review and consider approval of the preparation, execution and filing of the 2019 Application for Exemption from Audit (enclosure).
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- C. Review and consider approval of Schedule of Cash Position through the period ending December 31, 2019, updated as of September 30, 2020 (enclosure).
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IV. LEGAL MATTERS

- A. Review and consider approval of Intergovernmental Agreement regarding Storm Drainage by and between the District and South Beebe Draw Metropolitan District.
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B. Acknowledge Special Warranty Deed from LOB LLC to the District (conveyance of Tracts AA, BB, CC, and MM of Amendment No. 2, Silver Peaks Filing No. 1, County of Weld, State of Colorado and Tracts DD, EE, FF, GG, HH, and LL of Silver Peaks Filing No. 1, Amendment 3, County of Weld, State of Colorado to the District).

C. Discuss status of revised Plat.

D. Review and consider approval of the Easement Agreement (Silver Peaks East Storm Drainage Facilities) by and between the District and South Beebe Draw Metropolitan District.

E. Review and consider approval of Canal Crossing Agreement by and among the District, LOB, LLC and The Farmers Reservoir and Irrigation Company.

F. Discuss potential need to amend Ditch Easement Agreement by and among the District, LOB, LLC and The Farmers Reservoir and Irrigation Company.

G. Review and consider approval of Intergovernmental Agreement Partial Assignment Concerning Maintenance of Certain Speer Canal Crossing Improvements by and between the Town of Lochbuie and the District.

H. Acknowledge direction from LOB LLC to direct any reimbursement otherwise owing under the Operation Funding Agreement by and between the District and LOB LLC, as amended, and the Facilities Funding and Acquisition Agreement by and between the District and LOB LLC to Melody Homes, Inc.

- i. Review and consider approval of Termination of Operation Funding Agreement by and between the District and LOB LLC (enclosure).

- ii. Review and consider approval of Termination of Facilities Funding and Acquisition Agreement by and between the District and LOB LLC (enclosure).

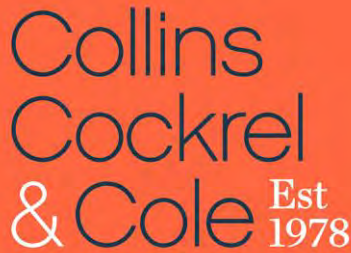
- I. Review and consider approval of Cost Sharing Agreement for WCR2 Crossing by and between LGI Homes – Colorado, LLC and the District.

V. OTHER BUSINESS

- A. Acknowledge the resignations of Directors Blumenthal, Deutsch and Steele from the Board of Directors.

VI. ADJOURNMENT

**THE NEXT SPECIAL MEETING (BUDGET HEARING) IS SCHEDULED FOR
DECEMBER 10, 2020 AT 10:00 A.M. VIA ZOOM.**



SHAREHOLDERS
Paul R. Cockrel
James P. Collins
Robert G. Cole
Timothy J. Flynn
Evan D. Ela
Linda M. Glesne
David A. Greher
Kathryn G. Winn
Allison C. Ulmer
Matthew P. Ruhland

ASSOCIATES
Joseph W. Norris
Bart W. Miller
Ayshan E. Ibrahim

303.218.7212
mruhland@cccfirm.com

October 7, 2020

ATTORNEY-CLIENT PRIVILEGED

VIA E-MAIL

Board of Directors
Silver Peaks East Metropolitan District

Re: Letter of Engagement

Dear Board Members:

We understand that the Silver Peaks East Metropolitan District (the "**Client**") desires to appoint Collins Cockrel & Cole, a professional corporation (the "**Attorney**"), as the Client's general counsel pursuant to Section 31-25-1212(1)(m), C.R.S., for certain matters as further described below. This letter is intended to outline the terms governing our representation of the Client.

1. Scope of Services.

The Attorney will advise the Client on all district-related matters referred to the Attorney by the Client. We will take our direction from the Board of Directors (the "**Board**") and the President and/or Secretary of the Board, or such other person as is designated by the Board to be its representative and spokesperson for purposes of communication with the Attorney. We do not represent (i) any person or entity (except the Client itself); (ii) individual members of the Board; (iii) employees or agents of the Client; or (iv) any landowner, developer or other person within the boundaries of the Client (collectively, the "**Other Persons**"), and all services are provided only for the benefit of the Client and not for the Other Persons. The Attorney owes professional responsibilities only to the Client itself. In all matters involving the Client, such Other Persons should retain their own legal counsel.

2. Potential Conflicts of Interest.

The Attorney previously represented DR Horton/Melody Homes, Incorporated (the "**Former Client**") in the due diligence of the Client related to the purchase of property within the Client's boundaries by the Former Client (the "**Due Diligence Matter**"). The Attorney has concluded its representation of the Former Client related to the Due Diligence Matter and does not believe that

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office 303.986.1551 | toll free 800.354.5941 | fax 303.986.1755 | www.cccfirm.com



the Client and the Former Client have materially adverse interests to one another because both the Client and Former Client we interested in the successful purchase of property within the boundaries of the Client, which has been completed, and the Former Client expressly consented to the Attorney's representation of the Client in writing.

Although we do not believe a conflict of interest currently exists between the Client and the Former Client, your approval of this Letter of Engagement represents your consent to such potential conflict of interest. If a dispute were to arise in the future between the Client and the Former Client, the Attorney would likely be unable to represent either of these parties in such matter.

3. Designation of Attorney and Assistants.

I, Matthew P. Ruhland, a Partner with the Attorney, am designated as the attorney primarily responsible for the legal services rendered to the Client. Other qualified attorneys and paralegals may perform services for the Client under my supervision in order to most effectively provide a particular service or to minimize costs.

4. Compensation.

The Attorney shall provide to the Client a monthly billing statement detailing the services rendered and the amount of time spent in performance thereof. The Client shall pay for the total time of all attorneys, paralegals and clerks at the current rates in effect for the services rendered.

Clerical services are not routinely billed to the Client, but out-of-the-ordinary use of a clerical person's time may be billed in the Attorney's reasonable discretion. Paralegals and law clerks are utilized when their skills are commensurate with a particular project, so as to minimize the costs billed to the Client. The Attorney supervises the work product of associates, paralegals and law clerks.

The Client shall pay for services within 30 days of the date of the invoice. The Attorney shall not be obligated to perform any services if payment of fees is 60 days overdue. If payment for any services or expenses remain unpaid for more than 30 days, unpaid amounts will be charged interest at the rate of 1.5% per month, compounded monthly (19.6% APR). The Client shall be responsible for any costs of collection incurred by the Attorney, including reasonable attorneys' fees.

The Attorney's current billing rates are subject to adjustment, but not by more than ten percent collectively at any time without written notice. The Attorney's 2020 Fee Schedule is attached.

5. Expenses.

Expenses for which the Attorney will or will not receive reimbursement are as follows, along with the rates for such reimbursement:

- (a) Mileage.
No charge, unless lengthy travel distance.
- (b) Out-of-Town Travel.
Expenses at cost without mark-up. Travel time by Attorneys and staff will be billed at current billing rates. Trips will be coordinated with other clients, to the extent possible, to minimize travel costs.
- (c) Long-Distance Telephone Service.
No charge, unless unusual circumstances exist – such as lengthy time, multiple parties and/or teleconferencing.
- (d) Computer Expenses.
No charge, except for computer research, Lexis/Nexis or other special costs; billed at actual cost without mark-up.
- (e) Photocopies.
No charge for in-house copying, unless large volume of copying. Outside copying and printing billed at actual cost without mark-up.
- (f) Postage.
No charge for usual first class mailings, such as mailings to the Client, courts, counsel of record and other consultants. Mass mailings, such as election notices, and overnight and special delivery mailings billed at actual cost without mark-up.
- (g) Facsimile.
No charge.
- (h) Couriers.
Courier service will be used on an as-needed basis with the cost thereof being billed to the Client without mark-up.
- (i) Other Reimbursables.
Other reimbursables include our payment of filing fees, costs for service of process and related services, expert witness fees (only as pre-authorized by the Client), court reporter fees for transcript of testimony, court reporter appearance fees, county clerk and recorder's fees for recording of documents, title company's fees for reports of title, publication fees, election materials and other related expenses. All such reimbursables will be billed to the Client at cost without mark-up.



(j) Other Expenses.

Certain services and expenses not otherwise documented herein (e.g. private investigator, special counsel, etc.) may become necessary under certain circumstances. To the extent that such services are required, the Attorney will first obtain authorization from the Client before incurring such costs. As such expenses are incurred, they will be billed to the Client.

It is understood that the Client is not responsible for any general secretarial support or general office expenses of Attorney.

6. Communications between Attorney and Client.

Written and oral communication between the Attorney and the Client on the Client's matters shall be made using all current forms of technology including mail, express courier, courier, fax, email, land-based telephone, cellular telephone and other electronic means of communication as such technology becomes available. The security of such means of communication, particularly electronic means such as fax, e-mail and cellular telephone cannot be guaranteed, and therefore a risk exists that privileges such as the attorney-client privilege may be waived if a communication is inadvertently received by persons other than the Client. If the Client desires to avoid the risk of inadvertent disclosure by any particular means of communication, the Client must contact the Attorney and instruct the Attorney as to any unacceptable means of communication for Client matters.

7. Disclaimer of Warranties.

There can be no warranties as to the success of any matter undertaken by the Attorney in the representation of the Client. All expressions made by the Attorney relative thereto are solely matters of the Attorney's opinion.

8. Power of Attorney to Execute Documents.

The Client grants to the Attorney the power to execute documents connected with the representation of the Client, which have been generally approved by the Client, including pleadings, applications, protests, contracts, commercial papers, settlement agreements and releases, verifications, dismissals, orders, and all other documents associated with the services provided hereunder.

9. Document Retention/Destruction.

The Client is advised that the files created and compiled by the Attorney for work on Client matters, including notes, correspondence, pleadings, research and any other documents prepared by the Attorney, will not be retained indefinitely. Upon Client request, we will return Client files to the Client or its designee once a matter is concluded, so long as the Client has paid all fees and costs. We may retain copies of all or any portion of the Client's file duplicated at our expense. If the Client does not request its files, we will keep the files and information therein for a minimum of 30 days after the conclusion or termination of representation, after which we may retain, destroy or



otherwise dispose of them as we deem appropriate, except that we will not destroy (i) original documents entrusted to us for continued representation as part of our services; and (ii) any documents that the Client is obligated by law to retain.

10. Illegal Alien Certification.

Pursuant to the requirements of H.B. 06-1343, the Attorney certifies that the Attorney will comply with the provisions of Section 8-17.5-101 et seq., C.R.S., and the Attorney will not knowingly employ or contract with an illegal alien to perform work for the Client. The Attorney has verified that the Attorney (i) has confirmed or attempted to confirm the employment eligibility of all employees who are newly hired for employment in the United States through participation in the E-Verify Program administered by the Department of Labor and Employment; and (ii) otherwise will comply with the requirements of Section 8-17.5-102(1), C.R.S., regarding such verification. The Attorney agrees to comply with all reasonable requests made in the course of an investigation by the Colorado Department of Labor and Employment. If we do not comply with any requirement of Section 8-17.5-101 et seq., C.R.S., regarding illegal alien verification, the Client may immediately terminate the Attorney's services, subject to payment for work performed prior to the termination date as described herein.

11. Entire Agreement.

The terms herein represent the entire agreement of the parties concerning the representation of the Client by the Attorney. The agreement represented by this letter may not be amended or modified except in writing and signed by both parties hereto.

12. Term.

The agreement represented by this letter shall remain in effect until terminated by written notice of either party.

**Collins Cockrel & Cole,
a Professional Corporation**

**Silver Peaks East Metropolitan
District**

By: **Matthew P. Ruhland**

_____, **President**



BILLING RATES
EFFECTIVE 1/2020

Paralegal Assistant	\$125
Crystal Schott, Paralegal	\$190
Sarah Luetjen, Paralegal	\$195
Peggy Rupp, Paralegal	\$220
Micki Mills, Paralegal	\$240
Ayshan E. Ibrahim, Associate	\$225
Bart W. Miller, Associate	\$265
Joseph W. Norris, Associate	\$285
Matthew P. Ruhland, Partner	\$360
Allison C. Ulmer, Partner	\$365
Kathryn G. Winn, Partner	\$365
David A. Greher, Partner	\$400
Linda M. Glesne, Partner	\$380
Evan D. Ela, Partner	\$385
Timothy J. Flynn, Partner	\$390
Robert G. Cole, Partner	\$390



Paul R. Cockrel, Partner	\$445
James P. Collins, Partner	\$445



October 7, 2020

Silver Peaks East Metropolitan District
Board of Directors

Re: McGeady Becher P.C. Resignation

Dear Board of Directors:

The purpose of this letter is to confirm the resignation of McGeady Becher P.C. as counsel to the Silver Peaks East Metropolitan District (“**District**”), effective as of October 7, 2020. We understand the District engaged Collins Cockrel & Cole P.C. as new counsel to serve as of the date set forth above.

We will deliver the last five years of the District’s files to your new counsel on or before October 16, 2020.

We have appreciated the opportunity to serve the District over the past years and wish you the best of luck in the future.

Very truly yours,

McGEADY BECHER P.C.

McGeady Becher P.C.

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RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SILVER PEAKS EAST METROPOLITAN DISTRICT HELD NOVEMBER 18, 2019

A special meeting of the Board of Directors of the Silver Peaks East Metropolitan District (referred to hereafter as "Board") was convened on Monday, the 18th day of November, 2019, at 10:00 P.M., at the offices of McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Harvey E. Deutsch
Steve A. Steele
Michael Blumenthal (via speakerphone)

Also In Attendance Were:

Judy Leyshon; Special District Management Services, Inc.

MaryAnn M. McGeady, Esq. and Samantha Lillehoff, Esq.; McGeady Becher, P.C

Jason Carroll and Alex Fink; CliftonLarsenAllen LLP

Crystal Schott; Collins Cockrel & Cole P.C. (via speakerphone)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Attorney McGeady noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney McGeady noted that all Directors' Disclosure Statements had been filed.

ADMINISTRATIVE MATTERS

Agenda: Ms. Leyshon distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries, or within the County in which the District is located, or within twenty (20) miles from the District boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Resignation and Appointment of Secretary to the Board: The Board acknowledged the resignation of Jennifer Pino as Secretary to the Board and considered the appointment of Judy L. Leyshon as Secretary to the Board.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board accepted the resignation of Jennifer Pino as Secretary to the Board and appointed Judy L. Leyshon as Secretary to the Board.

Resignation of Directors: The resignations of Directors Eric S. Roth and Martin S. Roth from the Board, were acknowledged, effective October 15, 2019.

Minutes: The Board reviewed the Minutes of the March 18, 2019 special meeting.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele, and upon vote, unanimously carried, the Minutes of the March 18, 2019 special meeting were approved.

New Legislation: Attorney McGeedy discussed with the Board new legislation concerning posting of meeting notices and establishment of a District website.

Resolution No. 2019-11-01; Establishing Regular Meeting Dates, Time and Location and Designating Locations for Posting of 24-Hour Notices: The Board considered adoption of Resolution No. 2019-11-01; Establishing Regular

RECORD OF PROCEEDINGS

Meeting Dates, Time and Location and Designating Locations for Posting of 24-Hour Notices.

The Board determined to hold regular meetings for 2020 on March 16, 2020 and November 16, 2020 at 10:00 a.m. at McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado.

Following review, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-01; Establishing Regular Meeting Dates, Time and Location and Designating Locations for Posting of 24-Hour Notices. A copy of the Resolution is attached hereto and incorporated herein by this reference.

Eligible Governmental Entity Agreement (“EGE”) by and between the District and the Statewide Internet Portal Authority of the State of Colorado (“SIPA”): The Board deferred discussion.

Transparency Notice - §32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2019: The Board entered into discussion regarding §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification.

Following discussion, the Board directed staff to post the required information to the SDA website.

McGeady Becher P. C. Document Retention Policy: Attorney McGeady presented an update on the McGeady Becher P. C. Record Retention Policy. The Board acknowledged and approved the updated McGeady Becher P.C. Document Retention Policy. Accordingly, a copy of the updated McGeady Becher P.C. Document Retention Policy is attached hereto and incorporated herein by this reference.

PUBLIC COMMENTS

There was no public comment.

FINANCIAL MATTERS

Claims: Mr. Fink presented reviewed with the Board the claims for the period beginning March 18, 2019 through September 23, 2019, in the amount of \$92,405.46. Mr. Fink also presented, and the Board recognized the need to fund three (3) claims from September 23, 2019, in the amounts of \$1,634.62, \$2,537.50, and \$250.00.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board ratified approval

RECORD OF PROCEEDINGS

of the payment of claims for the period beginning March 18, 2019 through September 23, 2019, in the amount of \$92,405.46 and approved the funding and payment of three (3) additional claims in the amounts of \$1,634.62, \$2,537.50, and \$250.

Financial Statements: Mr. Fink reviewed with the Board the unaudited financial statements and schedule of cash position of the District for the period ending June 30, 2019.

Following review, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the unaudited financial statements and schedule of cash position of the District for the period ending June 30, 2019 were accepted.

2019 Audit/Application for Exemption from Audit: The Board discussed the requirements for an audit.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare the Application for Exemption from Audit for 2019.

Cost Verification: Mr. Fink discussed with the Board the cost verification efforts to date.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board directed Mr. Fink to recategorize capital and operations costs, estimated to be around \$192,000, in the cost verification report, finalize same report, and following review by District Counsel, present same report at the following meeting for acceptance.

2019 Budget Amendment Hearing: The President opened the public hearing to consider a Resolution to Amend the 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Deutsch moved to adopt Resolution No. 2019-11-02 to Amend the 2019 Budget, Director Steele seconded the motion

RECORD OF PROCEEDINGS

and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-02 to Amend the 2019 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2020 Budget: The President opened the public hearing to consider the proposed 2020 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the Budget and the date, time and place of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Mr. Fink reviewed the estimated 2019 expenditures and the proposed 2020 expenditures with the Board.

Following discussion, the Board considered the adoption of Resolution No. 2019-11-03; Resolution to Adopt the 2020 Budget and Appropriate Sums of Money, and Resolution No. 2019-11-04; Resolution to Set Mill Levies (for the General Fund at 66.794 mills for a total mill levy of 66.794 mills). Upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Resolutions were adopted, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Ms. Leyshon was authorized to transmit the Certification of Mill Levy to the Weld County, not later than December 15, 2019. Ms. Leyshon was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3: The Board reviewed Resolution No. 2019-11-05, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-05, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

RECORD OF PROCEEDINGS

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

2019 Bond Issuance: The Board deferred discussion.

Preparation of the 2021 Budget: The Board discussed the preparation of the 2021 Budget.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2021 Budget and set the date for the public hearing for November 16, 2020.

LEGAL MATTERS

Third Amendment to the 2016-2017 Operation Funding Agreement by and between the District and LOB LLC (“Third Amendment”): Attorney McGeady reviewed with the Board the Third Amendment.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board approved the Third Amendment.

Intergovernmental Agreement Regarding Storm Drainage: Attorney Lillehoff discussed with the Board the South Beebe Draw Metropolitan District’s November 13, 2019 approval, subject to certain modification of the Intergovernmental Agreement regarding Storm Drainage between the District and South Beebe Draw Metropolitan District (“Intergovernmental Agreement”).

After discussing this and related matters, the Board deferred ratification of approval of the Intergovernmental Agreement and directed legal counsel to continue negotiating with South Beebe Draw MD and working with the District Engineer to revise and finalize the Intergovernmental Agreement.

Acknowledge Special Warranty Deed from LOB LLC to the District (conveyance of Tracts AA, BB, CC, DD, EE, FF, GG, II, JJ, KK, LL, and MM to the District): The Board discussed the Special Warranty Deed from LOB LLC to the District

RECORD OF PROCEEDINGS

(conveyance of Tracts AA, BB, CC, DD, EE, FF, GG, II, JJ, KK, LL, and MM to the District).

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board authorized the execution of the Special Warranty Deed conveying Tracts AA, BB, CC, DD, EE, FF, GG, II, JJ, KK, LL, and MM to the District, pending the District Engineer's confirmation of the property's legal description.

Easement Agreement (Silver Peaks East Storm Drainage Facilities) by and between the District and South Beebe Draw Metropolitan District: The Board discussed the Easement Agreement (Silver Peaks East Storm Drainage Facilities) by and between the District and South Beebe Draw Metropolitan District ("Easement Agreement").

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board authorized the execution of the Easement Agreement, pending the District Engineer's confirmation of the property's legal description and finalization of the aforementioned Intergovernmental Agreement regarding Storm Drainage between the District and South Beebe Draw MD.

Special Warranty Deed from LOB LLC to the District (conveyance of Tracts NN and OO to the District): The Board discussed the Special Warranty Deed from LOB LLC to the District (conveyance of Tracts NN and OO to the District).

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board acknowledged the Special Warranty Deed from LOB LLC conveying Tracts NN and OO to the District.

Possible Agreement with Walton: The Board deferred discussion of this matter.

Canal Crossing Agreement: Following discussion regarding possible revisions concerning street/culvert maintenance responsibilities, the Board deferred ratification of its approval of the Canal Crossing Agreement by and between the District, LOB LLC, and the Farmers Reservoir and Irrigation Company ("FRICO") ("Canal Crossing Agreement"). Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board authorized execution of the Canal Crossing Agreement pending its finalization.

Ditch Easement Agreement: Following discussion, the Board deferred ratification of its approval of the Ditch Easement Agreement between the District

RECORD OF PROCEEDINGS

and FRICO (“Ditch Easement Agreement”) and authorized the execution of the Ditch Easement Agreement pending the finalization of the Canal Crossing Agreement.

Storm Sewer Line Tap Fee Collection: The Board deferred discussion of this matter.

Cost Recovery Fee Resolution: The Board deferred discussion of this matter.

Resolution Calling the May 5, 2020 Election: Attorney McGeady discussed with the Board the May 5, 2020 Election.

Following discussion, upon motion duly made by Director Deutsch, seconded by Director Steele and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-06 Calling a May 5, 2020 Directors Election and appointed Judy Leyshon as the Designated Election Official and authorized her to perform all tasks required for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

OTHER MATTERS

Conveyance of Tracts to the District for Operation and Maintenance: Attorney McGeady discussed with the Board the status of conveyance of tracts to the District for operations and maintenance and took no further action.

Development within the District: Director Deutsch informed the Board that there is no update on development status within the District.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

RESOLUTION NO. 2019-11-01

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SILVER PEAKS EAST METROPOLITAN DISTRICT
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION AND
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES

A. Pursuant to Section 32-1-903, C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings ("**Notice of Meeting**") will be physically posted at least 24 hours prior to each meeting ("**Designated Public Place**"). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

C. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting, if a special district posts the Notice of Meeting online at a public website of the special district ("**District Website**") at least 24 hours prior to each regular and special meeting

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

E. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

F. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Silver Peaks East Metropolitan District Metropolitan District (the "**District**"), Weld County, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2020 shall be held on March 16, 2020 and November 16, 2020 at 10:00 a.m., at the offices of McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado, in the City and County of Denver, Colorado.

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That, if the District has not yet established a District Website or is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) On East 168th Avenue, along the southeast border of the District’s boundaries.

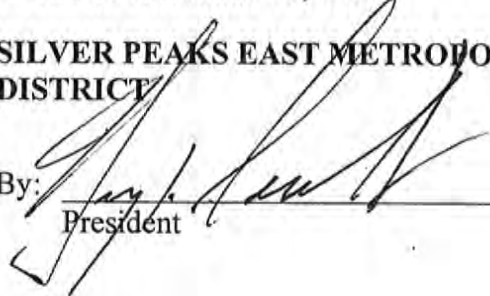
8. Special District Management Services, Inc., or his/her designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, ~~ESTABLISHING DISTRICT WEBSITE AND DESIGNATING LOCATION FOR 24-HOUR NOTICES~~]

RESOLUTION APPROVED AND ADOPTED on November 18, 2020.

SILVER PEAKS EAST METROPOLITAN DISTRICT

By: 

President

Attest:



Secretary

RESOLUTION TO AMEND 2019 BUDGET
SILVER PEAKS EAST METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Silver Peaks East Metropolitan District budgeted and appropriated funds for the fiscal year 2019 as follows:

General Fund	\$	50,000
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WHEREAS, the necessity has arisen for additional expenditures in the General Fund and to establish a Capital Projects Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2019; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the General Fund from developer advance;

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from developer advance.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Silver Peaks East Metropolitan District shall and hereby does amend the adopted Budget for the fiscal year 2019 and adopts a supplemental budget and appropriation for the General Fund and Capital Projects Fund for the fiscal year 2019, as follows:

General Fund	\$	100,000
Capital projects Fund	\$	100,000

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 18th day of November, 2019.

SILVER PEAKS EAST METROPOLITAN
DISTRICT

By: *Judy Lusk*
Secretary

RESOLUTION NO. 2019 - 11 - 3

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SILVER PEAKS EAST METROPOLITAN DISTRICT
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Silver Peaks East Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2019, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 18, 2019, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Silver Peaks East Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Silver Peaks East Metropolitan District for the 2020 fiscal year.

2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 18th day of November, 2019.


Secretary

EXHIBIT A
(Budget)



CliftonLarsonAllen LLP
www.CLAconnect.com

CliftonLarsonAllen

Accountant's Compilation Report

Board of Directors
Silver Peaks East Metropolitan District

Management is responsible for the accompanying budget of revenues expenditures and fund balances of Silver Peaks East Metropolitan District for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018 in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the Summary of Significant Assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Silver Peaks East Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
December 31, 2019

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/31/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCES	\$ (1,059)	\$ (9,802)	\$ 100
REVENUES			
Property taxes	158	159	156
Specific ownership tax	12	10	11
Developer advance	12,625	209,733	75,000
Total revenues	<u>12,795</u>	<u>209,902</u>	<u>75,167</u>
Total funds available	<u>11,736</u>	<u>200,100</u>	<u>75,267</u>
EXPENDITURES			
General Fund	21,538	100,000	75,000
Capital Projects Fund	-	100,000	-
Total expenditures	<u>21,538</u>	<u>200,000</u>	<u>75,000</u>
Total expenditures and transfers out requiring appropriation	<u>21,538</u>	<u>200,000</u>	<u>75,000</u>
ENDING FUND BALANCES	<u>\$ (9,802)</u>	<u>\$ 100</u>	<u>\$ 267</u>
EMERGENCY RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/31/19

ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
----------------	-------------------	----------------

Agricultural	\$	2,390	\$	2,390	\$	2,330	
Certified Assessed Value		\$	2,390	\$	2,390	\$	2,330
MILL LEVY							
General		66.333		66.333		66.794	
Total mill levy		66.333		66.333		66.794	
PROPERTY TAXES							
General	\$	159	\$	159	\$	156	
Levied property taxes		159		159		156	
Budgeted property taxes	\$	159	\$	159	\$	156	
BUDGETED PROPERTY TAXES							
General	\$	159	\$	159	\$	156	
	\$	159	\$	159	\$	156	

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/31/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ (1,059)	\$ (9,802)	\$ 100
REVENUES			
Property taxes	158	159	156
Specific ownership tax	12	10	11
Developer advance	12,625	109,733	75,000
Total revenues	<u>12,795</u>	<u>109,902</u>	<u>75,167</u>
Total funds available	<u>11,736</u>	<u>100,100</u>	<u>75,267</u>
EXPENDITURES			
General and administrative			
Accounting	10,244	15,000	15,000
County Treasurer's fee	2	2	2
Dues and licenses	-	559	600
District management	-	-	20,000
Election expense	-	-	1,000
Insurance and bonds	-	2,541	3,000
Legal services	10,842	50,000	29,000
Miscellaneous	450	5,000	6,398
Contingency	-	26,898	-
Total expenditures	<u>21,538</u>	<u>100,000</u>	<u>75,000</u>
Total expenditures and transfers out requiring appropriation	<u>21,538</u>	<u>100,000</u>	<u>75,000</u>
ENDING FUND BALANCE	<u>\$ (9,802)</u>	<u>\$ 100</u>	<u>\$ 267</u>
EMERGENCY RESERVE	\$ -	\$ 100	\$ 100
TOTAL RESERVE	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT
CAPITAL PROJECTS FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

12/31/19

	ACTUAL 2018	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Developer advance	-	100,000	-
Total revenues	-	100,000	-
Total funds available	-	100,000	-
EXPENDITURES			
General and Administrative			
Legal services	-	25,804	-
Contingency	-	26,131	-
Capital Projects			
FRICO Agreement	-	43,000	-
FRICO Ditch Easement	-	5,065	-
Total expenditures	-	100,000	-
Total expenditures and transfers out requiring appropriation	-	100,000	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on December 1, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Town of Lochbuie, Weld County, Colorado.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including water, sanitation, street, safety protection, park and recreation, transportation, fire protection, television relay and translation, security services, incremental drilling and mosquito control improvements and services.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this budget, the amount and timing of any debt issuances is not determinable.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Under the consolidated Service Plan, the District is limited to the imposition of a mill levy in an amount not to exceed 60 mills; provided, however, that in the event the method of calculating assessed valuation is changed after the date of approval of the Service Plan, the mill levy limitation provided for the District will be automatically increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. On August 2, 2016, the date the Service Plan was approved, the ratio of actual valuation to assessed valuation was 7.96% and currently the ratio is at 7.15%. Due to this ratio change, the District's mill levy was increased to 66.794 mills.

**SILVER PEAKS EAST METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

The calculation of the taxes levied is displayed on the Property Tax Summary page of the Budget at the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.0%.

Developer advance

The District is in the development stage. As such, the operating and administrative expenditures will be funded by the Developer, as well as the capital expenditures until bonds are issued. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

County Treasurer's Fees

County Treasurer's collection fees have been computed at 1.5% of property tax collected.

General and administration

General and administration expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2020 as defined under TABOR.

This information is an integral part of the accompanying budget.

I, Judy Leyshon, hereby certify that I am the duly appointed Secretary of the Silver Peaks East Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors of the Silver Peaks East Metropolitan District held on November 18, 2019.

By: Judy Leyshon
Secretary

RESOLUTION NO. 2019 - 11 - 4

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SILVER PEAKS EAST METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Silver Peaks East Metropolitan District ("District") has adopted the 2020 annual budget in accordance with the Local Government Budget Law on November 18, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Silver Peaks East Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Weld County, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 18th day of November, 2019.


Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the Silver Peaks East Metropolitan District
(taxing entity)^A

the Board of Directors
(governing body)^B

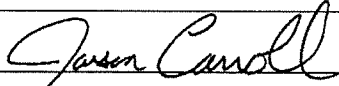
of the Silver Peaks East Metropolitan District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 2,330 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 2,330 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 11/27/2019 for budget/fiscal year 2020
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	66.794 mills	\$ 156
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	66.794 mills	\$ 156
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	66.794 mills	\$156

Contact person: Jason Carroll Daytime phone: (303) 779-5710
(print)
Signed:  Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION NO. 2019-11-06

RESOLUTION OF THE BOARD OF DIRECTORS OF SILVER PEAKS EAST METROPOLITAN DISTRICT AUTHORIZING ADJUSTMENT OF THE DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO CONSTITUTION, ARTICLE X, SECTION 3

- A. Silver Peaks East Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes.
- B. The District operates pursuant to its Service Plan approved by the Board of Trustees of the Town of Lochbuie, on August 2, 2016 (the “**Service Plan**”), which provides the District with the authority to impose mill levies on taxable property. Such mill levies will be the primary source of revenue for repayment of debt service, public improvements, and operations and maintenance costs of the District.
- C. The Service Plan authorizes a maximum mill levy of 60.000 mills (“**Maximum Mill Levy**”).
- D. The Service Plan and Article X, Section 3 of the Colorado Constitution, (the “**Gallagher Amendment**”) authorize adjustment of the Maximum Mill Levy in the event that the method of calculating assessed valuation is changed after January 1, 2015, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut, or abatement. The Maximum Mill Levy may be increased or decreased to reflect such changes. Such increases or decreases shall be determined by the Board in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes.
- E. The Service Plan and Gallagher Amendment provide that, for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.
- F. The Colorado General Assembly (the “**General Assembly**”) passed House Bill 17-1349, signed by the Governor of Colorado on June 15, 2017, which amended Section 39-1-104.2, C.R.S., by setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96%) for property tax years commencing on and after January 1, 2017, until the next property tax year that the General Assembly determined to adjust the ratio of valuation for assessment for residential real property.
- G. In 2019, the General Assembly passed Senate Bill 19-255, signed by the Governor of Colorado on June 3, 2019, further amending Section 39-1-104.2, C.R.S., by setting the ratio of valuation for assessment for real residential property at 7.15% (decreased from 7.2%) for property tax years commencing on or after January 1, 2019, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property.

H. The Board of Directors of the District (the “**Board**”), authorized by the Service Plan and the Gallagher Amendment, determined it to be in the best interest of the District, its residents, users, property owners, and the public to adopt Resolution 2017-10-04 which adjusted the Maximum Mill Levy to mitigate the effect of the 2017 statutory change in the ratio of valuation for assessment from 7.96% to 7.20%, so that actual tax revenues were neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment for residential real property.

I. In order to mitigate the effect of the 2019 statutory change in the ratio of valuation for assessment for residential real property from 7.20% to 7.15%, so that actual tax revenues are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment, the Board determines it to be in the best interest of the District, its residents, users, property owners, and the public to further adjust the Maximum Mill Levy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Silver Peaks East Metropolitan District, Weld County, Colorado:

1. The Board of the District hereby authorizes the adjustment of the Maximum Mill Levy to reflect the 2019 statutory change in the ratio of valuation for assessment for residential real property to 7.15%.

2. The Gallagher Amendment allows for a total mill levy imposition of _____ mills (the “**Adjusted Mill Levy**”) so that District revenues shall be neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment to 7.15% pursuant to the authority granted by the Service Plan and the Gallagher Amendment.

3. The Adjusted Mill Levy shall be reflected in the District’s Certification of Tax Levies to be submitted to the Weld County Board of County Commissioners on or before December 15, 2019, for collection in 2020.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE
DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO
CONSTITUTION, ARTICLE X, SECTION 3]

RESOLUTION APPROVED AND ADOPTED ON November 18, 2019.

SILVER PEAKS EAST METROPOLITAN
DISTRICT



President

Attest:



Secretary

RESOLUTION NO. 2019-11-06

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SILVER PEAKS EAST METROPOLITAN DISTRICT
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020**

A. The terms of the offices of Directors Blumenthal, Deutsch and Steele shall expire upon the election of their successors at the regular election, to be held on May 5, 2020 (“**Election**”), and upon such successors taking office.

B. Two (2) vacancies currently exist on the Board of Directors of the District.

C. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect two (2) Directors to serve until the next regular election, to occur May 3, 2022, and three (3) Directors to serve until the second regular election, to occur May 2, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Silver Peaks East Metropolitan District (the “**District**”) of the County of Weld, Colorado:

1. Date and Time of Election. The Election shall be held on May 5, 2020, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the next regular election, to occur May 3, 2022, and three (3) Directors shall be elected to serve until the second regular election, to occur May 2, 2023.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Judy Leyshon shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services, Inc., 141 Union Blvd., Suite 150, Lakewood, CO 80228, between the hours of 8:00 a.m. and 5:00

p.m., until the close of business on the Tuesday immediately preceding the Election (April 28, 2020).

6. Self-Nomination and Acceptance Forms. Self-nomination and acceptance forms are available at the office of the Designated Election Official located at the above address. All candidates must file a self-nomination and acceptance form with the Designated Election Official no later than 3:00 P.M. on February 28, 2020.

7. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 3, 2020, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

8. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

9. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

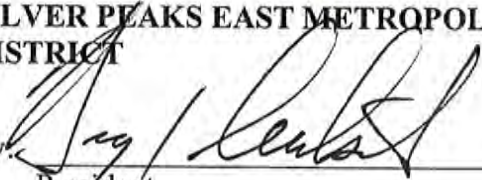
10. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of Silver Peaks East Metropolitan District.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020]

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 18, 2019.

SILVER PEAKS EAST METROPOLITAN
DISTRICT

By: 

President

Attest:



Secretary

McGeady Becher P.C.
Document Retention Policy

Types of Documents

In representing you we will or may take possession of, create, and/or keep various types of documents. These consist of documents you provide to us, documents which constitute the District's official public record, and internal documents we create to assist us in providing services to you.

Documents You Provide to Us

It is our policy to copy and return original documents you provide to us as soon as practicable. Exceptions to this policy are original documents which should be kept as part of the District's official public record, instances where we must have an original document to represent you, or cases where we have affirmatively agreed retain a document for safekeeping.

The District's Record

As a part our engagement, we will maintain the District's official public Record (the "Record"). The Record is a highly useful and detailed compilation of documents reflecting the official actions of the District and serves multiple functions. First, it collects those documents which the public is entitled to inspect and copy under various state and federal public records and freedom of information statutes. Second, it organizes the records of the District – such as its contracts, land and title records, and easements - in a manner which is useful in conducting the ongoing business of the District. Third, the Record helps expedite the District's annual audit process. Fourth, in the event you should change legal counsel or employ in-house counsel, the Record will enable that counsel to understand the status and assume representation of the District with maximum efficiency.

The Record includes the District's organizational documents, fully-executed agreements which are still in effect, rules, regulations, resolutions adopted by the District, official minutes books, meeting notices, agendas, insurance policies, District maps, election records, bond documents, audit documents, and many more. A comprehensive list of documents comprising the Record is available from us at any time upon request.

Creating and maintaining the Record is an important and complex task, and you agree to pay our actual costs and hourly fees associated with doing this.

Supplemental Documents

All other documents created in course of representing you are referred to as Supplemental Documents. These include our notes, drafts, memoranda, worksheets, electronic communications, and other electronic documents stored in various media or file servers.

Documents We Retain

Except as provided in this Document Retention Policy or an amendment thereto, we will keep the Record and any original documents accepted by us for safekeeping so long as we represent you.

Delivery of the Record

Once a matter is concluded or our has representation terminated, we deliver the original, printed Record, together with any original documents we have accepted for safekeeping, to you or the District's designee, provided our fees and costs have been paid in full. If you do not designate someone to receive these records, we will deliver them to a then-current officer or director of the District. If we are unable to deliver these documents because of your failure to designate a recipient, we may retain, destroy, or otherwise dispose of them in manner which assures their continued confidentiality within thirty (30) days following the conclusion of a matter or the termination of our representation.

We will also confidentially destroy the Record of any District in our possession if a final order of dissolution of the District is entered.

All other documents, including all Supplemental Documents, are routinely, periodically, confidentially, and permanently purged by us once they are no longer useful to us in providing services to you.

APPLICATION FOR EXEMPTION FROM AUDIT**LONG FORM**NAME OF GOVERNMENT
ADDRESSSilver Peaks East Metropolitan District
8390 E Crescent Parkway
Suite 300
Greenwood Village, CO 80111For the Year Ended
12/31/2019
or fiscal year ended:CONTACT PERSON
PHONE
EMAIL
FAXJason Carroll
303-779-5710
Jason.Carroll@claconnect.com
303-779-0348**CERTIFICATION OF PREPARER**

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED
RELATIONSHIP TO ENTITYJason Carroll
Accountant for the District
CliftonLarsonAllen LLP
8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111
303-779-5710
3/26/2020
CPA Firm providing accounting services to the District**PREPARER** (SIGNATURE REQUIRED)**SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT**

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]

YES

NO

If Yes, date filed:

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Capital Projects Fund		Fund*	Fund*	
Assets				Assets			
1-1	Cash & Cash Equivalents	\$ 38,730	\$ -	Cash & Cash Equivalents	\$ -	\$ -	
1-2	Investments	\$ -	\$ -	Investments	\$ -	\$ -	
1-3	Receivables	\$ -	\$ -	Receivables	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ -	\$ -	
	All Other Assets [specify...]			Other Current Assets	\$ -	\$ -	
1-5	Receivable from County Treasurer	\$ 1	\$ -				
1-6	Property Tax Receivable	\$ 156	\$ -				
1-7		\$ -	\$ -				
1-8		\$ -	\$ -				
1-9		\$ -	\$ -				
1-10		\$ -	\$ -				
1-11	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ 38,887	\$ -	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 38,887	\$ -	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -	
Liabilities				Liabilities			
1-14	Accounts Payable	\$ 49,773	\$ 9,854	Accounts Payable	\$ -	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -	
1-16	Accrued Interest Payable	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -	
1-17	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ 49,773	\$ 9,854	TOTAL CURRENT LIABILITIES	\$ -	\$ -	
1-20	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -	
1-21		\$ -	\$ -	Other Liabilities [specify...]:	\$ -	\$ -	
1-22		\$ -	\$ -		\$ -	\$ -	
1-23		\$ -	\$ -		\$ -	\$ -	
1-24		\$ -	\$ -		\$ -	\$ -	
1-25		\$ -	\$ -		\$ -	\$ -	
1-26		\$ -	\$ -		\$ -	\$ -	
1-27		\$ -	\$ -		\$ -	\$ -	
1-28	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ 49,773	\$ 9,854	(add lines 1-19 through 1-27) TOTAL LIABILITIES	\$ -	\$ -	
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 156	\$ -	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	
Fund Balance				Net Position			
1-30	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ -	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -				
1-32	Restricted [specify...]	\$ 100	\$ -	Emergency Reserves	\$ -	\$ -	
1-33	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -	
1-34	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -	
1-35	Unassigned:	\$ (11,142)	\$ (9,854)	Undesignated/Unreserved/Unrestricted	\$ -	\$ -	
1-36	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ (11,042)	\$ (9,854)	Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION	\$ -	\$ -	
1-37	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 38,887	\$ -	Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ -	\$ -	

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Capital Projects Fund		Fund*	Fund*	
Tax Revenue				Tax Revenue			
2-1	Property [include mills levied in Question 10-6]	\$ 158	\$ -	Property [include mills levied in Question 10-6]	\$ -	\$ -	
2-2	Specific Ownership	\$ 11	\$ -	Specific Ownership	\$ -	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue [specify...]:	\$ -	\$ -	Other Tax Revenue [specify...]:	\$ -	\$ -	
2-5		\$ -	\$ -		\$ -	\$ -	
2-6		\$ -	\$ -		\$ -	\$ -	
2-7		\$ -	\$ -		\$ -	\$ -	
2-8	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ 169	\$ -	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ -	\$ -	
2-9	Licenses and Permits	\$ -	\$ -	Licenses and Permits	\$ -	\$ -	
2-10	Highway Users Tax Funds (HUTF)	\$ -	\$ -	Highway Users Tax Funds (HUTF)	\$ -	\$ -	
2-11	Conservation Trust Funds (Lottery)	\$ -	\$ -	Conservation Trust Funds (Lottery)	\$ -	\$ -	
2-12	Community Development Block Grant	\$ -	\$ -	Community Development Block Grant	\$ -	\$ -	
2-13	Fire & Police Pension	\$ -	\$ -	Fire & Police Pension	\$ -	\$ -	
2-14	Grants	\$ -	\$ -	Grants	\$ -	\$ -	
2-15	Donations	\$ -	\$ -	Donations	\$ -	\$ -	
2-16	Charges for Sales and Services	\$ -	\$ -	Charges for Sales and Services	\$ -	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ -	\$ -	Interest/Investment Income	\$ -	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ -	
2-21	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -	
2-22	All Other [specify...]:	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -	
2-23		\$ -	\$ -		\$ -	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 169	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	\$ -	
Other Financing Sources				Other Financing Sources			
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -	
2-26	Developer Advances	\$ 77,901	\$ 22,971	Developer Advances	\$ -	\$ -	
2-27	Other [specify...]:	\$ -	\$ -	Other [specify...]:	\$ -	\$ -	
2-28	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ 77,901	\$ 22,971	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	GRAND TOTALS
2-29	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 78,070	\$ 22,971	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ -	\$ -	\$ 101,041

IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER than \$750,000 -STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES/EXPENSES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Capital Projects Fund		Fund*	Fund*	
	Expenditures			Expenses			
3-1	General Government	\$ 79,308	\$ 32,825	General Operating & Administrative	\$ -	\$ -	
3-2	Judicial	\$ -	\$ -	Salaries	\$ -	\$ -	
3-3	Law Enforcement	\$ -	\$ -	Payroll Taxes	\$ -	\$ -	
3-4	Fire	\$ -	\$ -	Contract Services	\$ -	\$ -	
3-5	Highways & Streets	\$ -	\$ -	Employee Benefits	\$ -	\$ -	
3-6	Solid Waste	\$ -	\$ -	Insurance	\$ -	\$ -	
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	Accounting and Legal Fees	\$ -	\$ -	
3-8	Health	\$ -	\$ -	Repair and Maintenance	\$ -	\$ -	
3-9	Culture and Recreation	\$ -	\$ -	Supplies	\$ -	\$ -	
3-10	Transfers to other districts	\$ -	\$ -	Utilities	\$ -	\$ -	
3-11	Other [specify...]:	\$ -	\$ -	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	
3-12	County Treasurer's Fee	\$ 2	\$ -	Other [specify...]	\$ -	\$ -	
3-13		\$ -	\$ -		\$ -	\$ -	
3-14	Capital Outlay	\$ -	\$ -	Capital Outlay	\$ -	\$ -	
	Debt Service			Debt Service			
3-15	Principal	\$ -	\$ -	Principal	\$ -	\$ -	
3-16	Interest	\$ -	\$ -	Interest	\$ -	\$ -	
3-17	Bond Issuance Costs	\$ -	\$ -	Bond Issuance Costs	\$ -	\$ -	
3-18	Developer Principal Repayments	\$ -	\$ -	Developer Principal Repayments	\$ -	\$ -	
3-19	Developer Interest Repayments	\$ -	\$ -	Developer Interest Repayments	\$ -	\$ -	
3-20	All Other [specify...]:	\$ -	\$ -	All Other [specify...]:	\$ -	\$ -	
3-21		\$ -	\$ -		\$ -	\$ -	
3-22	Add lines 3-1 through 3-21 TOTAL EXPENDITURES	\$ 79,310	\$ 32,825	Add lines 3-1 through 3-21 TOTAL EXPENSES	\$ -	\$ -	GRAND TOTAL
3-23	Interfund Transfers (In)	\$ -	\$ -	Net Interfund Transfers (In) Out	\$ -	\$ -	
3-24	Interfund Transfers Out	\$ -	\$ -	Other [specify...][enter negative for expense]	\$ -	\$ -	
3-25	Other Expenditures (Revenues):	\$ -	\$ -	Depreciation	\$ -	\$ -	
3-26		\$ -	\$ -	Other Financing Sources (Uses) (from line 2-28)	\$ -	\$ -	
3-27		\$ -	\$ -	Capital Outlay (from line 3-14)	\$ -	\$ -	
3-28		\$ -	\$ -	Debt Principal (from line 3-15, 3-18)	\$ -	\$ -	
3-29	(Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ -	\$ -	(Line 3-26, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS	\$ -	\$ -	
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29	\$ (1,240)	\$ (9,854)	Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24	\$ -	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ (9,802)	\$ -	Net Position, January 1 from December 31 prior year report	\$ -	\$ -	
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	Prior Period Adjustment (MUST explain)	\$ -	\$ -	
3-33	Fund Balance, December 31 Sum of Line 3-30, 3-31, and 3-32 This total should be the same as line 1-36.	\$ (11,042)	\$ (9,854)	Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36.	\$ -	\$ -	

IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

YES NO

Please use this space to provide any explanations or comments:

<p>4-1 Does the entity have outstanding debt? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>4-2 Is the debt repayment schedule attached? If no, MUST explain: Please see additional comments box <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>4-3 Is the entity current in its debt service payments? If no, MUST explain: Please see additional comments box <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: right;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 30%;"></th> <th style="width: 15%;">Outstanding at beginning of year*</th> <th style="width: 15%;">Issued during year</th> <th style="width: 15%;">Retired during year</th> <th style="width: 25%;">Outstanding at year-end</th> </tr> </thead> <tbody> <tr> <td>General obligation bonds</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Revenue bonds</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Notes/Loans</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Leases</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr> <td>Developer Advances</td> <td>\$ 94,166</td> <td>\$ 100,872</td> <td>\$ -</td> <td>\$ 195,038</td> </tr> <tr> <td>Other (specify):</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> <td>\$ -</td> </tr> <tr style="font-weight: bold;"> <td>TOTAL</td> <td>\$ 94,166</td> <td>\$ 100,872</td> <td>\$ -</td> <td>\$ 195,038</td> </tr> </tbody> </table> <p style="font-size: small;">*must agree to prior year ending balance</p>		Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end	General obligation bonds	\$ -	\$ -	\$ -	\$ -	Revenue bonds	\$ -	\$ -	\$ -	\$ -	Notes/Loans	\$ -	\$ -	\$ -	\$ -	Leases	\$ -	\$ -	\$ -	\$ -	Developer Advances	\$ 94,166	\$ 100,872	\$ -	\$ 195,038	Other (specify):	\$ -	\$ -	\$ -	\$ -	TOTAL	\$ 94,166	\$ 100,872	\$ -	\$ 195,038	<p>4-2: Developer advances do not have set repayment schedules and are paid when funds become available. 4-3: Developer advances do not have set repayment schedules and are paid when funds become available.</p>
	Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end																																					
General obligation bonds	\$ -	\$ -	\$ -	\$ -																																					
Revenue bonds	\$ -	\$ -	\$ -	\$ -																																					
Notes/Loans	\$ -	\$ -	\$ -	\$ -																																					
Leases	\$ -	\$ -	\$ -	\$ -																																					
Developer Advances	\$ 94,166	\$ 100,872	\$ -	\$ 195,038																																					
Other (specify):	\$ -	\$ -	\$ -	\$ -																																					
TOTAL	\$ 94,166	\$ 100,872	\$ -	\$ 195,038																																					

Please answer the following questions by marking the appropriate boxes.

YES NO

<p>4-5 Does the entity have any authorized, but unissued, debt? How much? <input type="text" value="\$ 70,330,000"/> Date the debt was authorized: <input type="text" value="11/10/2016"/></p> <p>4-6 Does the entity intend to issue debt within the next calendar year? How much? <input type="text" value="\$ -"/></p> <p>4-7 Does the entity have debt that has been refinanced that it is still responsible for? What is the amount outstanding? <input type="text" value="\$ -"/></p> <p>4-8 Does the entity have any lease agreements? What is being leased? <input type="text"/> What is the original date of the lease? <input type="text"/> Number of years of lease? <input type="text"/> Is the lease subject to annual appropriation? <input type="checkbox"/> What are the annual lease payments? <input type="text" value="\$ -"/></p>	<p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
---	--

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

AMOUNT TOTAL

Please use this space to provide any explanations or comments:

5-1 YEAR-END Total of ALL Checking and Savings accounts	\$ 38,730		
5-2 Certificates of deposit	\$ -		
TOTAL CASH DEPOSITS		\$	38,730
Investments (if investment is a mutual fund, please list underlying investments):			
5-3	\$ -		
	\$ -		
	\$ -		
	\$ -		
TOTAL INVESTMENTS		\$	-
TOTAL CASH AND INVESTMENTS		\$	38,730

Please answer the following question by marking in the appropriate box

YES NO N/A

<p>5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et. seq., C.R.S.? Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, MUST explain:</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> N/A</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A</p>
--	---

PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box YES NO Please use this space to provide any explanations or comments:

- 6-1 Does the entity have capitalized assets? YES NO
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, MUST explain: YES NO
- The District has no capital assets.

6-3 Complete the following Capital Assets table for GOVERNMENTAL FUNDS:

	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

6-4 Complete the following Capital Assets table for PROPRIETARY FUNDS:

	Balance - beginning of the year*	Additions	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -

*must agree to prior year ending balance

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box YES NO Please use this space to provide any explanations or comments:

- 7-1 Does the entity have an "old hire" firemen's pension plan? YES NO
- 7-2 Does the entity have a volunteer firemen's pension plan? YES NO
- If yes: Who administers the plan?
- Indicate the contributions from:
- | | | |
|----------------------------------|--|-------------|
| Tax (property, SO, sales, etc.): | | \$ - |
| State contribution amount: | | \$ - |
| Other (gifts, donations, etc.): | | \$ - |
| TOTAL | | \$ - |
- What is the monthly benefit paid for 20 years of service per retiree as of Jan 1? \$ -

PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	N/A	Please use this space to provide any explanations or comments:										
8-1	Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>											
8-2	Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>											
If yes: Please indicate the amount budgeted for each fund for the year reported															
		<table border="1"> <thead> <tr> <th>Fund Name</th> <th>Budgeted Expenditures/Expenses</th> </tr> </thead> <tbody> <tr> <td>Amended General Fund</td> <td>\$ 100,000</td> </tr> <tr> <td>Amended Capital Projects Fund</td> <td>\$ 100,000</td> </tr> <tr> <td></td> <td>-</td> </tr> <tr> <td></td> <td>-</td> </tr> </tbody> </table>				Fund Name	Budgeted Expenditures/Expenses	Amended General Fund	\$ 100,000	Amended Capital Projects Fund	\$ 100,000		-		-
Fund Name	Budgeted Expenditures/Expenses														
Amended General Fund	\$ 100,000														
Amended Capital Projects Fund	\$ 100,000														
	-														
	-														

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]? government from the 3 percent emergency reserve requirement. All governments should determine if they meet this	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box		YES	NO	Please use this space to provide any explanations or comments:							
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		10-4: Public improvements and related operations, maintenance services including, but not limited to, water, sanitation, streets and parks, and recreation.						
If yes: Date of formation: <input type="text"/>											
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>								
If Yes: NEW name <input type="text"/>											
PRIOR name <input type="text"/>											
10-3	Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<input type="checkbox"/>								
10-4	Please indicate what services the entity provides: <input type="text" value="Please see additional comments box"/>										
10-5	Does the entity have an agreement with another government to provide services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>								
If yes: List the name of the other governmental entity and the services provided: <input type="text"/>											
10-6	Does the entity have a certified mill levy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>								
If yes: Please provide the number of mills levied for the year reported (do not enter \$ amounts):											
		<table border="1"> <tbody> <tr> <td>Bond Redemption mills</td> <td>0.000</td> </tr> <tr> <td>General/Other mills</td> <td>66.333</td> </tr> <tr> <td>Total mills</td> <td>66.333</td> </tr> </tbody> </table>				Bond Redemption mills	0.000	General/Other mills	66.333	Total mills	66.333
Bond Redemption mills	0.000										
General/Other mills	66.333										
Total mills	66.333										

Please use this space to provide any additional explanations or comments not previously included:

OSA USE ONLY

Entity Wide:		General Fund		Governmental Funds		Notes			
Unrestricted Cash & Investments	\$	38,730	Unrestricted Fund Balan	\$	(11,142)	Total Tax Revenue	\$	169	
Current Liabilities	\$	59,627	Total Fund Balance	\$	(11,042)	Revenue Paying Debt Service	\$	-	
Deferred Inflow	\$	156	PY Fund Balance	\$	(9,802)	Total Revenue	\$	101,041	
			Total Revenue	\$	78,070	Total Debt Service Principal	\$	-	
			Total Expenditures	\$	79,310	Total Debt Service Interest	\$	-	
			Interfund In	\$	-				
Governmental			Interfund Out	\$	-	Enterprise Funds			
Total Cash & Investments	\$	38,730				Net Position	\$	-	
Transfers In	\$	-	Proprietary			PY Net Position	\$	-	
Transfers Out	\$	-	- Current Assets	\$		Government-Wide			
Property Tax	\$	158	Deferred Outflow	\$		- Total Outstanding Debt	\$	195,038	
Debt Service Principal	\$	-	- Current Liabilities	\$		- Authorized but Unissued	\$	70,330,000	
Total Expenditures	\$	112,135	Deferred Inflow	\$		- Year Authorized		11/10/2016	
Total Developer Advances	\$	-	- Cash & Investments	\$					
Total Developer Repayments	\$	-	- Principal Expense	\$					

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES

NO

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedures

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Below is the certification and approval of the governing body. By signing, each individual member is certifying they are a duly elected or appointed officer of the local government. Governing members may be verified. Also by signing, the individual member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$750,000 or less must have an application prepared by an independent accountant with knowledge of governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of ALL members of the governing body below.

A MAJORITY of the members of the governing body must complete and sign in the column below.

	Full Name	
1	Michael Blumenthal	I, Michael Blumenthal, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>MICHAEL BLUMENTHAL</u> Date: <u>4/6/2020</u> My term Expires: <u>May 2020</u>
2	Harvey Deutsch	I, Harvey Deutsch, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed: <u>[Signature]</u> Date: <u>4/1/2020</u> My term Expires: <u>May 2020</u>
3		I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
4		I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
5		I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
6		I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
7		I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

Accountant's Compilation Report

Board of Directors
Silver Peaks East Metropolitan District
Weld County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Silver Peaks East Metropolitan District as of and for the year ended December 31, 2019, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

We are not independent with respect to Silver Peaks East Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 26, 2020

Certificate of Completion

Envelope Id: 446744512AB7428AB52FA93B8CF11583	Status: Completed
Subject: Please DocuSign: SilverPeaksEastMD_AuditExemption_2019.pdf	
Client Name: Silver Peaks East Metropolitan District	
Client Number: 011-044937-00	
Source Envelope:	
Document Pages: 10	Signatures: 2
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Alonso DuranRodriguez
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 South 6th Street
	Suite 300
	Minneapolis, MN 55402
	Alonso.DuranRodriguez@claconnect.com
	IP Address: 98.245.28.17

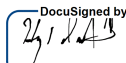
Record Tracking

Status: Original	Holder: Alonso DuranRodriguez	Location: DocuSign
4/1/2020 10:40:08 AM	Alonso.DuranRodriguez@claconnect.com	

Signer Events

Harvey Deutsch
 harvey@prospectllc.com
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

 8F72CD6BD571445...


Signature Adoption: Drawn on Device
 Using IP Address: 73.243.128.122
 Signed using mobile

Timestamp

Sent: 4/1/2020 10:43:50 AM
 Viewed: 4/1/2020 11:34:34 AM
 Signed: 4/1/2020 11:35:09 AM

Electronic Record and Signature Disclosure:
 Accepted: 4/1/2020 11:34:34 AM
 ID: 1f0e2d58-f04f-42b3-a668-f8b49d373abd

MICHAEL BLUMENTHAL
 michaelbent@msn.com
 Security Level: Email, Account Authentication (None)

DocuSigned by:

 5C188ECB242E445...

Signature Adoption: Pre-selected Style
 Using IP Address: 98.165.180.200

Sent: 4/1/2020 10:43:49 AM
 Resent: 4/1/2020 1:24:27 PM
 Resent: 4/2/2020 8:21:13 AM
 Resent: 4/2/2020 8:21:16 AM
 Resent: 4/6/2020 1:37:56 PM
 Resent: 4/6/2020 1:37:58 PM
 Resent: 4/6/2020 1:38:00 PM
 Resent: 4/6/2020 1:38:02 PM
 Viewed: 4/6/2020 1:58:15 PM
 Signed: 4/6/2020 1:58:41 PM

Electronic Record and Signature Disclosure:
 Accepted: 4/6/2020 1:58:15 PM
 ID: f31e8f11-ad3b-4062-94fe-67601c5cebb6

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	4/6/2020 1:38:02 PM
Certified Delivered	Security Checked	4/6/2020 1:58:15 PM
Signing Complete	Security Checked	4/6/2020 1:58:41 PM
Completed	Security Checked	4/6/2020 1:58:41 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

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At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact CliftonLarsonAllen LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: BusinessTechnology@CLAconnect.com

To advise CliftonLarsonAllen LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at BusinessTechnology@CLAconnect.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from CliftonLarsonAllen LLP

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with CliftonLarsonAllen LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to BusinessTechnology@CLAconnect.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.

Silver Peaks East Metropolitan District
Schedule of Cash Position
December 31, 2019
Updated as of September 30, 2020

	General Fund	Total
<u>1st Bank - Silver Peaks East MD</u>		
Balance as of 12/31/19	\$ 38,730.34	\$ 38,730.34
Subsequent activities:		
1/10/2020 Weld County PTAX deposit (December '19)	0.90	0.90
2/10/2020 Weld County PTAX deposit (January '20)	3.45	3.45
2/14/2020 Developer Advance	10,000.00	10,000.00
2/17/2020 Check #1032	(10,000.00)	(10,000.00)
3/10/2020 Weld County PTAX deposit (February '20)	0.61	0.61
3/17/2020 Checks #1033-1034	(34,673.85)	(34,673.85)
4/10/2020 Weld County PTAX deposit (March '20)	0.49	0.49
5/10/2020 Weld County PTAX deposit (April '20)	0.47	0.47
6/10/2020 Weld County PTAX deposit (May '20)	150.18	150.18
7/07/2020 Checks #1035-1040	(4,170.31)	(4,170.31)
7/10/2020 Weld County PTAX deposit (June '20)	0.62	0.62
7/17/2020 Weld County - Account R8959727 - over the phone payment	(14.11)	(14.11)
7/17/2020 Weld County - Account R8959908 - over the phone payment	(12.75)	(12.75)
8/10/2020 Weld County PTAX deposit (July '20)	4.05	4.05
9/10/2020 Weld County PTAX deposit (August '20)	0.69	0.69
<i>Anticipated balance:</i>	<u>\$ 20.78</u>	<u>\$ 20.78</u>
Anticipated activities:		
<i>Anticipated vouchers payable:</i>		
CLA - Final payment for work through transition of board	(12,066.46)	(12,066.46)
McGeady Becher P.C. - Total Balance per August 2020 invoice	(28,365.77)	(28,365.77)
SDMS - Total Balance per August 2020 invoice	(4,429.05)	(4,429.05)
<i>Anticipated Balance</i>	<u>\$ (44,840.50)</u>	<u>\$ (44,840.50)</u>

TERMINATION OF OPERATION FUNDING AGREEMENT

THIS **TERMINATION OF OPERATION FUNDING AGREEMENT** (“**Termination Agreement**”) is made and entered into this ____ day of _____, 2020, with an effective date of _____, 2020, by and between **SILVER PEAKS EAST METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **LOB LLC**, a Colorado limited liability company (“**Former Developer**”) (collectively, the “**Parties**”).

RECITALS

A. The Parties previously entered into that certain 2016-2017 Operation Funding Agreement dated December 5, 2016, as amended by that certain First Amendment dated October 12, 2017, effective as of January 1, 2018, Second Amendment dated November 2, 2018, effective as of January 1, 2019, and Third Amendment dated November 18, 2019 (collectively, the “**Operation Funding Agreement**”).

B. Pursuant to the Operation Funding Agreement, Former Developer previously advanced funds to the District for operation and maintenance expenses for fiscal years 2016 through 2020 (the “**Outstanding Advances**”).

C. The Former Developer has requested that the District terminate the Operation Funding Agreement and direct any reimbursement for Outstanding Advances payable under the Operation Funding Agreement to Melody Homes, Inc., a Delaware corporation (“**Melody**”), under the terms of a separate agreement that the District and Melody anticipate entering into.

D. The Parties desire to terminate the Operation Funding Agreement.

NOW, THEREFORE, in consideration of the foregoing, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. Termination. The District and Former Developer agree that the Operation Funding Agreement is terminated and of no further force or effect as of the date of this Termination Agreement, that Former Developer has no further obligation to advance funds to the District under the Operation Funding Agreement, and that the District has no further obligation to reimburse Former Developer under the Operation Funding Agreement.

2. Waiver and Release. Former Developer hereby waives any and all rights to reimbursement under the Operation Funding Agreement. The District and Former Developer hereby release each other from any and all liabilities, obligations or duties that may have arisen or have been contemplated by the Operation Funding Agreement. The District and Former Developer each agree not to make any claim against the other with respect to the Operation Funding Agreement or the performance or non-performance of any covenant or condition contained within or contemplated by the Operation Funding Agreement.

IN WITNESS WHEREOF, the District and Former Developer have executed this Termination of Operation Funding Agreement as of the date first set forth above.

SILVER PEAKS EAST METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____
President

Attest:

Secretary

LOB LLC, a Colorado limited liability company

By: _____
Its: _____

TERMINATION OF FACILITIES FUNDING AND ACQUISITION AGREEMENT

This **TERMINATION OF FACILITIES FUNDING AND ACQUISITION AGREEMENT** (this “**Termination Agreement**”) is made and entered into this ____ day of _____, 2020, with an effective date of _____, 2020, by and between **SILVER PEAKS EAST METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **LOB LLC**, a Colorado limited liability company (the “**Former Developer**”) (the District and the Former Developer may individually be referred to herein as a “**Party**” and collectively as the “**Parties**”).

RECITALS

A. The District and the Former Developer are parties to that certain Facilities Funding and Acquisition Agreement dated December 5, 2016, (the “**FFAA**”).

B. Pursuant to the FFAA, the Former Developer previously advanced funds to the District for capital expenses (“**Outstanding Advances**”).

C. The Former Developer has requested that the District terminate the FFAA and direct any reimbursement for Outstanding Advances payable under the FFAA to Melody Homes, Inc., a Delaware corporation (“**Melody**”), under the terms of a separate agreement that the District and Melody anticipate entering into.

D. The Parties desire to terminate the FFAA.

NOW, THEREFORE, for and in consideration of the promises and mutual covenants hereinafter set forth, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. Termination. The Parties agree that the FFAA is terminated and is of no further force or effect, as of the effective date of this Termination Agreement.

2. Representations. Each Party represents that it has not transferred, assigned, or granted to any other party any rights or obligations under the FFAA.

3. Release. The Parties hereby release each other from any and all liabilities, obligations, or duties that may have arisen or have been contemplated by the FFAA. Each Party agrees not to make any claim against the other Party with respect to the FFAA or the performance or non-performance of any covenant or condition contained within or contemplated by the FFAA.

4. Binding Effect. This Termination Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have executed this Termination Agreement as of the date first set forth above.

SILVER PEAKS EAST METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____
President

Attest:

Secretary

LOB LLC, a Colorado limited liability company

By: _____

Name: _____

Its: _____