

# SILVER PEAKS EAST METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: 303-987-0835 • 800-741-3254  
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## NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
David B. Jack	President	2027/May 2027
Lars Monson	Treasurer	2025/May 2025
Bryan Reid	Assistant Secretary	2025/May 2025
Troy Hazel	Assistant Secretary	2027/May 2027
Mark Fletcher		2027/May 2027
Peggy Ripko	Secretary	

DATE: July 28, 2023

TIME: 11:00 A.M.

PLACE: **THIS MEETING WILL BE HELD BY VIDEO/TELEPHONIC MEANS.**

Join Zoom Meeting

<https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUIZZc1VMWTJFZjFHdz09>

Meeting ID: 862 6755 0643

Passcode: 987572

Dial in: 719-359-4580

### I. ADMINISTRATIVE MATTERS

A. Present Conflict Disclosures.

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B. Approve Agenda, and confirm quorum; confirm location of the meeting and posting of meeting notices.

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C. Review and consider approval of Minutes from the February 24, 2023 Regular Meeting (enclosure).

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D. Discuss results of the cancelled May 2, 2023 Regular Directors' Election (enclosure).

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E. Consider appointment of officers.

President \_\_\_\_\_  
Treasurer \_\_\_\_\_  
Secretary \_\_\_\_\_  
Asst. Secretary \_\_\_\_\_  
Asst. Secretary \_\_\_\_\_  
Asst. Secretary \_\_\_\_\_

II. 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.

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III. FINANCIAL MATTERS

A. Review and consider approval of payment of claims beginning October 1, 2022 to July 18, 2023, in the amount of \$43,640.83 (enclosure).

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B. Review and accept schedule of Cash Position as of March 31, 2023 updated as of July 17, 2023 (enclosure).

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C. Ratify approval and filing of the 2022 Audit and authorization of execution of the Representations Letter (enclosure).

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IV. LEGAL MATTERS

A. Discuss Warranty Assignments and Acceptance of Tracts and related Improvements from Forestar (USA) Real Estate Group Inc.

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B. Review and Consider Approval of Temporary Easement Agreement with Melody Homes, Inc. related to Tract AA, Silver Peaks Filing No. 1, Amendment No. 2, Town of Lochbuie, County of Weld and Tracts HH and LL, Silver Peaks Filing No. 1, Amendment No. 3, Town of Lochbuie, County of Weld (enclosure).

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V. OTHER MATTERS

A. \_\_\_\_\_

VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR  
OCTOBER 15, 2023.**

# RECORD OF PROCEEDINGS

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## MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SILVER PEAKS EAST METROPOLITAN DISTRICT HELD FEBRUARY 24, 2023

A Regular meeting of the Board of Directors (the "Board") of the Silver Peaks East Metropolitan District (the "District") was convened on Friday, the 24<sup>th</sup> day of December, 2022, at 12:00 p.m. this Board meeting was held by video/telephone conference with all participants attending via video/telephone conference. The meeting was open to the public.

### ATTENDANCE

#### Directors In Attendance Were:

Bryan Reid  
Troy Hazel  
Ryan Harvey

Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the absence of Director Lars Monson and Ryan Harvey were excused.

#### Also In Attendance Were:

Peggy Ripko; Special District Management Services, Inc.

Alex Fink; CliftonLarsonAllen LLP

Joe Norris; Cockrel Ela Glesne Greher & Ruhland, P.C.

### 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 and to the Secretary of State. Ms. Ripko 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 Ruhland noted that all Directors' Disclosure Statements had been filed.

### ADMINISTRATIVE MATTERS

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

## RECORD OF PROCEEDINGS

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Following discussion, upon motion duly made by Director Jack, seconded by Director Reid 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 Jack, seconded by Director Reid 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.

**Minutes:** The Board reviewed the December 20, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Jack, seconded by Director Reid and, upon vote, unanimously carried, the December 20, 2022 Special Meeting were approved, as presented.

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**PUBLIC COMMENT** There were no public comments.

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### **FINANCIAL MATTERS**

**Cash Position Schedule for the Period Ending December 31, 2022:** The Board reviewed an unaudited preliminary financial statement through the period ending December 31, 2022 and cash position schedule for the period ending December 31, 2022.

Following discussion, upon motion duly made by Director Jack, seconded by Director Reid and, upon vote, unanimously carried, the Board approved the unaudited preliminary financial statements through the period ending December 31, 2022 and cash position schedule for the period ending December 31, 2022.

### **LEGAL MATTERS**

**Services Agreement between the District and Norris Design, Inc:** The Board reviewed a Services Agreement between the District and Norris Design, Inc to provide acceptance assistant for improvements.

Following discussion, upon motion duly made by Director Jack, seconded by Director Reid and, upon vote, unanimously carried, the Board approved the Services Agreement between the District and Norris Design, Inc to provide acceptance assistant for improvements.

## RECORD OF PROCEEDINGS

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**Conveyance of Regional Storm Improvements from South Beebe Draw Metropolitan District to Silver Peaks East Metropolitan District:** The Board reviewed a conveyance of regional storm improvements from South Beebe Draw Metropolitan District to Silver Peaks East Metropolitan District.

Following discussion, upon motion duly made by Director Jack, seconded by Director Reid and, upon vote, unanimously carried, the Board approved and ratified the conveyance of regional storm improvements from South Beebe Draw Metropolitan District to Silver Peaks East Metropolitan District.

**OTHER MATTERS**

There were no other matters to discuss at this time.

**ADJOURNMENT**

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

**NOTICE OF CANCELLATION OF REGULAR ELECTION**  
**BY THE DESIGNATED ELECTION OFFICIAL FOR THE SILVER PEAKS**  
**EAST METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN by the Silver Peaks East Metropolitan District, Weld County, Colorado, that at the close of business on the sixty-third (63rd) day before the election or thereafter there were not more candidates for Director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates; therefore, the election to be held on May 2, 2023, is hereby cancelled.

The following candidates are declared elected:

Mark Fletcher	Four-Year Term to 2027
David Brandon Jack	Four-Year Term to 2027
Troy Hazel	Four-Year Term to 2027

SILVER PEAKS EAST  
METROPOLITAN DISTRICT

By: /s/ Sarah H. Luetjen  
Designated Election Official

Published on: April 20, 2023

Published in: Brighton Standard Blade

Silver Peaks East Metropolitan District  
Interim Claims Listing - 10/01/22 - 7/18/23

<b>Process Date</b>	<b>Vendor</b>	<b>Invoice Number</b>	<b>Payment Reference</b>	<b>Amount</b>
4/4/2023	Special District Association	2023 Dues	P23040402 - 7177881	(340.31)
4/5/2023	CEGR Law	1/31/2023	P23040402 - 7177877	(766.00)
4/5/2023	CliftonLarsonAllen LLP	3561602	P23040402 - 7177879	(3,006.68)
4/5/2023	Special District Management Services, Inc.	Multiple	P23040402 - 7177874	(1,949.64)
4/5/2023	The Farmers Reservoir & Irrigation Company	2026496-IN	P23040402 - 7177883	(12,390.82)
5/4/2023	CEGR Law	2/28/2023	P23050302 - 2062794	(2,060.43)
5/4/2023	CliftonLarsonAllen LLP	3604883	P23050302 - 2062799	(1,444.64)
5/4/2023	IDES, LLC	37110	P23050302 - 2062804	(857.50)
5/4/2023	Special District Management Services, Inc.	SPEMD.00Mar23	P23050302 - 2062806	(1,262.20)
7/13/2023	CEGR Law	Multiple	P23071202 - 4533168	(3,846.84)
7/13/2023	CliftonLarsonAllen LLP	Multiple	P23071202 - 4533171	(11,047.78)
7/13/2023	IDES, LLC	37111	P23071202 - 4533174	(2,652.39)
7/13/2023	Special District Management Services, Inc.	SPEMD.00Apr23	P23071202 - 4533178	(2,015.60)
				(43,640.83)



**Silver Peaks East Metropolitan District**  
**Schedule of Cash Position**  
**March 31, 2023**  
**Updated as of July 17, 2023**

	General Fund	Special Revenue Fund	Debt Service Fund	Total
<b><u>1st Bank - Silver Peaks East MD</u></b>				
Balance as of 03/31/23	\$ 2,375.18	\$ -	\$ 9,512.68	\$ 11,887.86
Subsequent activities:				
04/04/23 Developer Advance	18,500.00	-	-	18,500.00
04/04/23 Bill.com Payments	(18,453.45)	-	-	(18,453.45)
04/11/23 Property Tax Receipt	3,319.29		16,595.96	19,915.25
04/21/23 Operation Fees	-	2,725.38	-	2,725.38
04/25/23 Transfer to UMB	-	-	(26,108.64)	(26,108.64)
04/28/23 Developer Advance	5,000.00	-	-	5,000.00
05/03/23 Bill.com Payments	(5,624.77)	-	-	(5,624.77)
05/11/23 Property Tax Receipt	224.64	-	1,123.14	1,347.78
05/12/23 Operation Fees	-	4,543.85	-	4,543.85
05/17/23 Operation Fee (Returned Check)	-	(210.00)	-	(210.00)
05/25/23 Transfer to UMB	-	-	(1,123.14)	(1,123.14)
05/26/23 Developer Advance	2,238.47	-	-	2,238.47
06/12/23 Property Tax Receipt	1,608.59	-	8,042.68	9,651.27
06/30/23 Developer Advance/Operations Fees	11,000.00	835.38	-	11,835.38
07/10/23 Property Tax Receipt	947.13	-	4,735.48	5,682.61
07/13/23 Bill.com Payments	(19,562.61)	-	-	(19,562.61)
07/14/23 Operation Fees	-	1,693.84	-	1,693.84
Anticipated activities:				
Anticipated Developer Advance	10,000.00	-	-	10,000.00
Anticipated bill.com Payments	(9,468.92)	-	-	(9,468.92)
Anticipated Transfer to UMB	-	-	(12,778.16)	(12,778.16)
<i>Anticipated Balance</i>	<u>2,103.55</u>	<u>9,588.45</u>	<u>-</u>	<u>11,692.00</u>
<b><u>UMB - Bond Fund</u></b>				
Balance as of 03/31/23	\$ -	\$ -	\$ 694.80	\$ 694.80
Subsequent activities:				
04/25/23 Transfer from FB	-	-	26,108.64	26,108.64
04/30/23 Net Investment Income	-	-	9.91	9.91
05/25/23 Transfer from FB	-	-	1,123.14	1,123.14
05/31/23 Net Investment Income	-	-	124.59	124.59
06/30/23 Net Investment Income	-	-	115.10	115.10
Anticipated activities:				
Anticipated Transfer from 1st Bank	-	-	12,778.16	12,778.16
<i>Anticipated Balance</i>	<u>-</u>	<u>-</u>	<u>40,954.34</u>	<u>40,954.34</u>
<b>Anticipated Balances</b>	<u>\$ 2,103.55</u>	<u>\$ 9,588.45</u>	<u>\$ 40,954.34</u>	<u>\$ 52,646.34</u>

Yield information (as of 6/30/23):  
UMB invested in ColoTrust - 5.18%

**SILVER PEAKS EAST  
METROPOLITIAN DISTRICT  
Weld County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION  
YEAR ENDED DECEMBER 31, 2022**

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
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YEAR ENDED DECEMBER 31, 2022**

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## *INDEPENDENT AUDITOR'S REPORT*

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

### *Opinion*

We have audited the financial statements of the governmental activities and each major fund of the Silver Peaks East Metropolitan District, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Silver Peaks East Metropolitan District basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Silver Peaks East Metropolitan District, as of December 31, 2022, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Silver Peaks East Metropolitan District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

Silver Peaks East Metropolitan District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Silver Peaks East Metropolitan District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- ! Exercise professional judgment and maintain professional skepticism throughout the audit.
- ! Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- ! Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Silver Peaks East Metropolitan District 's internal control. Accordingly, no such opinion is expressed.
- ! Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- ! Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Silver Peaks East Metropolitan District 's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### *Required Supplementary Information*

Management has not presented Management's Discussion and Analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basis financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basis financial statements is not affected by the missing information.

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Silver Peaks East Metropolitan District 's basic financial statements. The supplemental information listed in the table of contents are presented for the purpose of additional analysis and was not a required part of the financial statements.

The supplemental schedules of Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual and Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual and Capital Projects Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual are fairly stated in all material respects in relation to the financial statements as a whole.

The Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express any opinion or provide any assurance on them.

A handwritten signature in black ink that reads "Watson Coon Ryan, LLC". The signature is written in a cursive style and is positioned above the printed name of the firm.

JUNE 27, 2023  
CENTENNIAL, COLORADO

## **BASIC FINANCIAL STATEMENTS**

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 334
Cash and Investments - Restricted	1,088
Receivable - County Treasurer	1
Property Taxes Receivable	47,377
Prepaid Expenses	450
Capital Assets, Not Being Depreciated	5,708,166
Total Assets	5,757,416
<b>LIABILITIES</b>	
Accounts Payable	19,421
Noncurrent Liabilities:	
Due in More Than One Year	6,539,813
Total Liabilities	6,559,234
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenues	47,377
Total Deferred Inflows of Resources	47,377
<b>NET POSITION</b>	
Restricted for:	
Emergency Reserves	100
Unrestricted	(849,295)
Total Net Position	\$ (849,195)

See accompanying Notes to Basic Financial Statements.



**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 84,417	\$ -	\$ -	\$ -	\$ (84,417)
Interest and Related Costs on Long-Term Debt	304,333	-	-	-	(304,333)
Total Governmental Activities	\$ 388,750	\$ -	\$ -	\$ -	(388,750)
<b>GENERAL REVENUES</b>					
Property Taxes					348
Specific Ownership Taxes					20
Net Investment Income					18,902
Total General Revenues					19,270
<b>CHANGE IN NET POSITION</b>					(369,480)
Net Position - Beginning of Year					(479,715)
<b>NET POSITION - END OF YEAR</b>					\$ (849,195)

See accompanying Notes to Basic Financial Statements.

**SILVER PEAKS EAST METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

	General	Debt Service	Capital Projects	Total Governmental Fund
<b>ASSETS</b>				
Cash and Investments	\$ 334	\$ -	\$ -	\$ 334
Cash and Investments - Restricted	100	988	-	1,088
Receivable - County Treasurer	-	1	-	1
Property Taxes Receivable	7,896	39,481	-	47,377
Prepaid Expenses	450	-	-	450
	<u>\$ 8,780</u>	<u>\$ 40,470</u>	<u>\$ -</u>	<u>\$ 49,250</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 15,550	\$ -	\$ 3,871	\$ 19,421
Total Liabilities	15,550	-	3,871	19,421
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Property Taxes	7,896	39,481	-	47,377
Total Deferred Inflows of Resources	7,896	39,481	-	47,377
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid Expense	450	-	-	450
Restricted for:				
Emergency Reserves	100	-	-	100
Debt Service	-	989	-	989
Unassigned	(15,216)	-	(3,871)	(19,087)
Total Fund Balances	<u>(14,666)</u>	<u>989</u>	<u>(3,871)</u>	<u>(17,548)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,780</u>	<u>\$ 40,470</u>	<u>\$ -</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and, therefore, are not reported as assets in the funds.	
Capital Assets, Not Being Depreciated	5,708,166
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds Payable	(5,410,000)
Accrued Interest on Bonds Payable	(391,615)
Developer Advance Payable	(718,169)
Accrued Interest on Developer Advance	(20,029)
Net Position of Governmental Activities	<u>\$ (849,195)</u>

See accompanying Notes to Basic Financial Statements.

**SILVER PEAKS EAST METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2022**

	General	Debt Service	Capital Projects	Total Governmental Fund
<b>REVENUES</b>				
Property Taxes	\$ 58	\$ 290	\$ -	\$ 348
Specific Ownership Taxes	4	16	-	20
Net Investment Income	-	1	18,901	18,902
Total Revenues	<u>62</u>	<u>307</u>	<u>18,901</u>	<u>19,270</u>
<b>EXPENDITURES</b>				
General:				
Accounting	25,370	-	-	25,370
Audit	5,500	-	-	5,500
County Treasurer's Fees	1	-	-	1
District Management	10,472	-	-	10,472
Dues	328	-	-	328
Election	89	-	-	89
Insurance	450	-	-	450
Legal	12,422	-	-	12,422
Miscellaneous	304	-	-	304
Debt Service:				
County Treasurer's Fees	-	4	-	4
Paying Agent Fees	-	4,000	-	4,000
Capital Projects:				
Engineering	-	-	17,797	17,797
FRICO Agreement	-	-	11,684	11,684
Capital Outlay	-	-	5,708,166	5,708,166
Total Expenditures	<u>54,936</u>	<u>4,004</u>	<u>5,737,647</u>	<u>5,796,587</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(54,874)	(3,697)	(5,718,746)	(5,777,317)
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer Advance	56,951	-	5,735,014	5,791,965
Developer Advance Repayment	-	-	(5,136,000)	(5,136,000)
Transfer to (from) Other Funds	(4,000)	4,686	(686)	-
Total Other Financing Sources (Uses)	<u>52,951</u>	<u>4,686</u>	<u>598,328</u>	<u>655,965</u>
<b>NET CHANGE IN FUND BALANCES</b>	(1,923)	989	(5,120,418)	(5,121,352)
Fund Balances (Deficits) - Beginning of Year	<u>(12,743)</u>	<u>-</u>	<u>5,116,547</u>	<u>5,103,804</u>
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ (14,666)</u>	<u>\$ 989</u>	<u>\$ (3,871)</u>	<u>\$ (17,548)</u>

See accompanying Notes to Basic Financial Statements.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES (DEFICITS) OF THE GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ (5,121,352)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation/amortization expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay - Current Year 5,708,166

The issuance of long-term debt (e.g., Loans, Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds record the effect of premiums, discounts, and similar items when debt is first issued as expenditures, whereas these amounts are deferred and amortized in the statement of activities.

Developer Advances (5,791,965)  
Repayment of Developer Advance 5,130,496  
Repayment of Accrued Interest on Developer Advance 5,504

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest on Developer Advance (24,062)  
Accrued Interest on Bonds - Change in Liability (276,267)

Change in Net Position of Governmental Activities \$ (369,480)

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 58	\$ 58	\$ -
Specific Ownership Taxes	3	4	1
Total Revenues	61	62	1
<b>EXPENDITURES</b>			
Accounting	20,000	25,370	(5,370)
Auditing	-	5,500	(5,500)
County Treasurer's Fees	1	1	-
District Management	20,000	10,472	9,528
Dues	600	328	272
Election	1,000	89	911
Insurance	3,500	450	3,050
Legal	30,000	12,422	17,578
Miscellaneous	4,899	304	4,595
Total Expenditures	80,000	54,936	25,064
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(79,939)	(54,874)	25,065
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer Advance	200,000	56,951	(143,049)
Transfer to Other Funds	(6,000)	(4,000)	2,000
Total Other Financing Sources (Uses)	194,000	52,951	(141,049)
<b>NET CHANGE IN FUND BALANCE</b>	114,061	(1,923)	(115,984)
Fund Balance (Deficit) - Beginning of Year	509	(12,743)	(13,252)
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	\$ 114,570	\$ (14,666)	\$ (129,236)

See accompanying Notes to Basic Financial Statements.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Silver Peaks East Metropolitan District (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.

At a special election of the eligible electors of the District held on November 8, 2016, a majority of those qualified to vote voted in favor of certain ballot questions authorizing the issuance of indebtedness and imposition of taxes for the payment thereof, for the purpose of providing financing for the acquisition, construction, installation, and completion of certain public improvements.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

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

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**SILVER PEAKS EAST METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2022.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

**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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**Capital Assets**

Capital assets, which include property, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in process and are not included in the calculation of investment in capital assets component of the District's net position.



**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Equity**

**Net Position**

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance (Continued)**

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

**Deficits**

The General Fund and Capital Projects Fund both reported a deficit in the fund financial statements as of December 31, 2022. The deficits will be eliminated with the receipt of funds advanced by the Developer in 2023.

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$	334
Cash and Investments - Restricted		1,088
Total Cash and Investments	\$	1,422

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$	735
Investments		687
Total Cash and Investments	\$	1,422

**Cash Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District’s cash deposits had a bank and carrying balance of \$735.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments**

The District has adopted an investment policy by which it follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities of the World Bank
- . Certain international agency securities
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- \* Local government investment pools

As of December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government	Weighted-Average	
Liquid Asset Trust (COLOTRUST PLUS+)	Under 60 Days	<u>\$ 687</u>

**COLOTRUST**

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**COLOTRUST (Continued)**

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**NOTE 4 CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2022, follows:

	Balance - December 31, 2021	Increases	Decreases	Balance - December 31, 2022
<u>Governmental Activities</u>				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ -	\$ 5,708,166	\$ -	\$ 5,708,166
Total Capital Assets, Not Being Depreciated	<u>\$ -</u>	<u>\$ 5,708,166</u>	<u>\$ -</u>	<u>\$ 5,708,166</u>

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS**

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2022:

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Due Within One Year
Bonds Payable:					
Series 2021(3)	\$ 5,410,000	\$ -	\$ -	\$ 5,410,000	\$ -
Total Bonds Payable	5,410,000	-	-	5,410,000	-
Other Debts:					
Developer Advances:					
Operational	42,878	56,951	-	99,829	-
Capital	13,822	5,735,014	5,130,496	618,340	-
Accrued Interest on					
Series 2021(3) Bonds	115,348	276,267	-	391,615	-
Developer Advances:					
Operational	1,229	3,729	-	4,958	-
Capital	242	20,333	5,504	15,071	-
Total Long-Term Obligations	<u>\$ 5,583,519</u>	<u>\$ 6,092,294</u>	<u>\$ 5,136,000</u>	<u>\$ 6,539,813</u>	<u>\$ -</u>

he details of the District's general obligation bonds outstanding during 2022 are as follows:

**General Obligation Limited Tax Bonds, Series 2021A(3) (the Bonds)**

**Bond Proceeds**

The District issued the Bonds on July 28, 2021, in the par amount of \$5,410,000. Proceeds from the sale of the Bonds were used to (a) finance or reimburse a portion of the costs of acquiring, constructing, and installing certain public improvements to serve the development; and (b) pay the costs of issuing the Bonds.

**Details of the Bonds**

The Bonds bear interest at the rate of 5.000% per annum and are payable annually on December 1, beginning on December 1, 2021, but only to the extent of available Pledged Revenue. The Bonds mature on December 1, 2051 and are subject to mandatory redemption to the extent of available Pledged Revenue. The Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest. To the extent principal of the Bonds is not paid when due, such principal shall remain outstanding until paid, subject to discharge on December 2, 2061. To the extent interest on the Bonds is not paid when due, such unpaid interest shall compound on each interest payment date, at the rate then borne by the Bonds. The Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on December 2, 2061. The Bonds are not subject to early termination. The Bonds are not subject to acceleration. The Bonds do not have any unused lines of credit. No assets have been pledged as collateral on the Bonds.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Events of Default of the Bonds**

Events of default occur if the District fails to impose the Required Mill Levy, or to apply the Pledged Revenues as required by the Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture.

**Optional Redemption**

The Bonds are subject to redemption prior to maturity, at the option of the District, on September 1, 2026, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
September 1, 2026, to August 31, 2027	3.00%
September 1, 2027, to August 31, 2028	2.00
September 1, 2028, to August 31, 2029	1.00
September 1, 2029, and Thereafter	0.00

**Pledged Revenue**

The Bonds are secured by and payable solely from and to the extent of Pledged Revenue, which means the moneys derived by the District from the following sources: (a) the Required Mill Levy; (b) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

**Required Mill Levy**

The District is required to impose an ad valorem mill levy upon all taxable property of the District each year in the amount of 50.00 mills (subject to adjustment for changes occurring after January 1, 2015, in the method of calculating assessed valuation), less the number of mills necessary to pay any unlimited mill levy debt, or such lesser mill levy which will fund the Bond Fund in an amount sufficient to pay all of the principal of and interest on the Bonds in full. The Required Mill Levy is net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County.

**Bonds Debt Service**

The annual debt service requirements of the Bonds are not currently determinable since they are payable only from available Pledged Revenue.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Authorized Debt**

At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Authorized August 10, 2016 Election	Authorization Used Series 2021(3)	Remaining at December 31, 2022
Water	\$ 5,410,000	\$ 713,846	\$ 4,696,154
Street	5,410,000	1,167,202	4,242,798
Safety Protection	5,410,000	-	5,410,000
TV Relay	5,410,000	-	5,410,000
Park and Recreation	5,410,000	1,105,986	4,304,014
Sanitation	5,410,000	2,422,966	2,987,034
Mosquito Control	5,410,000	-	5,410,000
Public Transportation	5,410,000	-	5,410,000
Security Services	5,410,000	-	5,410,000
Fire Protection	5,410,000	-	5,410,000
Refunding	5,410,000	-	5,410,000
O&M Debt	5,410,000	-	5,410,000
IGA Debt	5,410,000	-	5,410,000
Total	<u>\$ 70,330,000</u>	<u>\$ 5,410,000</u>	<u>\$ 64,920,000</u>

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ursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$5,410,000.

**NOTE 6 NET POSITION**

The District has net position consisting of two components – restricted and unrestricted.

The restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2022, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	\$ 100
Total Restricted Net Position	<u>\$ 100</u>

The District has a deficit in unrestricted net position. This amount is a result of the District being responsible for the financing and repayment of debt obligations for the construction of public improvements and related accrual of unpaid interest in excess of cash on hand.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 7 RELATED PARTIES**

The property within the District is being developed by Forestar (USA) Real Estate Group, Inc (Developer). During 2022, all of the members of the Board of Directors were officers or employees of, or otherwise associated with the Developer, and may have conflicts of interest in matters involving the District.

**Infrastructure Acquisition and Funding Agreement**

The District and the Developer entered into an Infrastructure Acquisition and Funding Agreement on July 19, 2021. Pursuant to the Agreement, the District and the Developer acknowledge that the District is authorized to construct, acquire and install public improvements and other facilities and services that benefit the Property, subject to the limitations set forth in the Service Plan and the Special District Act.

Pursuant to the Agreement, the obligations of the District in this Agreement are subject to annual appropriation and shall not be deemed to be multiple fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution, and may not exceed amounts permitted by the District's electoral authorization and Service Plan. The District's obligations under this Agreement shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or 40 years from the execution date. The District agrees to reimburse the Developer for certified construction costs related to public improvements together with simple interest that shall accrue on amounts reimbursable to the Developer under the Agreement, until paid, at the rate of 6% per annum. Prior to reimbursement, the Developer is required to provide certain materials to the District for review. Following receipt of such materials the District's accountant and engineer shall review the materials to substantiate the costs and issue a cost certification to the District.

As of December 31, 2022, outstanding advances under this Agreement totaled \$618,340 and accrued interest totaled \$15,071.

**Operating Reimbursement Agreement**

The District and the Developer entered into an Operating Reimbursement Agreement on July 19, 2021, for the purpose of funding operations and maintenance costs. The Developer agreed to loan to the District one or more sums of money.

Pursuant to the Agreement, the obligations of the District in this Agreement are subject to annual appropriation and shall not be deemed to be multiple fiscal year obligations for the purposes of Article X, Section 20 of the Colorado Constitution, and may not exceed amounts permitted by the District's electoral authorization and Service Plan. The District's obligations under this Agreement shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or 40 years from the execution date. With respect to each loan advance made under this agreement prior to the issuance of any Reimbursement Obligation reflecting such advance, the interest rate shall be 6% per annum, from the date any such advance is made, simple interest, to the earlier of the date the Reimbursement Obligation is issued to evidence such advance, or the date of repayment of such amount.

As of December 31, 2022, outstanding advances under this Agreement totaled \$99,829 and accrued interest totaled \$4,958.



**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 8 ECONOMIC DEPENDENCY**

The District has not yet established a revenue base sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the Developer.

**NOTE 9 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATION**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 8, 2016, the District's voters approved for an annual increase in taxes of \$5,000,000 for general operations and maintenance without limitation of rate. This election question allowed the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATION (CONTINUED)**

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

## **SUPPLEMENTARY INFORMATION**

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 289	\$ 290	\$ 1
Specific Ownership Taxes	14	16	2
Interest Income	-	1	1
Total Revenues	<u>303</u>	<u>307</u>	<u>4</u>
<b>EXPENDITURES</b>			
County Treasurer's Fees	4	4	-
Paying Agent Fees	4,000	4,000	-
Contingency	1,996	-	1,996
Total Expenditures	<u>6,000</u>	<u>4,004</u>	<u>1,996</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(5,697)	(3,697)	2,000
<b>OTHER FINANCING SOURCES</b>			
Transfer from Other Funds	6,000	4,686	(1,314)
Total Other Financing Sources	<u>6,000</u>	<u>4,686</u>	<u>(1,314)</u>
<b>NET CHANGE IN FUND BALANCE</b>	303	989	686
Fund Balance - Beginning of Year	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 303</u>	<u>\$ 989</u>	<u>\$ 686</u>

**SILVER PEAKS EAST METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Budgets		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Net Investment Income	\$ -	\$ 18,901	\$ 18,901	\$ -
Other Revenue	-	129,538	-	(129,538)
Total Revenues	<u>-</u>	<u>148,439</u>	<u>18,901</u>	<u>(129,538)</u>
<b>EXPENDITURES</b>				
Engineering	-	17,797	17,797	-
FRICO Agreement	-	11,684	11,684	-
Capital Outlay	5,101,800	5,708,166	5,708,166	-
Contingency	-	125,667	-	125,667
Total Expenditures	<u>5,101,800</u>	<u>5,863,314</u>	<u>5,737,647</u>	<u>125,667</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(5,101,800)	(5,714,875)	(5,718,746)	(3,871)
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer Advance	5,101,800	5,735,014	5,735,014	-
Repay Developer Advance	(5,101,800)	(5,136,000)	(5,136,000)	-
Transfers to Other Fund	-	(686)	(686)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>598,328</u>	<u>598,328</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(5,101,800)	(5,116,547)	(5,120,418)	(3,871)
Fund Balance - Beginning of Year	<u>5,101,800</u>	<u>5,116,547</u>	<u>5,116,547</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,871)</u>	<u>\$ (3,871)</u>

## **OTHER INFORMATION**

**SILVER PEAKS EAST METROPOLITIAN DISTRICT  
 SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
 DECEMBER 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied for		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2018	\$ 2,390	66.333	0.000	\$ 159	\$ 158	99.66 %
2019	2,390	66.333	0.000	159	158	99.66
2020	2,330	66.794	0.000	156	157	100.64
2021	2,280	66.794	0.000	152	154	101.32
2022	5,200	11.132	55.664	347	348	100.29
Estimated for the Year Ending December 31, 2023	\$ 789,620	10.000	50.000	\$ 47,377		

**When Recorded, Return To:**

Davis & Ceriani, P.C.  
1600 Stout Street, Suite 1710  
Denver, CO 80202  
Attn: Edward R. Gorab

**TEMPORARY EASEMENT AGREEMENT**

THIS TEMPORARY EASEMENT AGREEMENT (this “**Agreement**”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 2023, by and between Silver Peaks East Metropolitan District, a quasi-municipal corporation and political subdivision of the state of Colorado (“**Grantor**”), whose address is c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, CO 80228-1898 and Melody Homes, Inc., a Delaware corporation (“**Grantee**”), whose address is 9555 S. Kingston Ct., Englewood CO 80112. Grantor and Grantee may each be referred to herein individually as “**Party**” and collectively as “**Parties**”.

**RECITALS**

A. Grantor owns Tracts AA, HH, and LL, Silver Peaks Filing No.1, recorded at Reception No. 2805360, Silver Peaks Filing No.1, Amendment No.2, recorded at Reception No.4461778, and Silver Peaks Filing No.1, Amendment No.3 recorded at Reception No. 4659631 (the “**Subdivision**”), Town of Lochbuie (the “**Town**”), Weld County (the “**County**”), Colorado (“**Grantor Property**”).

B. In connection with Grantee’s construction of certain improvements pursuant to the construction plans approved by the Town and/or County (the “**Construction Plans**”), Grantee desires to obtain and Grantor is willing to grant a temporary, non-exclusive easement over, across, and through the portion of the Grantor Property described on the attached **Exhibit A-1**, **Exhibit A-2**, and **Exhibit A-3** (the “**Easement Area**”) for the purposes described below, subject to the terms and conditions set forth herein.

Agreement

In consideration of the promises and agreements made by the Parties herein, the sufficiency of which is hereby acknowledged by both of the Parties, Grantor and Grantee hereby promise and agree as follows:

1. Recitals. The Recitals are hereby incorporated herein.
2. Grant of Easement. FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged by Grantor, Grantor hereby grants, bargains, sells, and conveys to Grantee and its successors and assigns, its respective officers, employees, agents, contractors, or subcontractors, (collectively, the “**Authorized Parties**”) a temporary non-exclusive easement (the “**Easement**”) in and to, over, across, under and through the Easement Area for the purposes of initially constructing and installing certain improvements located thereon, including, without limitation, grading, drainage, utility, landscaping, irrigation and such other improvements as identified in the Construction Plans (the “**Improvements**”). Grantee shall have the right of ingress and egress in,



to, through, over, under, and across the Easement Area for the purposes herein stated and at any and all times necessary or convenient for the full enjoyment of the rights granted to it in this Agreement. Following completion of construction of the Improvements, Grantee, or its contractors or assigns, shall restore any part of the surface of the Grantor Property that is damaged or disturbed as a result of Grantee's exercise of its rights hereunder to substantially the same condition existing at the commencement of such construction activities. If Grantee fails to restore the surface of the Grantor Property within fourteen (14) days after notice thereof from Grantor, Grantor may do so at Grantee's expense. The Easement shall automatically terminate on the earlier of the following: (i) the date that is forty-five (45) days after the completion of the construction of the Improvements and the Grantor Property is restored in accordance with the previous sentence, or (ii) December 31, 2024.

3. Limitations on Use. With respect to all construction activities on the Easement Area by the Authorized Parties pursuant to the Construction Plans, such Authorized Parties shall:

- (i) Comply with all applicable laws, ordinances, statutes, regulations, building codes, and permits that regulate any activities performed by the Authorized Parties under this Agreement, including, without limitation, all federal, state and local laws, environmental laws, ordinances and regulations and permits regarding storm water pollution prevention and dust control.
- (ii) Comply with all federal, state, and local permits relating to water quality, erosion, drainage, sediment control, grading and stormwater discharge relating to the Easement Area.
- (iii) Promptly repair any damage to the Grantor Property to the extent that the damage is caused by any of the Authorized Parties.

3.1 No Liens. Neither Grantee nor any Authorized Party has authority to cause a lien or encumbrance against the Grantor Property in connection with the activities permitted under this Agreement. Further, and without limiting the foregoing, Grantee agrees to promptly pay, or cause the applicable Authorized Parties to pay, when due all costs associated with such activities and not to cause, permit or suffer any encumbrance, mechanic's lien, materialmen's lien, or other type of lien to be filed or recorded against the Grantor Property or to be asserted against the Grantor arising from, related to, or in any way connected with the activities permitted under this Agreement. Grantee, at its cost, either shall cause any such lien to be released or shall obtain a surety bond to discharge any such lien pursuant to C.R.S. 38-22-131 (or any successor statute) within fifteen (15) days after such lien is filed against the Grantor Property. Grantee shall indemnify and hold harmless Owner from any and all mechanics liens arising from all Authorized Parties' use of the Easement Area pursuant to this Agreement.

3.2 Insurance Requirements. At its cost and expense, Grantee shall comply, and shall cause each Authorized Party, to procure before entering the Easement Area, and thereafter maintain continuously during the initial construction of the Improvements, insurance complying with the following requirements (the "**Insurance Requirements**"): (a) general liability insurance from a reputable insurer licensed in the State of Colorado, in the amount of \$1,000,000.00 combined single limit for personal injury and property damage per occurrence and

\$2,000,000 in the aggregate, (b) the insurance shall provide coverage against any claim for personal liability or property damage caused by any Authorized Party, (c) the insurance shall name Grantor as an additional insured party, (d) Grantee shall provide evidence of such insurance to Grantor before entry upon the Easement Area and thereafter provide evidence of such insurance to Grantor within five business days after written request.

3.3 Indemnification. Grantee shall indemnify, defend and hold harmless Grantor from all claims, costs, liabilities, and causes of action arising from or related to the Authorized Parties' construction activities, including, without limitation, reasonably attorney's fees and costs, except claims or cause of action arising from the negligence or intentional misconduct of Grantor.

3.4 Mutual Non-Interference. Grantor shall not make any use of the Grantor Property that will interfere with Grantee's use and enjoyment of the Easement. Grantor acknowledges that the construction activities contemplated herein may cause an interruption in access of the Grantor Property or utility services to the Grantor Property. Grantee shall use commercially reasonable efforts to preserve or restore Grantor's access to the Grantor Property and any disrupted utility services

3.5 Duration of Limitations. Notwithstanding anything else contained in this Section 3.5, the limitations set forth in this Section 3 shall automatically terminate upon the earlier of either (i) completion of the Improvements pursuant to the Construction Plans; or (ii) assignment, or partial assignment, of the rights and obligations hereunder to the Town, County, or other governmental or quasi-governmental authority.

4. Certain Reserved Rights. Except as otherwise provided in this Agreement, Grantor reserves the rights to use the Easement Area and to grant further easement interests in the Easement Area to other third parties so long as such interests and uses do not materially or unreasonably interfere with Grantor's use of the Easement Area. Without limiting the foregoing, Grantor shall not modify the surface, drainage characteristics or topography of, or construct or install structures or facilities on or around the Improvements without having first obtained Grantor's written consent, which consent may be withheld by Grantor in its reasonable discretion.

5. No Waiver. No provision of this Agreement may be waived except by written instrument signed by the party to be charged with such waiver. Failure by any party to this Agreement to enforce any provision of this Agreement shall not constitute a waiver of such provision, and no waiver by any party to this Agreement of any provision of this Agreement on one occasion shall constitute a waiver of any other provision or of the same provision on another occasion.

6. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Grantor, its respective officials, directors, officers, employees, contractors, or agents, or any other person acting on behalf of the Grantor and, in particular, governmental immunity afforded or available to the Grantor pursuant to the Colorado Governmental Immunity Act, § 24-10-101, *et seq.*, C.R.S., as from time to time amended.

7. Covenants Running With Land; Assignment. This Agreement and each of the provisions of this Agreement touch and concern the Grantor Property and shall be covenants running with the land, benefitting and binding on the Grantor Property and on Grantee and Grantor and their respective successors and assigns. This Agreement shall inure to the benefit of and be enforceable by Grantee and Grantor and their respective successors and assigns. Notwithstanding anything in this Agreement to the contrary, Grantee may assign any or all of its rights or obligations under this Agreement to a local municipality or public entity, an owners' association or a metropolitan district, or such other third party assuming the construction and/or maintenance of the Improvements, and upon assumption by such assignee of the assigned obligations, Grantee shall be relieved of any liability with respect to such assigned obligations. Grantee shall record this Agreement, and any assignment thereof, in the office of the Clerk and Recorder of Weld County, Colorado

8. Further Assurances. The parties hereto and their respective successor owners, shall from time to time execute and deliver to the other party and its successors, any instruments reasonably requested by a party or its successor owner, to effect or confirm any provision of this Agreement.

9. Severability. If any clause or provision of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

10. Applicable Law; Venue. This Agreement shall be governed and interpreted under the laws of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Exclusive venue for all actions arising from this Agreement shall be in the District Court in and for Weld County.

11. Entire Agreement. This Agreement and the exhibits thereto referred to above, constitute the final and complete expression of the parties' agreements with respect to the rights and obligations with respect to the terms hereof. Each party agrees that it has not relied upon or regarded as binding any prior agreements, negotiations, representations or understandings, whether oral or written, except as expressly set forth herein.

12. Counterparts. This Agreement may be executed in counterparts and, when counterparts of this Agreement have been executed and delivered by both Grantee and Grantor, this Agreement shall be fully binding and effective just as if both Grantee and Grantor had executed and delivered a single counterpart of this Agreement, all of which together shall constitute but one and the same instrument.

(Signatures on Following Pages)

IN WITNESS WHEREOF, the undersigned have executed and delivered this Easement Agreement as of the date first above written.

**GRANTOR:**

Silver Peaks East Metropolitan District,  
a quasi-municipal corporation and political  
subdivision of the State of Colorado

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF COLORADO    )  
  ) ss.  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_, 2023, by \_\_\_\_\_, as \_\_\_\_\_ of Silver Peaks East Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado.

WITNESS my hand and official seal.

My commission expires \_\_\_\_\_

\_\_\_\_\_  
Notary Public



EXHIBIT A  
EASEMENT AREA

Tract AA easement:

A PARCEL OF LAND BEING A PORTION OF TRACT AA OF SILVER PEAKS FILING NO. 1, AMENDMENT NO. 2, RECORDED AT RECEPTION NO. 4461778 IN THE RECORDS OF THE WELD COUNTY CLERK AND RECORDER'S OFFICE, LOCATED IN THE SOUTHEAST QUARTER (SE1/4) OF SECTION 35, TOWNSHIP 1

NORTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF LOCHBUIE, COUNTY OF

WELD, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SAID SECTION 35

IS ASSUMED TO BEAR SOUTH 89°59'47" WEST AND BEING REFERENCED AT THE WEST END BY TWO

CHISELED CROSS REFERENCE MONUMENTS DOCUMENTED BY LAND SURVEY MONUMENT

RECORD COMPLETED BY RANDALL K. FRENCH WITH AN ACCEPTED DATE OF SEPTEMBER 30, 2018

AND MONUMENTED AT THE EAST END BY A 3.25" ALUMINUM CAP STAMPED "NOLTE AND ASSOC.

PLS 28656, 1998" IN A MONUMENT BOX.

COMMENCING AT SOUTHEAST CORNER OF SECTION 35;

THENCE NORTH 86°43'10" WEST, A DISTANCE OF 1152.04 FEET TO THE SOUTHEAST CORNER OF

SAID TRACT AA, BEING THE POINT OF BEGINNING;

THENCE ALONG THE SOUTHERLY BOUNDARY LINE OF SAID TRACT AA THE FOLLOWING TWO (2)

COURSES:

1) SOUTH 89°59'47" WEST, A DISTANCE OF 557.46 FEET TO A POINT OF CURVATURE;

2) ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF

06°18'52", A RADIUS OF 55.00 FEET, AN ARC LENGTH OF 6.06 FEET, THE CHORD OF WHICH

BEARS NORTH 86°50'47" WEST, A DISTANCE OF 6.06 FEET ;

THENCE NORTH 00°00'18" WEST, A DISTANCE OF 0.78 FEET TO A POINT OF CURVATURE;

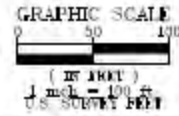
THENCE ALONG THE ARC OF A TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF

60°57'41", A RADIUS OF 35.00 FEET, AN ARC LENGTH OF 37.24 FEET, THE CHORD OF WHICH BEARS

NORTH 30°29'08" WEST, A DISTANCE OF 35.51 FEET TO A POINT OF REVERSE CURVATURE;  
THENCE ALONG THE ARC OF A REVERSE CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 60°57'41", A RADIUS OF 30.00 FEET, AN ARC LENGTH OF 31.92 FEET, THE CHORD OF WHICH BEARS  
NORTH 30°29'08" WEST, A DISTANCE OF 30.43 FEET;  
THENCE NORTH 00°00'18" WEST, A DISTANCE OF 5.92 FEET;  
THENCE SOUTH 89°59'42" WEST, A DISTANCE OF 15.50 FEET TO THE WESTERLY BOUNDARY LINE  
OF SAID TRACT AA;  
THENCE NORTH 00°00'18" WEST ALONG SAID WESTERLY BOUNDARY LINE, A DISTANCE OF 20.00 FEET;  
THENCE NORTH 89°59'42" EAST, A DISTANCE OF 35.50 FEET;  
THENCE SOUTH 00°00'18" EAST, A DISTANCE OF 25.92 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 60°57'41", A RADIUS OF 10.00 FEET, AN ARC LENGTH OF 10.64 FEET, THE CHORD OF WHICH BEARS  
SOUTH 30°29'08" EAST, A DISTANCE OF 10.14 FEET TO A POINT OF REVERSE CURVATURE;  
THENCE ALONG THE ARC OF A REVERSE CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 40°53'01", A RADIUS OF 55.00 FEET, AN ARC LENGTH OF 39.25 FEET, THE CHORD OF WHICH BEARS  
SOUTH 40°31'28" EAST, A DISTANCE OF 38.42 FEET;  
THENCE NORTH 89°59'47" EAST, A DISTANCE OF 546.86 FEET TO THE EASTERLY BOUNDARY LINE  
OF SAID TRACT AA;  
THENCE SOUTH 00°00'07" WEST, ALONG SAID EASTERLY BOUNDARY LINE, A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING;  
CONTAINING A CALCULATED AREA OF 13,124 SQUARE FEET OR 0.3013 ACRES, MORE OR LESS.  
I, DAVID J. BERGLUND, A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY  
THAT THE ABOVE PARCEL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

# EXHIBIT "A"

FOR REVIEW ONLY



LINE	BEARING	LENGTH
L1	N00°00'18"W	0.78'
L2	N00°00'18"W	5.92'
L3	S89°59'42"W	15.50'
L4	N00°00'18"W	20.00'
L5	N88°59'42"E	35.50'
L6	S00°00'18"E	25.52'
L7	S00°00'07"W	20.00'

FOR AND ON BEHALF OF  
 MANHARD CONSULTING

3E 1/4 SEC. 33  
 T-1N, R-68W,  
 F-70P ME



TRACT AA  
 SILVER PEAKS  
 FILING NO. 1,  
 AMENDMENT NO. 2

UNITED POWER EASEMENT  
 REC. NO. 3344482

PARCEL  
 13,124 S.F. (0.3013 AC) ±

N89°59'47"E 546.86'

S89°59'47"W 557.46'

(BASIS OF BEARINGS)

S89°59'47"W 2643.47'

N88°43'10"W  
 (152.04' TIE)

POINT OF COMMENCEMENT  
 SOUTHEAST CORNER SECTION 35,  
 RECOVERED 3.25" ALUMINUM CAP  
 STAMPED "NOLTE AND ASSOC.  
 PLS 28656, 1998"  
 IN A MONUMENT BOX

E. 168TH AVE.  
 WELD COUNTY ROAD 2  
 (AKA BASELINE)  
 (R.O.W. VARIES)

1.0' VEHICULAR ACCESS  
 AND UTILITY EASEMENT  
 REC. NO. 2605360

11' ACCESS AND  
 UTILITY EASEMENT  
 REC. NO. 4461776

12' DRAINAGE AND  
 UTILITY EASEMENT  
 REC. NO. 4461778

REFERENCED  
 SOUTH QUARTER CORNER SECTION 35  
 ESTABLISHED FROM RECOVERED REFERENCE  
 MONUMENTS ACCEPTED SEPTEMBER 30, 2010

CURVE	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD
C1	61°8'52"	55.00'	6.09'	N88°50'47"W	6.06'
C2	80°57'41"	35.00'	37.34'	N50°29'08"W	35.51'
C3	80°57'41"	30.00'	31.92'	N50°29'08"W	30.43'
C4	80°57'41"	10.00'	10.64'	S30°29'08"E	10.14'
C5	40°53'01"	55.00'	36.35'	S40°31'28"E	36.62'

NOTE:  
 THE EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY.  
 IT IS INTENDED ONLY TO DENOTE THE ATTACHED PARCEL DESCRIPTION.

<p><b>Manhard</b> CONSULTING</p> <p>7800 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111   ph:303.705.0500   manhard.com          Civil Engineering   Surveying &amp; Geospatial Services   GIS          Water Resource Management   Construction Management</p>	PART OF TRACT LL, SILVER PEAKS FILING NO. 1	
	TOWN OF LOCHBUIE, COUNTY OF WELD, COLORADO	
	PARCEL	
PROJ. NO.: 1014 DRAWN BY: JAF DATE: 06/23/23 SCALE: 1" = 100'	SHEET <b>3</b> OF <b>3</b> DRH.LBC002.02	



EXHIBIT A  
EASEMENT AREA (continued)

Tract LL easement:

A PARCEL OF LAND BEING A PORTION OF TRACT LL OF SILVER PEAKS FILING NO. 1, AMENDMENT

NO. 3, RECORDED AT RECEPTION NO. 4659631 IN THE RECORDS OF THE WELD COUNTY CLERK AND

RECORDER'S OFFICE, LOCATED IN THE SOUTHEAST QUARTER (SE1/4) OF SECTION 35, TOWNSHIP 1

NORTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF LOCHBUIE, COUNTY OF

WELD, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SAID SECTION 35

IS ASSUMED TO BEAR SOUTH 89°59'47" WEST AND BEING REFERENCED AT THE WEST END BY TWO

CHISELED CROSS REFERENCE MONUMENTS DOCUMENTED BY LAND SURVEY MONUMENT

RECORD COMPLETED BY RANDALL K. FRENCH WITH AN ACCEPTED DATE OF SEPTEMBER 30, 2018

AND MONUMENTED AT THE EAST END BY A 3.25" ALUMINUM CAP STAMPED "NOLTE AND ASSOC.

PLS 28656, 1998" IN A MONUMENT BOX.

COMMENCING AT SOUTHEAST CORNER OF SECTION 35;

THENCE NORTH 77°13'17" WEST, A DISTANCE OF 388.71 FEET TO THE SOUTHEASTERLY MOST

CORNER OF SAID TRACT LL, BEING THE POINT OF BEGINNING;

THENCE ALONG THE SOUTHERLY BOUNDARY LINE OF SAID TRACT LL AND THE WESTERLY

EXTENSION THEREOF, SOUTH 89°59'47" WEST, A DISTANCE OF 202.15 FEET;

THENCE SOUTH 84°05'51" WEST, A DISTANCE OF 194.61 FEET TO THE SOUTHERLY BOUNDARY LINE

OF SAID TRACT LL;

THENCE ALONG THE SOUTHERLY AND WESTERLY BOUNDARY LINES OF SAID TRACT LL THE

FOLLOWING TWO (2) COURSES:

1) SOUTH 89°59'47" WEST, A DISTANCE OF 375.34 FEET;

2) NORTH 00°00'04" EAST, A DISTANCE OF 20.00 FEET;

THENCE NORTH 89°59'47" EAST, A DISTANCE OF 374.31 FEET;

THENCE NORTH 84°05'51" EAST, A DISTANCE OF 194.61 FEET;

THENCE NORTH 89°59'47" EAST, A DISTANCE OF 177.06 FEET TO THE EASTERLY BOUNDARY LINE

OF SAID TRACT LL;

THENCE SOUTH 52°34'05" EAST, A DISTANCE OF 32.90 FEET TO THE POINT OF BEGINNING;  
 CONTAINING A CALCULATED AREA OF 15,181 SQUARE FEET OR 0.3485 ACRES,  
 MORE OR LESS.

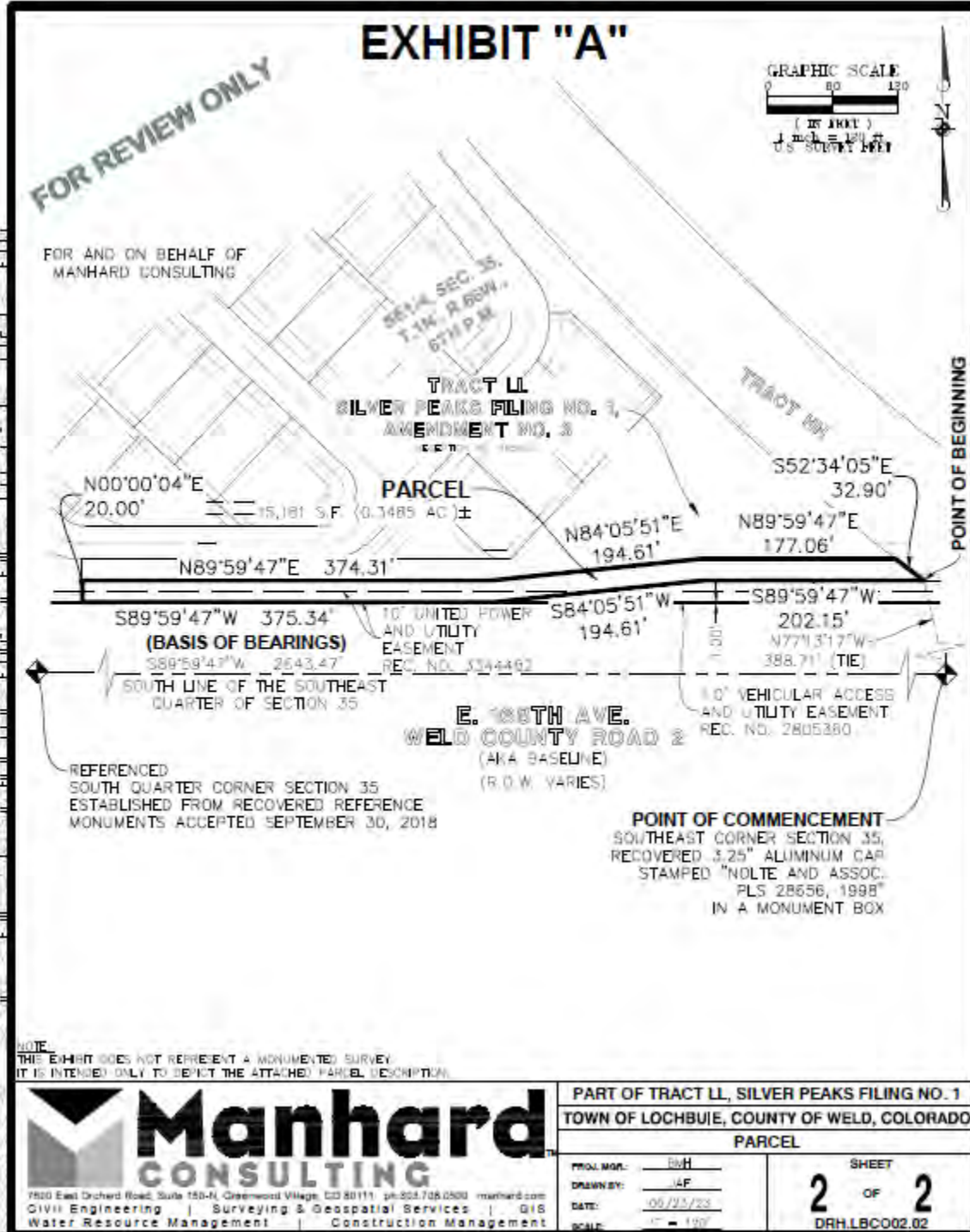


EXHIBIT A  
EASEMENT AREA (continued)

Tract HH easement:

A PARCEL OF LAND BEING A PORTION OF TRACT HH OF SILVER PEAKS FILING NO. 1, AMENDMENT NO. 3, RECORDED AT RECEPTION NO. 4659631 IN THE RECORDS OF THE WELD COUNTY CLERK AND RECORDER'S OFFICE, LOCATED IN THE SOUTHEAST QUARTER (SE1/4) OF SECTION 35, TOWNSHIP 1 NORTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF LOCHBUIE, COUNTY OF WELD, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE SOUTHEAST QUARTER (SE1/4) OF SAID SECTION 35

IS ASSUMED TO BEAR SOUTH 89°59'47" WEST AND BEING REFERENCED AT THE WEST END BY TWO

CHISELED CROSS REFERENCE MONUMENTS DOCUMENTED BY LAND SURVEY MONUMENT

RECORD COMPLETED BY RANDALL K. FRENCH WITH AN ACCEPTED DATE OF SEPTEMBER 30, 2018

AND MONUMENTED AT THE EAST END BY A 3.25" ALUMINUM CAP STAMPED "NOLTE AND ASSOC.

PLS 28656, 1998" IN A MONUMENT BOX.

COMMENCING AT SOUTHEAST CORNER OF SECTION 35;

THENCE NORTH 00°16'44" EAST, ALONG THE EAST LINE OF THE SOUTHEAST QUARTER (SE1/4) OF

SAID SECTION 35, A DISTANCE OF 66.00 FEET TO THE SOUTHEASTERLY CORNER OF SAID TRACT

HH, BEING THE POINT OF BEGINNING;

THENCE ALONG THE SOUTHERLY BOUNDARY LINE OF SAID TRACT HH THE FOLLOWING FOUR (4)

COURSES:

1) SOUTH 89°59'47" WEST, A DISTANCE OF 70.36 FEET;

2) NORTH 00°00'13" WEST, A DISTANCE OF 20.00 FEET;

3) SOUTH 89°59'47" WEST, A DISTANCE OF 127.02 FEET;

4) NORTH 53°35'42" WEST, A DISTANCE OF 47.30 FEET;

THENCE NORTH 57°11'55" EAST, A DISTANCE OF 136.26 FEET;

THENCE SOUTH 61°15'43" EAST, A DISTANCE OF 138.21 FEET TO THE EASTERLY BOUNDARY LINE

OF SAID TRACT HH;

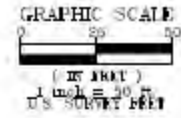
THENCE SOUTH 00°16'44" WEST, ALONG SAID EASTERLY BOUNDARY, A DISTANCE OF 55.42 FEET TO

THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 16,633 SQUARE FEET OR 0.3818 ACRES, MORE OR LESS.

FOR REVIEW ONLY

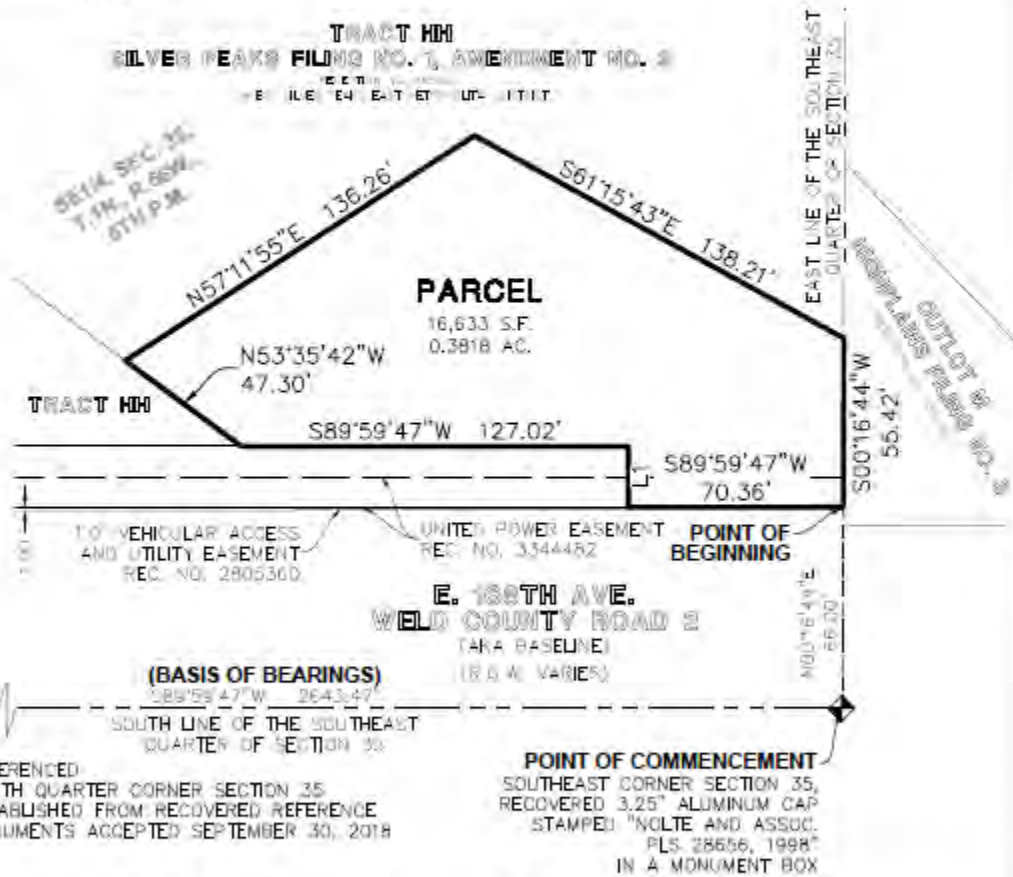
# EXHIBIT "A"



LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°00'13"W	20.00'

FOR AND ON BEHALF OF  
MANHARD CONSULTING

TRACT HH  
SILVER PEAKS FILING NO. 1, AMENDMENT NO. 2  
SECTION 35  
T14N, R. 68W, S14E



REFERENCED  
SOUTH QUARTER CORNER SECTION 35  
ESTABLISHED FROM RECOVERED REFERENCE  
MONUMENTS ACCEPTED SEPTEMBER 30, 2018

POINT OF COMMENCEMENT  
SOUTHEAST CORNER SECTION 35,  
RECOVERED 3.25" ALUMINUM CAP  
STAMPED "VOLTE AND ASSOC.  
PLS. 28656, 1998"  
IN A MONUMENT BOX

NOTE:  
THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY.  
IT IS INTENDED ONLY TO IDENTIFY THE ATTACHED PARCEL DESCRIPTION.

1900 East Orchard Road, Suite 150-N, Greenwood Village, CO 80111 | ph 303.709.0500 | manhard.com  
CIVIL Engineering | Surveying & Geospatial Services | GIS  
Water Resource Management | Construction Management

PART OF TRACT HH, SILVER PEAKS FILING NO. 1  
TOWN OF LOCHBUIE, COUNTY OF WELD, COLORADO

PARCEL

PROJ. NO.:	104	SHEET	2
DRAWN BY:	JLF	OF	2
DATE:	08/23/23		
SCALE:	1" = 100'		

DRH.LBC002.02