

## **NOTICE OF SPECIAL MEETING**

### **TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT**

Tuesday, November 16, 2021 at 10:00 a.m.

*This meeting will be held via teleconferencing and can be joined through the directions below:*

<https://us06web.zoom.us/j/84190785831>

Call-In: 720-707-2699

Meeting ID: 841 9078 5831

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Raymond F. O'Sullivan	President	May 2023
Jack Wallace Mason	Treasurer	May 2022
Kay M. Folan	Secretary	May 2023
VACANT		May 2023
Tanweer H. Khan	Assistant Secretary	May 2022

## **AGENDA**

1. Call to Order/Declaration of Quorum
2. Director Conflict of Interest Disclosures
3. Approval of Agenda
4. Public Comment – Members of the public may express their views to the Board on matters that affect the District that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person. Comments will be taken in the order reflected on the sign in sheet.
5. Consent Agenda –The items listed below are a group of items to be acted on with a single motion and vote by the Board. An item may be removed from the consent agenda to the regular agenda, if desired. Items on the consent agenda are then voted on by a single motion, second, and vote by the Board.
  - a. Approval of November 17, 2020 Special Minutes (**enclosure**)
  - b. Ratification of 2020 Annual Report (**enclosure**)
  - c. Ratification of 2020 Audit
  - d. Consider Renewal of Property and Liability Schedule and Limits, Workers Compensation Coverage and SDA Membership (**enclosure**)
6. Legal Matters
  - a. Consider Adoption of Resolution Designating the Location of Regular Meetings of the Board of Directors (**enclosure**)
  - b. Consider Adoption of 2022 Annual Administrative Resolution (**enclosure**)
  - c. Consider Adoption of Resolution Calling May 2022 Election (**enclosure**)
    - i. Consider Designation of Method for Providing Notice of Call for Nominations

- d. Discuss Extension to Funding and Reimbursement Agreement (Operations & Maintenance)
- 7. Financial Matters
  - a. Consider Approval of Payables/Financials (**enclosures**)
  - b. Conduct Public Hearing on 2021 Budget Amendment
    - i. Consider Adoption of Resolution Amending 2021 Budget (**enclosure**)
  - c. Conduct Public Hearing on 2022 Budget
    - i. Consider Adoption of Resolution Approving 2022 Budget (**enclosure**)
  - d. Other Financial Matters
    - i. Consider Approval of Master Service Agreement with CliftonLarsonAllen LLP (**enclosure**)
- 8. Construction Matters
- 9. Other Business
  - a. Discuss Proposed Boundary Adjustments
  - b. Discuss Engagement of District Manager
  - c. Discuss Board Vacancy
  - d. Discuss District Website Requirements (**enclosure**)
- 10. Adjourn

MINUTES OF A SPECIAL MEETING OF THE BOARD OF  
DIRECTORS

OF

TUSCAN Foothills Village Metropolitan  
District

Held: Tuesday, November 17, 2020, at 10:00 A.M.

*The meeting was held via teleconference due to the State of  
Emergency declared by Governor Polis and Public Health  
Order 20-23 Implementing Social Distancing Measures,  
and threat posed by the COVID-19 coronavirus.*

**Attendance**

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following Directors were in attendance:

Raymond O'Sullivan  
Kay Folan  
Richard Folan  
Jack Wallace Mason

Director Khan was absent and excused.

Also present were: Blair M. Dickhoner, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Carrie Bartow, CliftonLarsonAllen, LLP, District Accountant

**Call to Order**

It was noted that a quorum of the Board was present and the meeting was called to order.

**Disclosure Matters**

Mr. Dickhoner advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Dickhoner reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Dickhoner inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the

meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

### **Approval of Agenda**

Mr. Dickhoner presented the proposed agenda to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as amended to correct the year referenced in item 7.b and item 7.c.

### **Public Comment**

None.

### **Consent Agenda**

The Board reviewed the items on the consent agenda. Mr. Dickhoner advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- a. Approval of June 18, 2020 Special Minutes
- b. Ratification of 2019 Annual Report
- c. Consider Renewal of Property and Liability Schedule and Limits, Workers Compensation Coverage and SDA Membership

### **Legal Matters**

Consider Adoption of 2021 Annual Administrative Resolution

Mr. Dickhoner presented the Board with the 2021 Annual Administrative Resolution for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the resolution. The Board discussed creating a website and requested legal to request a proposal.

### **Financial Matters**

Consider Approval of Payables/Financials

Ms. Bartow presented the Board with September 30, 2020 Financial Statements and claims payable as of October 27, 2020. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the September 30, 202 Financial Statements and approved the payment of claims totaling \$3,131.23.

Conduct Public Hearing on 2020 Budget Amendment and Consider Adoption of Resolution Amending 2020 Budget

Director O'Sullivan opened the public hearing on the 2020 Budget Amendment. Mr. Dickhoner noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Ms. Bartow reviewed the Resolution Amending the 2020 Budget with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution amending the General Fund to \$60,500 and the Capital Project Fund to \$374,492.

Conduct Public Hearing on  
2021 Budget and Consider  
Adoption of Resolution  
Approving 2021

Director O’Sullivan opened the public hearing on the proposed 2021 Budget. Mr. Dickhoner noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Ms. Bartow reviewed the proposed 2021 Budget with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2021 Budget, appropriating funds therefor and certifying 5.566 mills in the General Fund, and 33.398 mills in the Debt Service Fund.

The Board engaged in discussion regarding

**Construction Matters**

Director O’Sullivan provided a general update on the status of construction. No Board action required.

**Other Business**

Discuss District Website  
Options

Previously discussed.

Adjournment

There being no further business to come before the Board, upon a motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

---

Secretary for the Meeting

The foregoing minutes were approved by the Board of Directors on the 16<sup>th</sup> day of November, 2021.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
CITY OF COLORADO SPRINGS, STATE OF COLORADO**

**ANNUAL REPORT FOR FISCAL YEAR 2020**

Pursuant to the Service Plan for Tuscan Foothills Village Metropolitan District (the "District"), the District is required to provide an annual report to the City of Colorado Springs (the "City") with regard to the matters below.

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.

No boundary changes were made or proposed in 2020.

2. Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year.

No Intergovernmental Agreements have been entered into or proposed as of December 31, 2020.

3. Copies of the District's Rules and Regulations, if any, as of December 31 of the prior year.

The District has not adopted any rules or regulations as of December 31, 2020.

4. A summary of any litigation which involves the District's Public Improvements as of December 31 of the prior year.

To our actual knowledge, based on a review of the court records in El Paso County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District as of December 31, 2020.

5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.

All Public Improvements have been constructed by the developer.

6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.

No facilities or improvements were constructed by the District that were dedicated to and accepted by the City as of December 31, 2020. All facilities and improvements have been constructed by the Developer.

The Developer, Tuscan Bench Development, Inc., constructed certain street improvements within the District's boundaries, which were preliminarily accepted by the City in 2020. Pursuant to an Infrastructure Acquisition and Reimbursement Agreement dated November 4, 2019, the District reimbursed Tuscan Bench Development, Inc. for costs related to such street improvements.

7. The assessed valuation of the District for the current year.

The 2020 assessed valuation is \$884,080.

8. Current year budget including a description of the Public Improvements to be constructed in such year.

The 2021 budget is attached hereto as **Exhibit A**.

9. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

The District has filed a Request for Extension of Time to File Audit with the Office of the State Auditor. A 60 day extension has been granted. A copy of the Audit will be provided once available.

10. Notice of any uncured events of default by the District, which continues beyond a ninety (90) day period, under any Debt instrument.

To the best of our knowledge, there were no uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument for the year ending December 31, 2020.

11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

To the best of our knowledge, the District has been able to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

12. Copies of any Certifications of an External Financial Advisor provided as required by the Privately Placed Debt Limitation provision.

The District did not engage an External Financial Advisor during 2020 because the District did not issue any Privately Placed Debt for which an External Financial Advisor is required under the Service Plan.

**EXHIBIT A**  
**2021 Budget**

**RESOLUTION**  
**ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**  
**(2021)**

---

The Board of Directors of Tuscan Foothills Village Metropolitan District (the “**Board**”), City of Colorado Springs, El Paso County, Colorado (the “**District**”) held a special meeting held via teleconference, on Tuesday, November 17, 2020, at the hour of 10:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

*[Remainder of Page Intentionally Left Blank.]*

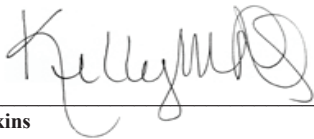
## NOTICE AS TO PROPOSED 2021 BUDGET

**AFFIDAVIT OF PUBLICATION**

**STATE OF COLORADO  
COUNTY OF El Paso**

I, Kelly Perkins, being first duly sworn, deposes and says that she is the Legal Sales Representative of The Colorado Springs Gazette, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Colorado Springs Gazette; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 11/13/2020**

That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice; that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado.



**Kelly Perkins  
Sales Center Agent**

Subscribed and sworn to me this 01/28/2021, at said City of Colorado Springs, El Paso County, Colorado.  
My commission expires March 30, 2022.



**Sandra King  
Notary Public  
The Gazette**

**SANDRA KING  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20184014369  
MY COMMISSION EXPIRES MARCH 30, 2022**

Document Authentication Number

**NOTICE OF PUBLIC HEARING ON THE PROPOSED 2021 BUDGET  
AND  
NOTICE OF PUBLIC HEARING ON THE AMENDED 2020 BUDGET**

NOTICE IS HEREBY GIVEN that a proposed 2021 budget has been submitted to the Board of Directors (the "Board") of the TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT (the "District"). A copy of the proposed budget is on file in the office of CliftonLarsonAllen, LLP, 111 South Tejon Street, Suite 705, Colorado Springs, Colorado, where the same is open for public inspection.

NOTICE IS FURTHER GIVEN that an amendment to the 2020 budget has been submitted to the District. A copy of the proposed amended budget is on file in the office of CliftonLarsonAllen, LLP, 111 South Tejon Street, Suite 705, Colorado Springs, Colorado, where the same is open for public inspection.

Such proposed budget and amended budget will be considered at a public hearing during a meeting of the District to be held on Tuesday, November 17, 2020 at 10:00 A.M. Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the directions below:

<https://zoom.us/j/97556781202>  
Meeting ID: 975 5678 1202  
Call-in: 720-707-2699

Any interested elector of the District may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.

**BY ORDER OF THE BOARD OF DIRECTORS:  
TUSCAN FOOTHILLS VILLAGE METROPOLITAN  
DISTRICT**

/s/ WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

Published in the CS Gazette November 13, 2020.

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 17, 2020, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1.     Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2021. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2.     Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 5.566 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3.     Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2021 budget year, there is hereby levied a tax of

33.398 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2021 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2021 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of El Paso County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

***[Remainder of page intentionally left blank.]***

ADOPTED THIS 17<sup>th</sup> DAY OF NOVEMBER, 2020.

**TUSCAN FOOTHILLS VILLAGE  
METROPOLITAN DISTRICT**

*Raymond F Osullivan*  
Raymond F Osullivan (Nov 17, 2020 11:53 MST)

Officer of the District

ATTEST:

*Kay M Folan*  
Kay M Folan (Nov 17, 2020 13:14 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

*Bob Dh*  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF EL PASO  
TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Tuesday, November 17, 2020, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 17 day of November 2020.

*Kay M Folan*  
Kay M Folan (Nov 17, 2020 13:14 MST)

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT**

**Annual Budget**

**For the Year Ending December 31, 2021**

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
SUMMARY  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCES	\$ 14,502	\$ 396,961	\$ 49,175
REVENUES			
Property taxes	12,520	12,844	34,447
Specific ownership tax	1,516	1,366	3,445
Interest income	1,460	2,100	320
Developer advance	1,168,329	67,328	50,144
Bond issuance	1,097,140	-	-
Total revenues	2,280,966	83,638	88,356
TRANSFERS IN	-	3,768	-
Total funds available	2,295,468	484,367	137,531
EXPENDITURES			
General Fund	25,105	60,500	55,000
Debt Service Fund	195	200	500
Capital Projects Fund	1,873,207	370,724	-
Total expenditures	1,898,507	431,424	55,500
TRANSFERS OUT	-	3,768	-
Total expenditures and transfers out requiring appropriation	1,898,507	435,192	55,500
ENDING FUND BALANCES	\$ 396,961	\$ 49,175	\$ 82,031
EMERGENCY RESERVE	\$ 5	\$ 100	\$ 200
TOTAL RESERVE	\$ 5	\$ 100	\$ 200

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
----------------	-------------------	----------------

**ASSESSED VALUATION - EL PASO**

Residential	\$ -	\$ -	\$ 172,370
State assessed	17,780	17,230	-
Vacant land	399,560	312,420	711,710
Certified Assessed Value	<u>\$ 417,340</u>	<u>\$ 329,650</u>	<u>\$ 884,080</u>

**MILL LEVY**

General	0.000	5.666	5.566
Debt Service	30.000	33.398	33.398
Total mill levy	<u>30.000</u>	<u>39.064</u>	<u>38.964</u>

**PROPERTY TAXES**

General	\$ -	\$ 1,835	\$ 4,921
Debt Service	12,520	11,009	29,526
Levied property taxes	<u>12,520</u>	<u>12,844</u>	<u>34,447</u>
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 12,520</u>	<u>\$ 12,844</u>	<u>\$ 34,447</u>

**BUDGETED PROPERTY TAXES**

General	\$ -	\$ 1,835	\$ 4,921
Debt Service	12,520	11,009	29,526
	<u>\$ 12,520</u>	<u>\$ 12,844</u>	<u>\$ 34,447</u>

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
GENERAL FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ (3,698)	\$ (8,270)	\$ 100
REVENUES			
Property taxes	-	1,835	4,921
Specific ownership tax	-	196	492
Interest income	4	9	-
Developer advance	20,528	66,830	50,144
Total revenues	20,533	68,870	55,557
Total funds available	16,835	60,600	55,657
EXPENDITURES			
General and administrative			
Accounting	8,000	30,000	25,000
Auditing	-	3,000	4,000
County Treasurer's fee	-	28	74
Dues and licenses	355	300	400
Insurance and bonds	3,108	2,510	3,300
Legal services	13,642	20,000	20,000
Miscellaneous	-	100	100
Election expense	-	1,077	-
Contingency	-	3,485	2,126
Total expenditures	25,105	60,500	55,000
Total expenditures and transfers out requiring appropriation	25,105	60,500	55,000
ENDING FUND BALANCE	\$ (8,270)	\$ 100	\$ 657
EMERGENCY RESERVE	\$ 5	\$ 100	\$ 200
TOTAL RESERVE	\$ 5	\$ 100	\$ 200

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ 18,200	\$ 33,028	\$ 49,075
REVENUES			
Property taxes	12,520	11,009	29,526
Specific ownership tax	1,516	1,170	2,953
Interest income	987	300	320
Total revenues	15,023	12,479	32,799
TRANSFERS IN			
Transfers from other funds	-	3,768	-
Total funds available	33,223	49,275	81,874
EXPENDITURES			
County Treasurer's fee	195	165	443
Contingency	-	35	57
Total expenditures	195	200	500
Total expenditures and transfers out requiring appropriation	195	200	500
ENDING FUND BALANCE	\$ 33,028	\$ 49,075	\$ 81,374

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2021 BUDGET  
WITH 2019 ACTUAL AND 2020 ESTIMATED  
For the Years Ended and Ending December 31,**

1/25/21

	ACTUAL 2019	ESTIMATED 2020	BUDGET 2021
BEGINNING FUND BALANCE	\$ -	\$ 372,203	\$ -
REVENUES			
Interest income	469	1,791	-
Developer advance	1,147,801	498	-
Bond issuance	1,097,140	-	-
Total revenues	2,245,410	2,289	-
Total funds available	2,245,410	374,492	-
EXPENDITURES			
General and Administrative			
Accounting	4,189	-	-
Legal services	6,955	-	-
Capital Projects			
Repay developer advance	484,144	370,224	-
Cost Certification	-	500	-
Capital outlay	1,136,657	-	-
Total expenditures	1,873,207	370,724	-
TRANSFERS OUT			
Transfers to other fund	-	3,768	-
Total expenditures and transfers out requiring appropriation	1,873,207	374,492	-
ENDING FUND BALANCE	\$ 372,203	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City of Colorado Springs on October 31, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on September 27, 2016. The District's service area is located in Colorado Springs.

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, television relay and translation and mosquito control improvements and services.

On November 8, 2016, the District's voters authorized total indebtedness of \$1,100,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$3,000,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes of \$5,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

On November 8, 2016, the District's voters authorized an additional total indebtedness of \$3,000,000 for the above listed facilities. The District's voters also authorized an additional total indebtedness of \$3,000,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an additional annual increase in property taxes of \$24,600,000 without limitation of rate, to pay the District's operation and maintenance costs.

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.

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

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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.

The District's maximum Operating Mill Levy is 5.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. The District's maximum Debt Required Mill Levy is 30.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2020, the adjusted maximum operating mill levy is 5.566 mills, and adjusted maximum mill levy for debt service is 33.398 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using 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 10% of the property taxes collected.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average rate of approximately 0.05%.

**Developer Advance**

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. 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.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating 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 expenses.

**County Treasurer's Fees**

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

**Debt Service**

Principal and interest payments discussed under Debt and Leases.

**Debt and Leases**

**Bond Issuance**

On December 5, 2019 the District issued \$1,097,139.60 in Series 2019 Limited Tax General Obligation Convertible Capital Appreciation Bonds. The Bonds issued as accretions bonds and are convertible to current interest bonds on December 1, 2021. Prior to conversion to current interest bonds, the Bonds do not pay current interest and accrete in value at an annual yield equal to 6.25%. The accreted amount compounds semiannually on June 1 and December 1, beginning June 1, 2020, to and including December 1, 2021. Such accreted amount, together with the original principal amount of the Bonds, bears interest at the interest rate borne by the Bonds upon conversion to current interest bonds.

The accreted principal balance at conversion on December 1, 2021, will be \$1,240,000. Upon conversion to current interest bonds, the Bonds will bear interest at a rate of 6.25%, payable semiannually on June 1 and December 1, commencing on June 1, 2022. Annual principal payments are due on December 1 of each year beginning December 1, 2028. The Bonds mature on December 1, 2049.

The Bonds are secured by the Surplus Fund which is funded by District funds in the amount of \$32,607 on the date of issuance of the Bonds and by Pledged Revenue that is not needed to pay debt service on the Bonds in any year, up to the Maximum Surplus Amount of \$109,714. Amounts on deposit in the Surplus Fund in excess of the Maximum Surplus Amount shall be remitted by the Trustee to the District for application to any lawful purpose of the District. To the extent there are any amounts remaining on deposit in the Surplus Fund after the full repayment or defeasance of the Bonds and any permitted Refunding Bonds, such amount shall be returned to the District.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (continued)**

	Balance - December 31, 2019	Additions	Reductions	Balance - December 31, 2020	Current Portion
Bonds Payable:					
Series 2019 Limited Tax G.O. Convertible CABs	\$ 1,097,140	\$ -	\$ -	\$ 1,097,140	\$ -
Notes/Direct Borrowings					
Developer Advance - General	39,852	66,830	-	106,682	-
Developer Advance - Capital	663,657	498	370,224	293,931	-
Interest on Developer Advances	5,750	33,715	-	39,465	-
Note/Direct Borrowings Total	<u>\$ 1,806,399</u>	<u>\$ 101,043</u>	<u>\$ 370,224</u>	<u>\$ 1,537,218</u>	<u>\$ -</u>

	Balance - December 31, 2020	Additions	Reductions	Balance - December 31, 2021	Current Portion
Bonds Payable:					
Series 2019 Limited Tax G.O. Convertible CABs	\$ 1,097,140	\$ -	\$ -	\$ 1,097,140	\$ -
Notes/Direct Borrowings					
Developer Advance - General	106,682	50,144	-	156,826	-
Developer Advance - Capital	293,931	-	-	293,931	-
Interest on Developer Advances	39,465	26,072	-	65,537	-
Note/Direct Borrowings Total	<u>\$ 1,537,218</u>	<u>\$ 76,216</u>	<u>\$ -</u>	<u>\$ 1,613,434</u>	<u>\$ -</u>

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR when actual revenue is received.

**This information is an integral part of the accompanying budget.**

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$1,097,139.60 Limited Tax General Obligation  
Convertible Capital Appreciation Bonds**

**Series 2019**

**December 5, 2019**

**Principal due December 1**

**Interest Rates 6.25% Payable**

**June 1 and December 1**

<b>Year Ended</b>					
<b>December 31,</b>	<b>Principal</b>	<b>Accreted</b>	<b>Total at Maturity</b>	<b>Interest</b>	<b>Total</b>
2021	\$ -	\$ -	\$ -	\$ -	\$ -
2022	-	-	-	77,500	77,500
2023	-	-	-	77,500	77,500
2024	-	-	-	77,500	77,500
2025	-	-	-	77,500	77,500
2026	-	-	-	77,500	77,500
2027	-	-	-	77,500	77,500
2028	4,423.95	576.05	5,000	77,500	82,500
2029	4,423.95	576.05	5,000	77,188	82,188
2030	8,847.90	1,152.10	10,000	76,875	86,875
2031	8,847.90	1,152.10	10,000	76,250	86,250
2032	17,695.80	2,304.20	20,000	75,625	95,625
2033	17,695.80	2,304.20	20,000	74,375	94,375
2034	22,119.75	2,880.25	25,000	73,125	98,125
2035	22,119.75	2,880.25	25,000	71,563	96,563
2036	30,967.65	4,032.35	35,000	70,000	105,000
2037	30,967.65	4,032.35	35,000	67,813	102,813
2038	39,815.55	5,184.45	45,000	65,625	110,625
2039	44,239.50	5,760.50	50,000	62,813	112,813
2040	53,087.40	6,912.60	60,000	59,688	119,688
2041	53,087.40	6,912.60	60,000	55,938	115,938
2042	66,359.25	8,640.75	75,000	52,188	127,188
2043	70,783.20	9,216.80	80,000	47,500	127,500
2044	79,631.10	10,368.90	90,000	42,500	132,500
2045	84,055.05	10,944.95	95,000	36,875	131,875
2046	97,326.90	12,673.10	110,000	30,938	140,938
2047	101,750.85	13,249.15	115,000	24,063	139,063
2048	115,022.70	14,977.30	130,000	16,875	146,875
2049	123,870.60	16,129.40	140,000	8,750	148,750
	<u>\$1,097,139.60</u>	<u>\$ 142,860.40</u>	<u>\$ 1,240,000</u>	<u>\$ 1,709,063</u>	<u>\$ 2,949,063</u>

No assurance provided. See summary of significant assumptions.

## **Renewal Documents and Invoice**

### **1/1/2022 to EOD 12/31/2022**

Acceptance of this coverage is evidenced only by payment of the enclosed invoice by January 1, 2022. Please review the attached Coverage Contribution instructions for details about your payment.

The following renewal documents are enclosed where applicable:

1. Invoice: Payment is due upon receipt. Please return a copy of the invoice with your payment to ensure that it is applied correctly.
2. Coverage Declaration Pages: Informational page summarizing the key points about the coverage provided including limits and deductible descriptions for all coverage provided. Full coverage forms will be available at [csdpool.org/documents](https://csdpool.org/documents) on January 1, 2022.
3. Schedules: Lists of exposures and values.
4. Certificates of coverage: Originals are mailed directly to the Certificate Holders.
5. Automobile identification cards: Hard copies will be mailed.
6. Quote for Excess Liability limits: Limits of up to \$8 million, in excess of the primary \$2 million Liability limit, are available. Although the primary \$2 million Liability limit is sufficient to cover the CGIA tort cap, we do recommend that you consider purchasing higher limits primarily due to special districts' unlimited liability to federal civil rights, discrimination, harassment, whistle blowing, and other employment-related practices claims.
7. Net loss ratio comparison report by line of coverage: A comparison of losses over the last two years.



## **Renewal Notice**

The annual contribution for your coverage with the Pool is due upon receipt of the invoice. To make a payment, please mail your check to

Colorado Special Districts Property & Liability Pool  
PO Box 1539  
Portland, OR 97207

For express or overnight mail services, please use the address below:

McGriff Insurance Services, Inc.  
1800 SW 1<sup>st</sup> Ave, Suite 400  
Portland, OR 97201

Please include a copy of the invoice with your payment to ensure that it is accurately applied.

The Pool does not accept credit card payments; however, if you would like to make payment via wire transfer, please let us know and we will be happy to provide you with the wiring instructions.

Please be advised that in accordance with the Intergovernmental Agreement (IGA), automatic expulsion will occur on the 60<sup>th</sup> day should your account not be current. If you wish to reinstate your district's coverage after cancellation has occurred, a \$100 reinstatement fee will apply.

If your district requires a payment extension, please submit a request in writing by December 1, 2021 for consideration by the CSD Pool Board of Directors.

Another requirement for maintaining coverage with the Pool is adoption of the IGA and Resolution by each District's Board of Directors. The signed and executed agreements must be on file with the Pool Administrator within 60 days of initial binding of coverage with the Pool. This document is not required each year at renewal.

Finally, all members in the Pool must be members in good standing with the Special District Association of Colorado (SDA). The CSD Pool will non-renew coverage if the SDA determines that your membership dues are not current.

For billing questions, please email us at [billing@csdpool.org](mailto:billing@csdpool.org) or call us at 800-318-8870, ext. 3.

**Named Member:**

Tuscan Foothills Village Metropolitan District  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker of Record:**

TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

Coverage No.	Entity ID	Effective Date	Expiration Date	Invoice Date
POL-0009270	61584	1/1/2022	EOD 12/31/2022	9/26/2021

Coverage	Contribution
General Liability	\$ 520.00
Crime	\$ 135.00
Non-Owned Auto Liability	\$ 132.00
Hired Auto Physical Damage	\$ 65.00
No-Fault Water Intrusion & Sewer Backup	\$ 9.00
Public Officials Liability	\$1,163.00
Pollution	\$ 0.00

<b>Total Contribution</b>	<b>\$2,024</b>
---------------------------	----------------

*Please note: where included above, Hired Auto Physical Damage, Non-Owned Auto Liability, and No-Fault Water Intrusion & Sewer Backup are mandatory coverages and may not be removed.*

*The following discounts are applied (Not applicable to minimum contributions):*

*10% Direct Discount*

**Please include a copy of the invoice with your check.**

**Please Remit Payment to:**

Colorado Special Districts Property and Liability Pool  
c/o McGriff Insurance Services, Inc.  
PO Box 1539  
Portland, OR 97207-1539

**Payment Due Upon Receipt**

**Payment evidences acceptance of this coverage. NOTE: Terms of the Intergovernmental Agreement require timely payment to prevent automatic cancellation of coverage. Only the Colorado Special Districts Property and Liability Pool Board of Directors can extend the cancellation provision.**



## Public Entity Liability and Auto Physical Damage Certificate Holder Declaration

**Master Coverage Document Number:** CSD Pool CTC 01 01 22 and CSD Pool PEL 01 01 22

**Certificate Number:** POL-0009270

**Coverage Period:** 1/1/2022 to EOD 12/31/2022

**Named Member:**

Tuscan Foothills Village Metropolitan District  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker of Record:**

TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

Coverage is provided only for those coverages indicated below for which a contribution is shown.

Coverage	Per Occurrence Limit	Annual Aggregate Limit	Deductible	Contribution
<b>Public Entity Liability Coverage including:</b>	\$2,000,000	None		
General Liability	Included	None	None	\$520
Medical Payments - Premises	\$10,000	None	None	Included
Employee Benefits Liability	Included	None	None	Included
Public Officials Liability	Included	None	\$1,000	\$1,163
Employment Practices Liability	Included	None	*\$100,000	Included
Pre Loss Legal Assistance	\$3,500	\$7,000	None	Included
No-Fault Water Intrusion & Sewer Backup	\$200,000 limited to \$10,000 Any One Premises	***\$1,000,000	\$500	\$9
Cyber	\$200,000	**\$200,000	\$1,000	Included
Fiduciary Liability	\$200,000	**\$200,000	\$1,000	Included
Excess Liability - Coverage agreements A,B,C,D	No Coverage	No Coverage	N/A	No
Auto Liability	No Coverage	No Coverage	N/A	No
Medical Payments – Auto	No Coverage	No Coverage	N/A	No
Non-Owned and Hired Auto Liability	Included	None	None	\$132
Uninsured/Underinsured Motorists Liability	No Coverage	No Coverage	N/A	No
<b>Auto Physical Damage</b>	No Coverage	No Coverage	N/A	No
Hired Auto Physical Damage	\$50,000	N/A	\$500/\$500	\$65
Auto Physical Damage - Employee Deductible Reimbursement	\$2,500	N/A	None	Included

**Total Contribution** 1,889.00

\*Employment Practices Liability Deductible: 50% of loss including Indemnity and Legal Expenses subject to a maximum deductible of \$100,000 each occurrence.

\*\*A \$5,000,000 All Member Annual Aggregate Limit shall apply to Cyber.

\*\*A \$1,000,000 All Member Annual Aggregate Limit shall apply to Fiduciary Liability.

\*\*\*No-Fault Water Intrusion & Sewer Backup has \$1,000,000 All Member Annual Aggregate Limit.

**Additional Endorsements applicable to Member:**

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Public Entity Liability Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage Document for actual coverage, terms, conditions, and exclusions.

Countersigned by: \_\_\_\_\_

Authorized Representative

Date: 9/26/2021

**Crime Certificate Holder Declaration**

**Master Coverage Document Number:** J05931794  
**Certificate Number:** POL-0009270

**Insurer:** Federal Insurance Company (Chubb)  
**Coverage Period:** 1/1/2022 to EOD 12/31/2022

**Named Member:**

Tuscan Foothills Village Metropolitan District  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker of Record:**

TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

**Covered Designated Agent(s):****Coverages and Limits:**

**Employee Theft:** \$5,000

- Limit is maximum for each loss
- Employee includes executives, full-time, part-time, seasonal, leased and temporary employee(s), interns or non-compensated volunteer.
- Includes funds from a sponsored benefit plan.

**Public Official Faithful Performance of Duty:** \$5,000

**Client Theft:** \$5,000

**Forgery or Alteration:** \$5,000

**On Premises:** \$5,000

**In Transit:** \$5,000

**Computer System Fraud:** \$5,000

**Funds Transfer Fraud:** \$5,000

**Debit, Credit or Charge Card Fraud:** \$5,000

**Money Orders and Counterfeit Paper Currency Fraud:** \$5,000

**Social Engineering Fraud:** \$5,000

**Deductible(s):**

**All Crime except Social Engineer Fraud:** \$100

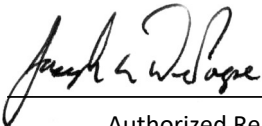
**Social Engineering Fraud:** 20% of Social Engineering Fraud Limit

**Contribution:** \$135

**Policy Forms:**

PF-52815 (04/20)	The Chubb Primary <sup>SM</sup> Commercial Crime Insurance
PF-52853 (04/20)	Governmental Entity (Colorado Special Districts Pool) Endorsement
PF-53127 (04/20)	Colorado Amendatory Endorsement
PF-52851 (04/20)	Add Corporate Credit Card Coverage

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Master Crime Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Policy Documents for actual coverage, terms, conditions, and exclusions.

Countersigned by:   
Authorized Representative

**Identity Recovery Certificate Holder Declaration****Master Coverage Policy Number:**  
CSD Pool IDR Form 01 01 21**Insurer:**  
The Hartford Steam Boiler Inspection  
and Insurance Company**Certificate Number:** POL-0009270**Coverage Period:** 1/1/2022 to EOD 12/31/2022**Named Member:**Tuscan Foothills Village Metropolitan District  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122**Broker of Record:**TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112**Member:**

All permanent employees and District Board members participating in the Colorado Special Districts Property and Liability Pool; Special District Association of Colorado staff and Board of Directors.

**Coverage:**

Reimbursement coverage for expenses arising from a defined "Identity Theft" event. Including: legal fees for answer of civil judgments and defense of criminal charges; phone, postage, shipping fees; notary and filing fees; credit bureau reports; lost wages; child/elder care and mental health counseling.

This coverage does not reimburse the member for monies stolen or fraudulently charged to the member, and excludes loss arising from the member's fraudulent, dishonest or criminal act.

**Annual Aggregate Limit per Member:** **\$35,000**

Case Management Service Expenses - does not reduce the limit available

Legal Costs - reduces the limit available

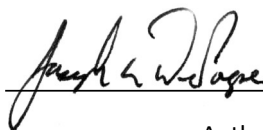
**Sub Limits:**

<b>\$5,000</b>	Lost Wages and Child/Elder Care
<b>\$1,000</b>	Mental Health Counseling
<b>\$1,000</b>	Miscellaneous Expenses

**Coverage Trigger:** Coverage is provided on a discovery basis with a 60-day reporting requirement**Claims:** For Recovery Assistance and Counseling, please call 1-800-945-4617

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Identity Recovery Coverage Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage document for actual coverage, terms, conditions, and exclusions.**

Countersigned by:



Authorized Representative

Date: 9/26/2021

**General Liability Schedule  
Metropolitan District**

**Policy Number:** POL-0009270  
**Named Member:** Tuscan Foothills Village Metropolitan District

**Coverage Period:** 1/1/2022 – EOD 12/31/2022  
**Broker:** TCW Risk Management

Code	Description	Unit	Amount	Effective Date	Expiration Date
1	1-Number of Skate Board Parks	Total	0.00	1/1/2022	12/31/2022
2	2-Number of Diving Boards	Total	0.00	1/1/2022	12/31/2022
3	3-Number of Water Slides	Total	0.00	1/1/2022	12/31/2022
4	4-Maximum Bond Issued	Dollars	0.00	1/1/2022	12/31/2022
5	5-Number of Bonds Issued	Total	0.00	1/1/2022	12/31/2022
20	20-Day Care Operations - Total Annual Payroll	Dollars	0.00	1/1/2022	12/31/2022
30	30-Number of EMT Personnel	Total	0.00	1/1/2022	12/31/2022
32	32-Paid Firefighters - (Not EMT)	Total	0.00	1/1/2022	12/31/2022
37	37-Pipe Line - Under Drain	Miles	0.00	1/1/2022	12/31/2022
39	39-Pipe Line	Miles	0.00	1/1/2022	12/31/2022
42	42-Pipe Line - Sewer	Miles	0.00	1/1/2022	12/31/2022
43	43-Pipe Line - Sewer / Storm Drainage Combined	Miles	0.00	1/1/2022	12/31/2022
50	50-Number of Teachers	Total	0.00	1/1/2022	12/31/2022
70	70-Number of Golf Courses	Total	0.00	1/1/2022	12/31/2022
80	80-Number of Go Cart Tracks	Total	0.00	1/1/2022	12/31/2022
98	98-Additional First Named Members	Total	0.00	1/1/2022	12/31/2022
105	105-Total Operating Expenses - Any other	Dollars	28,325.00	1/1/2022	12/31/2022
130	130-Total Operating Expenses - Park & Recreation	Dollars	0.00	1/1/2022	12/31/2022
131	131-Total Operating Expenses - Cemetery	Dollars	0.00	1/1/2022	12/31/2022

132	132-Total Operating Expenses - Soil & Water Conse	Dollars	0.00	1/1/2022	12/31/2022
133	133-Total Operating Expenses - Pest Control	Dollars	0.00	1/1/2022	12/31/2022
134	134-Total Operating Expenses - Hospital / Health	Dollars	0.00	1/1/2022	12/31/2022
135	135-Total Operating Expenses - Drainage	Dollars	0.00	1/1/2022	12/31/2022
136	136-Total Operating Expenses - Library	Dollars	0.00	1/1/2022	12/31/2022
137	137-Total Operating Expenses - Water Control	Dollars	0.00	1/1/2022	12/31/2022
138	138-Total Operating Expenses - Fire / Ambulance	Dollars	0.00	1/1/2022	12/31/2022
139	139-Total Operating Expenses - Water	Dollars	0.00	1/1/2022	12/31/2022
140	140-Total Operating Expenses - Irrigation	Dollars	0.00	1/1/2022	12/31/2022
141	141-Total Operating Expenses - Sanitation	Dollars	0.00	1/1/2022	12/31/2022
142	142-Total Operating Expenses - Transit	Dollars	0.00	1/1/2022	12/31/2022
143	143-Total Operating Expenses - Improvement	Dollars	0.00	1/1/2022	12/31/2022
151	151-Total Operating Expenses - Sanitation MW Discounted	Dollars	0.00	1/1/2022	12/31/2022
215	215-Buildings & Premises Occupied by District	Sq. Ft.	0.00	1/1/2022	12/31/2022
250	250-Number of Homes – Covenant Enforcement/Design Review Services under District Authority	Total	0.00	1/1/2022	12/31/2022
270	270-Number of Aboveground Storage Tanks (excluding water tanks)	Total	0.00	1/1/2022	12/31/2022
331	331-Number of Paid Firefighters - Full-Time	Total	0.00	1/1/2022	12/31/2022
332	332-Number of Paid Firefighters - Part-Time	Total	0.00	1/1/2022	12/31/2022
333	333-Number of Volunteer Firefighters	Total	0.00	1/1/2022	12/31/2022
334	334-Number of Paid EMT - Full-Time	Total	0.00	1/1/2022	12/31/2022
335	335-Number of Paid EMT - Part-Time	Total	0.00	1/1/2022	12/31/2022
341	341-Club/Recreation/Camp Volunteers	Total	0.00	1/1/2022	12/31/2022
342	342-Day Care Volunteers	Total	0.00	1/1/2022	12/31/2022
344	344-Event Organizer Volunteers	Total	0.00	1/1/2022	12/31/2022

345	345-General Volunteers	Total	0.00	1/1/2022	12/31/2022
348	348-Number of Board Members	Total	0.00	1/1/2022	12/31/2022
350	350-Number of Permanent Employees - Full-Time	Total	0.00	1/1/2022	12/31/2022
351	351-Number of Permanent Employees - Part-Time	Total	0.00	1/1/2022	12/31/2022
366	366-Total Payroll	Dollars	0.00	1/1/2022	12/31/2022
400	400-Class 1 Boats - Under 26'	Total	0.00	1/1/2022	12/31/2022
411	411-Total Water Delivered Annually - Millions of Gallons	MGAL	0.00	1/1/2022	12/31/2022
414	414-Playground/parks (Area)	Acres	0.00	1/1/2022	12/31/2022
415	415-Number of Grandstands/Stadiums	Total	0.00	1/1/2022	12/31/2022
420	420-Vacant Land	Acres	0.00	1/1/2022	12/31/2022
450	450-Miles of Road Maintained	Miles	0.00	1/1/2022	12/31/2022
522	522-Number of Ponds, Lakes & Reservoirs	Total	0.00	1/1/2022	12/31/2022
550	550-Fire Department Area Served	Sq Miles	0.00	1/1/2022	12/31/2022
671	671-Number of Parks	Total	0.00	1/1/2022	12/31/2022
710	710-Dams - Class 1 - Low Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2022	12/31/2022
712	712-Dams - Class 1 - Low Hazard - Number of Dams	Count	0.00	1/1/2022	12/31/2022
720	720-Dams - Class 2 - Med Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2022	12/31/2022
722	722-Dams - Class 2 - Med Hazard - Number of Dams	Count	0.00	1/1/2022	12/31/2022
730	730-Dams - Class 3 - High Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2022	12/31/2022
732	732-Dams - Class 3 - High Hazard - Number of Dams	Count	0.00	1/1/2022	12/31/2022
811	811-Number of Spillways	Total	0.00	1/1/2022	12/31/2022
900	900-Services Contracted out to Others	Dollars	20,000.00	1/1/2022	12/31/2022
924	924-Revenue from use of Swimming Pools	Dollars	0.00	1/1/2022	12/31/2022
925	925-Number of Swimming Pools	Total	0.00	1/1/2022	12/31/2022
945	945-Number of Sewage Taps	Total	0.00	1/1/2022	12/31/2022

946	946-Number of Water Mains or Connections	Total	0.00	1/1/2022	12/31/2022
947	947-Sewer and/or Sanitation Line Maintenance (budget)	Dollars	0.00	1/1/2022	12/31/2022
948	948-Water Line Maintenance (budget)	Dollars	0.00	1/1/2022	12/31/2022
997	997-Number of district sponsored Events/Fundraisers - No Alcohol Served	Total	0.00	1/1/2022	12/31/2022
998	998-Number of District sponsored Events/Fundraisers – With Alcohol Served	Total	0.00	1/1/2022	12/31/2022
999	999-Prior Acts Coverage Under a Previous “Claims Made” Policy	Premium	0.00	1/1/2022	12/31/2022

**If your district has exposures not listed on the General Liability schedule above, such as airplanes, security staff, bridges, drones, etc., please furnish details. Certain activities may be excluded or restricted.**

**Annual Comparison of 2022 and 2021 contributions.**  
**Loss Ratios based on participation years from 2014 to 2021**

**Tuscan Foothills Village Metropolitan District**

Year	Contribution
2022	\$2,024.00
2021	\$2,024.00
Difference	
% Difference	

General Liability	Contribution	TOE
Yr. 2022	\$520.00	\$28,325.00
Yr. 2021	\$520.00	\$28,325.00
Difference		\$0.00
% Difference		0.00%
Loss Ratio		0.00%

Equipment Breakdown	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
<hr/>	
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Auto Liability	Contribution	Auto Count
Yr. 2022	\$132.00	0
Yr. 2021	\$132.00	0
Difference		0
% Difference		0.00%
Loss Ratio		0.00%

Crime	Contribution
Yr. 2022	\$135.00
Yr. 2021	\$135.00
<hr/>	
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Auto Physical Damage	Contribution	TIV
Yr. 2022	\$65.00	\$0.00
Yr. 2021	\$65.00	\$0.00
Difference		\$0.00
% Difference		0.00%
Loss Ratio		0.00%

Public Officials Liability	Contribution	EE Count
Yr. 2022	\$1,163.00	0
Yr. 2021	\$1,163.00	0
Difference		0
% Difference		0.00%
Loss Ratio		0.00%

Property/Inland Marine	Contribution	TIV
Yr. 2022	\$0.00	\$0.00
Yr. 2021	\$0.00	\$0.00
Difference		\$0.00
% Difference		0.00%
Loss Ratio		0.00%

Excess Liability	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
<hr/>	
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Earthquake	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
<hr/>	
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Flood	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
<hr/>	
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

No Fault	Contribution
Yr. 2022	\$9.00
Yr. 2021	\$9.00
<hr/>	
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

## Excess Liability Options Proposal For 2022

### This Proposal Does Not Bind Coverage

This report demonstrates what it would cost your district to increase coverage from your current limit of liability to a higher limit.

**Named Member:** Tuscan Foothills Village Metropolitan District

**Certificate Number:** POL-0009270

<u>Excess Limit</u>	<u>Annual Excess Contribution</u>	<u>Change in Contribution</u>
\$1,000,000	\$330	\$330
\$2,000,000	\$570	\$570
\$3,000,000	\$810	\$810
\$4,000,000	\$1,020	\$1,020
\$5,000,000	\$1,250	\$1,250
\$6,000,000	\$1,500	\$1,500
\$7,000,000	\$1,750	\$1,750
\$8,000,000	\$2,000	\$2,000

.

**Note: This is not your Coverage Document. It was created solely for informational purposes.**

Sunday, September 26, 2021



384 Inverness Parkway Suite 170  
Englewood, CO 80112  
(303) 368-5757  
tcwinfo@wilsonins.com

Invoice # 10175		Page 1 of 1
Account Number	Date	
TUSCFOO-01	10/19/2021	
BALANCE DUE ON		
1/1/2022		
AMOUNT PAID	Amount Due	
	\$495.00	

**Tuscan Foothills Village Metropolitan District**  
**c/o White Bear Ankele Tanaka & Waldron**  
**2154 East Commons Avenue, Suite 2000**  
**Centennial, CO 80122**

Commercial Package	PolicyNumber: 0009270	Effective: 1/1/2022 to 1/1/2023
--------------------	-----------------------	---------------------------------

Item #	Trans Eff Date	Due Date	Trans	Description	Amount
68433	1/1/2022	1/1/2022	FEEA	2022 Agency Fee	\$495.00
Total Invoice Balance:					\$495.00

**RESOLUTION  
OF THE BOARD OF DIRECTORS OF THE  
TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT**

**DESIGNATING THE LOCATION OF REGULAR MEETINGS OF THE BOARD OF  
DIRECTORS**

WHEREAS, the Tuscan Foothills Village Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the Board of Directors of the District (“**Board**”) previously adopted that certain Resolution Declaring Emergency Procedures and Authorizing Teleconferencing for Regular and Special Meetings (the “**Emergency Resolution**”); and

WHEREAS, pursuant to the Emergency Resolution, any actions, including, but not limited to the adoption of the Emergency Resolution, taken at a regular or special meeting held by teleconference platform shall be ratified at the first regular or special in-person Board meeting that takes place after adoption of the Emergency Resolution; and

WHEREAS, pursuant to § 32-1-903(1), C.R.S., the Board shall meet regularly at a time and in a location to be designated by the Board; and

WHEREAS, the Colorado Legislature enacted House Bill 21-1278 amending § 32-1-903, C.R.S., to clarify what qualifies as a meeting location for purposes of special district board meetings; and

WHEREAS, pursuant to § 32-1-903(5)(a), C.R.S., “location” means the physical, telephonic, electronic, or other virtual place, or combination of such means where a meeting can be attended; and

WHEREAS, § 32-1-903(4), C.R.S., provides that the method of conducting any meeting held prior to the effective date of this section, as amended, by telephonic, electronic, or other virtual means is validated, ratified, confirmed, and may not be challenged; and

WHEREAS, the Board desires to repeal the Emergency Resolution; and

WHEREAS, the Board desires to designate the location for regular meetings of the Board.

NOW, THEREFORE, the Board hereby RESOLVES as follows:

1.     **Ratification of Prior Actions.** The Board hereby finds and determines that, pursuant to § 32-1-903(4), C.R.S., actions taken by the Board before July 7, 2021, are automatically validated, ratified and confirmed and cannot be challenged.

2.     **Designation of Regular Meeting Location.** As of the date hereof, all regular meetings of the Board will be held at the following location:

By telephonic, electronic, or other virtual means, and notice of all meetings of the Board shall include the method or procedure, including the conference number or link, by which members of the public can attend the meeting.

3. **Notice of Meetings Location.** All notices of meetings shall designate whether such meeting will be held by electronic means, at a physical location, or both, and notices of electronic meetings shall include the method or procedure, including the conference number or link, by which members of the public can attend the meeting.

4. **Effect of Resolution.** The above location shall remain in effect until contrary action is taken by the Board, which action must comply with §32-1-903(1), C.R.S., or §§ 32-1-903(1)(a) - 32-1-903(1)(b), C.R.S.

*[Remainder of page intentionally left blank.]*

ADOPTED this 16<sup>th</sup> day of November, 2021.

TUSCAN FOOTHILLS VILLAGE METROPOLITAN  
DISTRICT

---

Officer of the District

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel to the District

*Signature Page to Resolution Designating the Location of Regular Meetings of the Board of  
Directors*

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
ANNUAL ADMINISTRATIVE RESOLUTION  
(2022)**

---

WHEREAS, Tuscan Foothills Village Metropolitan District (the “**District**”), was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of El Paso, Colorado (the “**County**”) and is located entirely within the City of Colorado Springs, Colorado; and

WHEREAS, the Board of Directors (the “**Board**”) of the District, has a duty to perform certain obligations in order to assure the efficient operation of the District and hereby directs its consultants to take the following actions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board directs the District Manager to cause an accurate map of the District’s boundaries to be prepared in accordance with the standards specified by the Division of Local Government (“**Division**”) and to be filed in accordance with § 32-1-306, C.R.S.

2. The Board directs the District Manager to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of any municipality in which the District is located, and the Division of the name of the chairman of the Board, the contact person, telephone number and business address of the District, as required by § 32-1-104(2), C.R.S.

3. The Board directs the District Manager to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with § 29-1-205, C.R.S.

4. The Board directs the District’s accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by §§ 11-58-101, *et seq.*, C.R.S.

5. The Board directs the District’s accountant to: 1) obtain proposals for auditors to be presented to the Board; 2) to cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and 3) to cause the audit to be filed with the State Auditor by July 31<sup>st</sup>, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31<sup>st</sup> in accordance with § 29-1-604, C.R.S.

6. The Board directs the District’s accountant, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, to cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, the District’s audit report or a copy of its application for exemption from audit in accordance with § 29-1-606(7), C.R.S.

7. The Board directs the District's accountant to submit a proposed budget to the Board by October 15<sup>th</sup>, to prepare the final budget and budget message, including any amendments thereto, if necessary, and directs the District Manager to schedule a public hearing on the proposed budget and/or amendments, and to post or publish notices thereof, and directs legal counsel to prepare all budget resolutions and the District Manager to file the budget, budget resolution and budget message with the Division on or before January 30<sup>th</sup>, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

8. The Board directs the District's accountant to monitor expenditures and contracted expenditures and, if necessary, to notify the District Manager, legal counsel and the Board when expenditures or contracted expenditures are expected to exceed appropriated amounts, and directs legal counsel to prepare all budget amendment resolutions and directs the District Manager to schedule a public hearing on a proposed budget amendment and to post or publish notices thereof and to file the amended budget with the Division on or before the date of making such expenditure or contracting for such expenditure, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

9. The Board directs legal counsel to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1<sup>st</sup> if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with § 38-13-110, C.R.S.

10. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's accountant to file the mill levy certification form with the Board of County Commissioners on or before December 15<sup>th</sup>, in accordance with § 39-5-128, C.R.S.

11. The Board directs that all legal notices shall be published in accordance with § 32-1-103(15), C.R.S.

12. The Board determines that each director shall receive compensation for their services as directors subject to the limitations set forth in §§ 32-1-902(3)(a)(I) & (II), C.R.S.

13. The District hereby acknowledges, in accordance with § 32-1-902, C.R.S., the following officers for the District:

Chairman/President:	Raymond O'Sullivan
Treasurer:	Jack Wallace Mason
Secretary:	Kay M. Folan
Assistant Secretary:	Tanweer H. Khan
Recording Secretary:	Legal Counsel

14. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs legal counsel to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board, in accordance with §§ 32-1-902(3)(b) and 18-8-308, C.R.S. Written disclosures provided by Board

members required to be filed with the governing body in accordance with § 18-8-308, C.R.S. shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections or deletions to said conflicts of interest disclosures.

15. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

16. The Board hereby appoints the District Manager as the official custodian for the maintenance, care and keeping of all public records of the District, in accordance with §§ 24-72-202, *et seq.*, C.R.S. The Board hereby directs its legal counsel, accountant, manager and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.

17. The Board directs legal counsel to post notice of all regular and special meetings in accordance with § 32-1-903(2) and § 24-6-402(2)(c), C.R.S. The Board hereby designates [REDACTED] as the District's website for the posting of its regular and special meeting notices. The Board also hereby designates, unless otherwise designated by the Board, [REDACTED] as the location the District will post notices of meetings in the event of exigent or emergency circumstances which prevent the District from posting notice of the meeting on the District's website. The Board directs the District Manager to provide the website address set forth above to the Department of Local Affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.

18. The Board determines to hold regular meetings on [REDACTED], at [REDACTED] [REDACTED] .m. by telephone, electronic, or other means not including physical presence.

All notices of meetings shall designate whether such meeting will be held by electronic means, at a physical location, or both, and shall designate how members of the public may attend such meeting, including the conference number or link by which members of the public can attend the meeting electronically, if applicable.

19. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

20. For the convenience of the electors of the District, and pursuant to its authority set forth in § 1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§ 1-13.5-1101, *et seq.*, C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.

21. Pursuant to the authority set forth in § 1-1-111, C.R.S., the Board hereby appoints Ashley B. Frisbie, of the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at

Law, as the Designated Election Official (the “**DEO**”) of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with § 1-13.5-513, C.R.S.

22. In accordance with § 1-11-103(3), C.R.S., the Board hereby directs the DEO to certify to the Division the results of any elections held by the District and, pursuant to § 32-1-1101.5(1), C.R.S., to certify results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the district and file a copy of such certification with the Division of Securities.

23. The Board directs legal counsel to cause a notice of authorization of or notice to incur general obligation debt to be recorded with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness, in accordance with § 32-1-1604, C.R.S.

24. Pursuant to the authority set forth in § 24-12-103, C.R.S., the Board hereby designates, in addition to any officer of the District, Ashley B. Frisbie of the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

25. The Board directs legal counsel to cause the preparation of and filing with the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, if requested, the application for quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

26. The Board directs the District Manager to cause the preparation of and the filing with the Board of County Commissioners or the governing body of any municipality in which the District is located, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S., an annual report, if requested, in accordance with § 32-1-207(3)(c), C.R.S.

27. The Board directs the District Manager to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District’s liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District’s accountant to pay the annual SDA membership dues, agency fees and insurance premiums, as applicable, in a timely manner. The Board appoints the District Manager to designate the proxy for the SDA Annual meeting for voting and quorum purposes.

28. The Board hereby opts to include elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs the District Manager to obtain workers’ compensation coverage for the District.

29. The Board hereby directs the District Manager to prepare the disclosure notice required by § 32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly. Further, the Board hereby designates the following website as the District’s official website for the purposes thereof: [www.sdaco.org](http://www.sdaco.org).

30. The Board hereby directs legal counsel to prepare and record with the County Clerk and Recorder updates to the disclosure statement notice and map required by § 32-1-104.8, C.R.S., if additional property is included within the District's boundaries.

31. In accordance with § 38-35-109.5(2), C.R.S, the District hereby designates the President of the Board as the official who shall record any instrument conveying title of real property to the District within 30 days of any such conveyance.

32. The Board directs the District's accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the District.

33. The Board directs legal counsel to monitor, and inform the Board of, any legislative changes that may occur throughout the year.

***[Remainder of page intentionally left blank, signature page follows.]***

ADOPTED this 16<sup>th</sup> day of November, 2021.

**TUSCAN FOOTHILLS VILLAGE  
METROPOLITAN DISTRICT**

By: \_\_\_\_\_  
Officer of the District

Attest:

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

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

**CERTIFICATION OF RESOLUTION**

I hereby certify that the foregoing constitutes a true and correct copy of the resolution of the Board adopted at a meeting held on November 16, 2021, via teleconference.

IN WITNESS WHEREOF, I have hereunto subscribed my name this \_\_\_\_ day of November, 2021.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

**RESOLUTION OF BOARD OF DIRECTORS  
CALLING ELECTION**

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT**

§§ 32-1-804, 1-1-111(2), 1-13.5-1103(1), and 1-13.5-513(1), C.R.S.

At a meeting of the Board of Directors (the “**Board**”) of the Tuscan Foothills Village Metropolitan District (the “**District**”), it was moved to adopt the following Resolution:

WHEREAS, the District was organized as a special district pursuant to §§ 32-1-101, *et seq.*, C.R.S. (the “**Special District Act**”); and

WHEREAS, the District is located entirely within El Paso County, Colorado (the “**County**”); and

WHEREAS, pursuant to § 32-1-804, C.R.S., the Board governs the conduct of regular and special elections for the District; and

WHEREAS, the Board anticipates holding a regular election on May 3, 2022, for the purpose of electing directors, and desires to take all actions necessary and proper for the conduct thereof (the “**Election**”); and

WHEREAS, the Election shall be conducted pursuant to the Special District Act, the Colorado Local Government Election Code and the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, including any amendments thereto, and shall also comply with Article X, § 20 of the Colorado Constitution (“**TABOR**”), as necessary; and

WHEREAS, pursuant to § 1-1-111(2), C.R.S., the Board is authorized to designate an election official (the “Designated Election Official”) to exercise authority of the Board in conducting the Election; and

WHEREAS, pursuant to § 1-13.5-513(1), C.R.S., the Board can authorize the Designated Election Official to cancel the Election upon certain conditions.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby calls the Election for the purpose of electing directors. The Election shall be conducted as an independent mail ballot election in accordance with §§ 1-13.5-1101, *et seq.*, C.R.S.

2. The Board names Ashley B. Frisbie of the law firm of White Bear Ankele Tanaka & Waldron as the Designated Election Official for the Election. The Designated Election Official shall act as the primary contact with the County and shall be primarily responsible for ensuring the proper conduct of the Election.

3. Without limiting the foregoing, the following specific determinations also are made:

- a. The Board hereby directs general counsel to the District to approve the final form of the ballot to be submitted to the eligible electors of the District and authorizes the Designated Election Official to certify those questions and take any required action therewith.
- b. The Board hereby determines that: in addition to emailing to each registered elector at the email address provided by the county, or if no email is provided, by mailing to the household of each registered elector, notice of the call for nominations will be provided by [1) publication; or 2) newsletter, annual report or other mailing to the eligible electors of the District; or 3) posting on the District's website; or, if applicable, 4) for Districts with fewer than 1,000 electors, contained within a county of less than 30,000 people, posting at 3 public places and in the office of the clerk and recorder.]
- c. The Board hereby directs general counsel to the District to oversee the general conduct of the Election and authorizes the Designated Election Official to take all action necessary for the proper conduct thereof and to exercise the authority of the Board in conducting the Election, including, but not limited to, causing the call for nominations; appointment, training and setting compensation of election judges and a board of canvassers, as necessary; all required notices of election, including notices required pursuant to TABOR; printing of ballots; supervision of the counting of ballots and certification of election results; and all other appropriate actions.

4. The District shall be responsible for the payment of any and all costs associated with the conduct of the Election, including its cancellation, if permitted.

5. The Board hereby ratifies any and all actions taken to date by general counsel and the Designated Election Official in connection with the Election.

6. The Board hereby authorizes and directs the Designated Election Official to cancel the Election and to declare the candidates elected if, at the close of business on the sixty-third day

before the Election, or at any time thereafter, there are not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates, and so long as the only ballot questions are for the election of candidates. The Board further authorizes and directs the Designated Election Official to publish and post notice of the cancellation as necessary and file such notice and cancellation resolutions with the County Clerk and Recorder and with the Division of Local Government, as required. The Designated Election Official shall also notify the candidates that the Election was canceled and that they were elected by acclamation.

7. This Resolution shall remain in full force and effect until repealed or superseded by subsequent official action of the Board.

ADOPTED THIS 16<sup>th</sup> DAY OF NOVEMBER, 2021.

TUSCAN FOOTHILLS VILLAGE  
METROPOLITAN DISTRICT

---

Officer of the District

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel to the District

*Signature Page to Resolution Calling Election*

**TUSCAN FOOTHILLS VILLAGE METRO DISTRICT**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**TUSCAN FOOTHILLS VILLAGE METRO DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2021**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>ASSETS</b>				
Cash - Checking	\$ 2,596	\$ -	\$ -	\$ 2,596
Colotrust	2,598	40,406	-	43,004
UMB - Series 2019 Bond Fund	-	3,778	-	3,778
UMB - Series 2019 Surplus Fund	-	32,838	-	32,838
Receivable from County Treasurer	47	283	-	330
<b>TOTAL ASSETS</b>	<u>\$ 5,241</u>	<u>\$ 77,305</u>	<u>\$ -</u>	<u>\$ 82,546</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 8,389	\$ -	\$ -	\$ 8,389
Total Liabilities	<u>8,389</u>	<u>-</u>	<u>-</u>	<u>8,389</u>
<b>FUND BALANCES</b>				
Total Fund Balances	<u>(3,148)</u>	<u>77,305</u>	<u>-</u>	<u>74,157</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 5,241</u>	<u>\$ 77,305</u>	<u>\$ -</u>	<u>\$ 82,546</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**TUSCAN FOOTHILLS VILLAGE METRO DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**

**GENERAL FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 4,921	\$ 4,921	\$ -
Specific ownership tax	492	434	(58)
Interest income	-	14	14
<b>TOTAL REVENUES</b>	<u>5,413</u>	<u>5,369</u>	<u>(44)</u>
<b>EXPENDITURES</b>			
Accounting	25,000	23,792	1,208
County Treasurer's fee	74	74	-
Dues and licenses	400	305	95
Legal services	20,000	5,395	14,605
Auditing	4,000	-	4,000
Insurance and bonds	3,300	2,519	781
Miscellaneous	100	-	100
Contingency	2,126	-	2,126
<b>TOTAL EXPENDITURES</b>	<u>55,000</u>	<u>32,085</u>	<u>22,915</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(49,587)	(26,716)	22,871
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer advance	50,144	25,545	(24,599)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>50,144</u>	<u>25,545</u>	<u>(24,599)</u>
<b>NET CHANGE IN FUND BALANCES</b>	557	(1,171)	(1,728)
<b>FUND BALANCES - BEGINNING</b>	<u>100</u>	<u>(1,976)</u>	<u>(2,076)</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 657</u>	<u>\$ (3,147)</u>	<u>\$ (3,804)</u>

## **SUPPLEMENTARY INFORMATION**

**TUSCAN FOOTHILLS VILLAGE METRO DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**

**DEBT SERVICE FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 29,526	\$ 29,526	\$ -
Specific ownership tax	2,953	2,602	(351)
Interest income	320	89	(231)
<b>TOTAL REVENUES</b>	<u>32,799</u>	<u>32,217</u>	<u>(582)</u>
<b>EXPENDITURES</b>			
County Treasurer's fee	443	444	(1)
Paying agent fees	-	4,000	(4,000)
Contingency	57	-	57
<b>TOTAL EXPENDITURES</b>	<u>500</u>	<u>4,444</u>	<u>(3,944)</u>
<b>NET CHANGE IN FUND BALANCES</b>	32,299	27,773	(4,526)
<b>FUND BALANCES - BEGINNING</b>	<u>49,075</u>	<u>49,532</u>	<u>457</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 81,374</u>	<u>\$ 77,305</u>	<u>\$ (4,069)</u>

**TUSCAN FOOTHILLS VILLAGE METRO DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**

**CAPITAL PROJECTS FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
<b>TOTAL REVENUES</b>			
<b>EXPENDITURES</b>			
<b>TOTAL EXPENDITURES</b>			
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCES - BEGINNING</b>	-	-	-
<b>FUND BALANCES - ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City of Colorado Springs on October 31, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on September 27, 2016. The District's service area is located in Colorado Springs.

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, television relay and translation and mosquito control improvements and services.

On November 8, 2016, the District's voters authorized total indebtedness of \$1,100,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$3,000,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes of \$5,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

On November 8, 2016, the District's voters authorized an additional total indebtedness of \$3,000,000 for the above listed facilities. The District's voters also authorized an additional total indebtedness of \$3,000,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an additional annual increase in property taxes of \$24,600,000 without limitation of rate, to pay the District's operation and maintenance costs.

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.

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

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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.

The District's maximum Operating Mill Levy is 5.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. The District's maximum Debt Required Mill Levy is 30.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2020, the adjusted maximum operating mill levy is 5.566 mills, and adjusted maximum mill levy for debt service is 33.398 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using 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 10% of the property taxes collected.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average rate of approximately 0.05%.

**Developer Advance**

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. 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.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating 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 expenses.

**County Treasurer's Fees**

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

**Debt Service**

Principal and interest payments discussed under Debt and Leases.

**Debt and Leases**

**Bond Issuance**

On December 5, 2019 the District issued \$1,097,139.60 in Series 2019 Limited Tax General Obligation Convertible Capital Appreciation Bonds. The Bonds issued as accretions bonds and are convertible to current interest bonds on December 1, 2021. Prior to conversion to current interest bonds, the Bonds do not pay current interest and accrete in value at an annual yield equal to 6.25%. The accreted amount compounds semiannually on June 1 and December 1, beginning June 1, 2020, to and including December 1, 2021. Such accreted amount, together with the original principal amount of the Bonds, bears interest at the interest rate borne by the Bonds upon conversion to current interest bonds.

The accreted principal balance at conversion on December 1, 2021, will be \$1,240,000. Upon conversion to current interest bonds, the Bonds will bear interest at a rate of 6.25%, payable semiannually on June 1 and December 1, commencing on June 1, 2022. Annual principal payments are due on December 1 of each year beginning December 1, 2028. The Bonds mature on December 1, 2049.

The Bonds are secured by the Surplus Fund which is funded by District funds in the amount of \$32,607 on the date of issuance of the Bonds and by Pledged Revenue that is not needed to pay debt service on the Bonds in any year, up to the Maximum Surplus Amount of \$109,714. Amounts on deposit in the Surplus Fund in excess of the Maximum Surplus Amount shall be remitted by the Trustee to the District for application to any lawful purpose of the District. To the extent there are any amounts remaining on deposit in the Surplus Fund after the full repayment or defeasance of the Bonds and any permitted Refunding Bonds, such amount shall be returned to the District.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2021 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (continued)**

	Balance - December 31, 2019	Additions	Reductions	Balance - December 31, 2020	Current Portion
Bonds Payable:					
Series 2019 Limited Tax G.O. Convertible CABs	\$ 1,097,140	\$ -	\$ -	\$ 1,097,140	\$ -
Notes/Direct Borrowings					
Developer Advance - General	39,852	66,830	-	106,682	-
Developer Advance - Capital	663,657	498	370,224	293,931	-
Interest on Developer Advances	5,750	33,715	-	39,465	-
Note/Direct Borrowings Total	<u>\$ 1,806,399</u>	<u>\$ 101,043</u>	<u>\$ 370,224</u>	<u>\$ 1,537,218</u>	<u>\$ -</u>

	Balance - December 31, 2020	Additions	Reductions	Balance - December 31, 2021	Current Portion
Bonds Payable:					
Series 2019 Limited Tax G.O. Convertible CABs	\$ 1,097,140	\$ -	\$ -	\$ 1,097,140	\$ -
Notes/Direct Borrowings					
Developer Advance - General	106,682	50,144	-	156,826	-
Developer Advance - Capital	293,931	-	-	293,931	-
Interest on Developer Advances	39,465	26,072	-	65,537	-
Note/Direct Borrowings Total	<u>\$ 1,537,218</u>	<u>\$ 76,216</u>	<u>\$ -</u>	<u>\$ 1,613,434</u>	<u>\$ -</u>

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR when actual revenue is received.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$1,097,139.60 Limited Tax General Obligation  
Convertible Capital Appreciation Bonds**

**Series 2019**

**December 5, 2019**

**Principal due December 1**

**Interest Rates 6.25% Payable**

**June 1 and December 1**

<b>Year Ended</b>					
<b>December 31,</b>	<b>Principal</b>	<b>Accreted</b>	<b>Total at Maturity</b>	<b>Interest</b>	<b>Total</b>
2021	\$ -	\$ -	\$ -	\$ -	\$ -
2022	-	-	-	77,500	77,500
2023	-	-	-	77,500	77,500
2024	-	-	-	77,500	77,500
2025	-	-	-	77,500	77,500
2026	-	-	-	77,500	77,500
2027	-	-	-	77,500	77,500
2028	4,423.95	576.05	5,000	77,500	82,500
2029	4,423.95	576.05	5,000	77,188	82,188
2030	8,847.90	1,152.10	10,000	76,875	86,875
2031	8,847.90	1,152.10	10,000	76,250	86,250
2032	17,695.80	2,304.20	20,000	75,625	95,625
2033	17,695.80	2,304.20	20,000	74,375	94,375
2034	22,119.75	2,880.25	25,000	73,125	98,125
2035	22,119.75	2,880.25	25,000	71,563	96,563
2036	30,967.65	4,032.35	35,000	70,000	105,000
2037	30,967.65	4,032.35	35,000	67,813	102,813
2038	39,815.55	5,184.45	45,000	65,625	110,625
2039	44,239.50	5,760.50	50,000	62,813	112,813
2040	53,087.40	6,912.60	60,000	59,688	119,688
2041	53,087.40	6,912.60	60,000	55,938	115,938
2042	66,359.25	8,640.75	75,000	52,188	127,188
2043	70,783.20	9,216.80	80,000	47,500	127,500
2044	79,631.10	10,368.90	90,000	42,500	132,500
2045	84,055.05	10,944.95	95,000	36,875	131,875
2046	97,326.90	12,673.10	110,000	30,938	140,938
2047	101,750.85	13,249.15	115,000	24,063	139,063
2048	115,022.70	14,977.30	130,000	16,875	146,875
2049	123,870.60	16,129.40	140,000	8,750	148,750
	<u>\$1,097,139.60</u>	<u>\$ 142,860.40</u>	<u>\$ 1,240,000</u>	<u>\$ 1,709,063</u>	<u>\$ 2,949,063</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**Tuscan Foothills Village Metropolitan District**  
**Schedule of Cash Position**  
**September 30, 2021**  
**Updated as of November 12, 2021**

	General Fund	Debt Service Fund	Total
<b><u>First Bank - Checking</u></b>			
Balance as of 09/30/2021	\$ 2,596.33	\$ -	\$ 2,596.33
Subsequent activities: None			
11/10/2021 Transfer from CT to cover current claims	2,600.00	-	2,600.00
<i>Anticipated Bill.com Payables</i>	(11,639.21)	-	(11,639.21)
<i>Anticipated Developer Advance</i>	6,500.00	-	6,500.00
<i>Anticipated Balance</i>	57.12	-	57.12
<b><u>Colotrust - Savings</u></b>			
Balance as of 09/30/2021	2,597.84	40,406.03	43,003.87
Subsequent activities: None			
10/10/21 Property Tax Deposit	47.20	283.18	330.38
10/31/21 Interest Income	0.04	0.59	0.63
11/10/21 Anticipated Transfer to 1st Bank	(2,600.00)	-	(2,600.00)
10/10/21 Property Tax Deposit	52.44	314.67	367.11
<i>Anticipated Balance</i>	97.52	41,004.47	41,101.99
<b><u>UMB - Series 2019 Bond Fund</u></b>			
Balance as of 09/30/2021	-	3,778.21	3,778.21
Subsequent activities: None			
<i>Anticipated Balance</i>	-	3,778.21	3,778.21
<b><u>UMB - Series 2019 Surplus Fund</u></b>			
Balance as of 09/30/2021	-	32,837.81	32,837.81
Subsequent activities: None			
10/31/21 <i>Interest Income</i>	-	0.29	0.29
<i>Anticipated Balance</i>	-	32,838.10	32,838.10
<i>Totals</i>	\$ 154.64	\$ 77,620.78	\$ 77,775.42

**Current Yield - As of 10/31/21:**

Colotrust - 0.0167%

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT**

Outstanding AP as of November 16, 2021

<u>Vendor</u>	<u>Invoice #</u>	<u>Date</u>	<u>Date</u>	<u>Open Balance</u>
CliftonLarsonAllen LLP	3000693 - August	8/31/2021	8/31/2021	\$ 3,178.67
White Bear Ankele	17618 - August	8/31/2021	8/31/2021	501.07
CliftonLarsonAllen LLP	3040486 - September	9/30/2021	9/30/2021	3,777.67
White Bear Ankele	18250 - September	9/30/2021	9/30/2021	931.80
BiggsKofford	104791 - Audit	10/1/2021	10/1/2021	3,250.00
Grand Total:				<u><u>\$ 11,639.21</u></u>

## TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT

Check List

All Bank Accounts

November 18, 2020 - November 16, 2021

<u>Check Number</u>	<u>Check Date</u>	<u>Payee</u>	<u>Amount</u>
Bill.com Check	12/01/20	CliftonLarsonAllen LLP	\$ 4,963.76
Bill.com Check	12/01/20	M&S Civil Consultants, Inc.	500.00
Bill.com Check	12/01/20	White Bear Ankele	2,642.63
Bill.com Check	02/04/21	CliftonLarsonAllen LLP	1,877.48
Bill.com Check	02/04/21	White Bear Ankele	2,709.72
Bill.com Check	02/12/21	Colorado Special Districts Property and Liability Pool	2,024.00
Bill.com Check	02/16/21	T Charles Wilson	495.00
Bill.com Check	04/13/21	CliftonLarsonAllen LLP	4,275.16
Bill.com Check	04/13/21	UMB Bank, N.A.	4,000.00
Bill.com Check	04/13/21	White Bear Ankele	1,196.21
Bill.com Check	06/21/21	CliftonLarsonAllen LLP	7,644.88
Bill.com Check	06/21/21	Special District Association	304.69
Bill.com Check	06/21/21	White Bear Ankele	995.86
Bill.com Check	08/06/21	CliftonLarsonAllen LLP	1,831.79
Bill.com Check	08/06/21	White Bear Ankele	988.72
Bill.com Check	09/20/21	CliftonLarsonAllen LLP	3,084.13
Bill.com Check	09/20/21	White Bear Ankele	781.14
Grand Total:			<u><u>40,315.17</u></u>

**Tuscan Foothills Village Metro District  
Property Taxes Reconciliation  
2021**

	Current Year								Prior Year		
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ 3,137.78	\$ -	\$ 324.51	\$ -	\$ (47.07)	\$ 3,415.22	9.11%	9.11%	\$ 129.82	0.00%	0.00%
February	5,667.33	-	319.39	-	(85.01)	5,901.71	16.45%	25.56%	392.08	2.19%	2.19%
March	2,690.86	-	371.78	-	(40.36)	3,022.28	7.81%	33.37%	186.68	0.73%	2.92%
April	4,690.09	-	306.62	-	(70.35)	4,926.36	13.62%	46.99%	1,306.14	9.61%	12.54%
May	10,393.96	-	342.45	-	(155.91)	10,580.50	30.17%	77.16%	382.08	2.19%	14.73%
June	5,943.95	-	318.77	19.23	(89.45)	6,192.50	17.26%	94.42%	772.53	5.12%	19.85%
July	1,442.45	-	328.51	43.27	(22.29)	1,791.94	4.19%	98.60%	223.01	0.73%	20.58%
August	480.82	-	392.71	19.23	(7.50)	885.26	1.40%	100.00%	959.77	6.38%	26.96%
September	-	-	330.38	-	-	330.38	0.00%	100.00%	504.85	2.92%	29.88%
October	-	-	367.11	-	-	367.11	0.00%	100.00%	9,540.89	70.12%	100.00%
November	-	-	-	-	-	-	0.00%	100.00%	115.83	0.00%	100.00%
December	-	-	-	-	-	-	0.00%	100.00%	112.57	0.00%	100.00%
	\$ 34,447.24	\$ -	\$ 3,402.23	\$ 81.73	\$ (517.94)	\$ 37,413.26	100.00%	100.00%	\$ 14,626.25	100.00%	100.00%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
--------------	-------------	--------------------------	------------------------------

<u>Property Tax</u>	<u>Mill Levy</u>				
General Fund	5.566	\$ 4,921	14.29%	\$ 4,921.03	100.00%
Debt Service Fund	33.398	29,526	85.71%	29,526.21	100.00%
		<b>\$ 34,447</b>	<b>100.00%</b>	<b>\$ 34,447.24</b>	<b>100.00%</b>

<u>Specific Ownership Tax</u>					
General Fund	\$ 492	14.28%	\$ 486.03	98.79%	
Debt Service Fund	2,953	85.72%	2,916.20	98.75%	
	<b>\$ 3,445</b>	<b>100.00%</b>	<b>\$ 3,402.23</b>	<b>98.76%</b>	

<u>Treasurer's Fees</u>					
General Fund	\$ 74	14.29%	\$ 73.97	99.96%	
Debt Service Fund	443	85.71%	443.97	100.22%	
	<b>\$ 517</b>	<b>100.00%</b>	<b>\$ 517.94</b>	<b>100.18%</b>	

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT**

**Annual Budget**

**For the Year Ending December 31, 2022**

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
SUMMARY  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

11/12/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 396,961	\$ 49,175	\$ 47,556	\$ 47,556	\$ 79,070
REVENUES					
Property taxes	12,844	34,447	34,447	34,447	74,261
Specific ownership tax	1,397	3,445	3,036	3,445	7,426
Interest income	2,580	320	103	65	359
Developer advance	57,440	50,144	25,545	48,000	50,000
Total revenues	74,261	88,356	63,131	85,957	132,046
TRANSFERS IN	3,768	-	-	-	-
Total funds available	474,990	137,531	110,687	133,513	211,116
EXPENDITURES					
General Fund	52,769	55,000	32,085	50,000	61,000
Debt Service Fund	173	500	4,444	4,443	85,000
Capital Projects Fund	370,724	-	-	-	-
Total expenditures	423,666	55,500	36,529	54,443	146,000
TRANSFERS OUT	3,768	-	-	-	-
Total expenditures and transfers out requiring appropriation	427,434	55,500	36,529	54,443	146,000
ENDING FUND BALANCES	\$ 47,556	\$ 82,031	\$ 74,158	\$ 79,070	\$ 65,116
EMERGENCY RESERVE	\$ 64	\$ 200	\$ 200	\$ 200	\$ 400
TOTAL RESERVE	\$ 64	\$ 200	\$ 200	\$ 200	\$ 400

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

11/12/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
<b>ASSESSED VALUATION - EL PASO</b>					
Residential	\$ -	\$ 172,370	\$ 172,370	\$ 172,370	\$ 1,270,500
Vacant land	312,420	711,710	711,710	711,710	635,400
Certified Assessed Value	<u>\$ 329,650</u>	<u>\$ 884,080</u>	<u>\$ 884,080</u>	<u>\$ 884,080</u>	<u>\$ 1,905,900</u>
<b>MILL LEVY</b>					
General	5.666	5.566	5.566	5.566	5.566
Debt Service	33.398	33.398	33.398	33.398	33.398
Total mill levy	<u>39.064</u>	<u>38.964</u>	<u>38.964</u>	<u>38.964</u>	<u>38.964</u>
<b>PROPERTY TAXES</b>					
General	\$ 1,868	\$ 4,921	\$ 4,921	\$ 4,921	\$ 10,608
Debt Service	11,010	29,526	29,526	29,526	63,653
Adjustments to actual/rounding	(34)	-	(1,923)	-	-
Budgeted property taxes	<u>\$ 12,844</u>	<u>\$ 34,447</u>	<u>\$ 32,524</u>	<u>\$ 34,447</u>	<u>\$ 74,261</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	\$ 1,863	\$ 4,893	\$ 4,921	\$ 4,893	\$ 10,608
Debt Service	10,981	29,554	29,526	29,554	63,653
	<u>\$ 12,844</u>	<u>\$ 34,447</u>	<u>\$ 34,447</u>	<u>\$ 34,447</u>	<u>\$ 74,261</u>

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
GENERAL FUND  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

11/12/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ (8,270)	\$ 100	\$ (1,976)	\$ (1,976)	\$ 1,442
REVENUES					
Property taxes	1,835	4,921	4,921	4,921	10,608
Specific ownership tax	200	492	434	492	1,061
Interest income	88	-	14	5	5
Developer advance	56,940	50,144	25,545	48,000	50,000
Total revenues	59,063	55,557	30,914	53,418	61,674
Total funds available	50,793	55,657	28,938	51,442	63,116
EXPENDITURES					
General and administrative					
Accounting	28,436	25,000	23,792	27,000	28,000
Auditing	3,000	4,000	-	4,000	4,500
County Treasurer's fee	29	74	74	74	159
Dues and licenses	300	400	305	305	400
Insurance and bonds	2,510	3,300	2,519	2,519	3,000
Legal services	17,417	20,000	5,395	10,000	20,000
Miscellaneous	-	100	-	100	100
Election expense	1,077	-	-	-	2,000
Contingency	-	2,126	-	6,002	2,841
Total expenditures	52,769	55,000	32,085	50,000	61,000
Total expenditures and transfers out requiring appropriation	52,769	55,000	32,085	50,000	61,000
ENDING FUND BALANCE	\$ (1,976)	\$ 657	\$ (3,147)	\$ 1,442	\$ 2,116
EMERGENCY RESERVE	\$ 64	\$ 200	\$ 200	\$ 200	\$ 400
TOTAL RESERVE	\$ 64	\$ 200	\$ 200	\$ 200	\$ 400

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT**  
**DEBT SERVICE FUND**  
**2022 BUDGET**  
**WITH 2020 ACTUAL AND 2021 ESTIMATED**  
**For the Years Ended and Ending December 31,**

11/12/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 33,028	\$ 49,075	\$ 49,532	\$ 49,532	\$ 77,628
REVENUES					
Property taxes	11,009	29,526	29,526	29,526	63,653
Specific ownership tax	1,197	2,953	2,602	2,953	6,365
Interest income	703	320	89	60	354
Total revenues	12,909	32,799	32,217	32,539	70,372
TRANSFERS IN					
Transfers from other funds	3,768	-	-	-	-
Total funds available	49,705	81,874	81,749	82,071	148,000
EXPENDITURES					
County Treasurer's fee	173	443	444	443	955
Paying agent fees	-	-	4,000	4,000	5,000
Contingency	-	57	-	-	1,545
Debt Service					
Bond interest	-	-	-	-	77,500
Total expenditures	173	500	4,444	4,443	85,000
Total expenditures and transfers out requiring appropriation	173	500	4,444	4,443	85,000
ENDING FUND BALANCE	\$ 49,532	\$ 81,374	\$ 77,305	\$ 77,628	\$ 63,000

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2022 BUDGET  
WITH 2020 ACTUAL AND 2021 ESTIMATED  
For the Years Ended and Ending December 31,**

11/12/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 372,203	\$ -	\$ -	\$ -	\$ -
REVENUES					
Interest income	1,789	-	-	-	-
Developer advance	500	-	-	-	-
Total revenues	2,289	-	-	-	-
Total funds available	374,492	-	-	-	-
EXPENDITURES					
Capital Projects					
Repay developer advance	370,224	-	-	-	-
Engineering	500	-	-	-	-
Total expenditures	370,724	-	-	-	-
TRANSFERS OUT					
Transfers to other fund	3,768	-	-	-	-
Total expenditures and transfers out requiring appropriation	374,492	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for the City of Colorado Springs on October 31, 2016, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on September 27, 2016. The District's service area is located in Colorado Springs.

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, television relay and translation and mosquito control improvements and services.

On November 8, 2016, the District's voters authorized total indebtedness of \$1,100,000 for the above listed facilities. The District's voters also authorized total indebtedness of \$3,000,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an annual increase in property taxes of \$5,000,000 without limitation of rate, to pay the District's operation and maintenance costs.

On November 8, 2016, the District's voters authorized an additional total indebtedness of \$3,000,000 for the above listed facilities. The District's voters also authorized an additional total indebtedness of \$3,000,000 each for debt refunding and debt related to intergovernmental agreements or other contracts with other public entities. The election also approved an additional annual increase in property taxes of \$24,600,000 without limitation of rate, to pay the District's operation and maintenance costs.

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.

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

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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.

The District's maximum Operating Mill Levy is 5.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. The District's maximum Debt Required Mill Levy is 30.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2022, the adjusted maximum operating mill levy is 5.566 mills, and adjusted maximum mill levy for debt service is 33.398 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using 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 10% of the property taxes collected.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average rate of approximately 0.10%.

**Developer Advance**

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. 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.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating 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 expenses.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.50% of property tax collections.

**Debt Service**

Principal and interest payments discussed under Debt and Leases.

**Debt and Leases**

**Bond Issuance**

On December 5, 2019 the District issued \$1,097,139.60 in Series 2019 Limited Tax General Obligation Convertible Capital Appreciation Bonds. The Bonds issued as accretions bonds and are convertible to current interest bonds on December 1, 2021. Prior to conversion to current interest bonds, the Bonds do not pay current interest and accrete in value at an annual yield equal to 6.25%. The accreted amount compounds semiannually on June 1 and December 1, beginning June 1, 2020, to and including December 1, 2021. Such accreted amount, together with the original principal amount of the Bonds, bears interest at the interest rate borne by the Bonds upon conversion to current interest bonds.

The accreted principal balance at conversion on December 1, 2021, will be \$1,240,000. Upon conversion to current interest bonds, the Bonds will bear interest at a rate of 6.25%, payable semiannually on June 1 and December 1, commencing on June 1, 2022. Annual principal payments are due on December 1 of each year beginning December 1, 2028. The Bonds mature on December 1, 2049.

The Bonds are secured by the Surplus Fund which is funded by District funds in the amount of \$32,607 on the date of issuance of the Bonds and by Pledged Revenue that is not needed to pay debt service on the Bonds in any year, up to the Maximum Surplus Amount of \$109,714. Amounts on deposit in the Surplus Fund in excess of the Maximum Surplus Amount shall be remitted by the Trustee to the District for application to any lawful purpose of the District. To the extent there are any amounts remaining on deposit in the Surplus Fund after the full repayment or defeasance of the Bonds and any permitted Refunding Bonds, such amount shall be returned to the District.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (continued)**

	Balance - December 31, 2020	Additions	Reductions	Balance - December 31, 2021	Current Portion
Bonds Payable:					
Series 2019 Limited Tax G.O. Convertible CABs	\$ 1,165,984	\$ 36,432	\$ -	\$ 1,202,416	\$ -
Notes/Direct Borrowings					
Developer Advance - General	96,792	48,000	-	144,792	-
Developer Advance - Capital	293,933	-	-	293,933	-
Interest on Developer Advances	40,650	25,397	-	66,047	-
Note/Direct Borrowings Total	<u>\$ 1,597,359</u>	<u>\$ 109,829</u>	<u>\$ -</u>	<u>\$ 1,707,188</u>	<u>\$ -</u>

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Current Portion
Bonds Payable:					
Series 2019 Limited Tax G.O. Convertible CABs	\$ 1,202,416	\$ 37,584	\$ -	\$ 1,240,000	\$ -
Notes/Direct Borrowings					
Developer Advance - General	144,792	50,000	-	194,792	-
Developer Advance - Capital	293,933	-	-	293,933	-
Interest on Developer Advances	66,047	28,517	-	94,564	-
Note/Direct Borrowings Total	<u>\$ 1,707,188</u>	<u>\$ 116,101</u>	<u>\$ -</u>	<u>\$ 1,823,289</u>	<u>\$ -</u>

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR when actual revenue is received.

**This information is an integral part of the accompanying budget.**

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$1,097,139.60 Limited Tax General Obligation  
Convertible Capital Appreciation Bonds**

**Series 2019**

**December 5, 2019**

**Principal due December 1**

**Interest Rates 6.25% Payable**

**June 1 and December 1**

<b>Year Ended</b>	<b>Total</b>				
<b>December 31,</b>	<b>Principal</b>	<b>Accreted</b>	<b>at Maturity</b>	<b>Interest</b>	<b>Total</b>
2022	\$ -	\$ -	\$ -	\$ 77,500	\$ 77,500
2023	-	-	-	77,500	77,500
2024	-	-	-	77,500	77,500
2025	-	-	-	77,500	77,500
2026	-	-	-	77,500	77,500
2027	-	-	-	77,500	77,500
2028	4,423.95	576.05	5,000	77,500	82,500
2029	4,423.95	576.05	5,000	77,188	82,188
2030	8,847.90	1,152.10	10,000	76,875	86,875
2031	8,847.90	1,152.10	10,000	76,250	86,250
2032	17,695.80	2,304.20	20,000	75,625	95,625
2033	17,695.80	2,304.20	20,000	74,375	94,375
2034	22,119.75	2,880.25	25,000	73,125	98,125
2035	22,119.75	2,880.25	25,000	71,563	96,563
2036	30,967.65	4,032.35	35,000	70,000	105,000
2037	30,967.65	4,032.35	35,000	67,813	102,813
2038	39,815.55	5,184.45	45,000	65,625	110,625
2039	44,239.50	5,760.50	50,000	62,813	112,813
2040	53,087.40	6,912.60	60,000	59,688	119,688
2041	53,087.40	6,912.60	60,000	55,938	115,938
2042	66,359.25	8,640.75	75,000	52,188	127,188
2043	70,783.20	9,216.80	80,000	47,500	127,500
2044	79,631.10	10,368.90	90,000	42,500	132,500
2045	84,055.05	10,944.95	95,000	36,875	131,875
2046	97,326.90	12,673.10	110,000	30,938	140,938
2047	101,750.85	13,249.15	115,000	24,063	139,063
2048	115,022.70	14,977.30	130,000	16,875	146,875
2049	123,870.60	16,129.40	140,000	8,750	148,750
	<u>\$1,097,139.60</u>	<u>\$ 142,860.40</u>	<u>\$ 1,240,000</u>	<u>\$ 1,709,063</u>	<u>\$ 2,949,063</u>

No assurance provided. See summary of significant assumptions.

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT  
RESOLUTION TO AMEND 2021 BUDGET**

WHEREAS, the Board of Directors of Tuscan Foothills Village Metropolitan District (the “**District**”) certifies that at a special meeting of the Board of Directors of the District held November 16, 2021, a public hearing was held regarding the 2021 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2021 as follows:

Debt Service Fund	\$500
and;	

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2021; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2021 as follows:

Debt Service Fund	\$4,445
-------------------	---------

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

*[Remainder of page intentionally left blank.]*

ADOPTED this 16<sup>th</sup> day of November, 2021.

TUSCAN FOOTHILLS VILLAGE  
METROPOLITAN DISTRICT

---

Officer of the District

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel to the District

STATE OF COLORADO  
COUNTY OF EL PASO  
TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held via teleconference on Tuesday, November 16, 2021, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this \_\_\_\_ day of November, 2021.

---

**RESOLUTION**  
**ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**  
**(2022)**

---

The Board of Directors of Tuscan Foothills Village Metropolitan District (the “**Board**”), County of El Paso, Colorado (the “**District**”) held a special meeting via teleconference on Tuesday, November 16, 2021, at the hour of 10:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

*[Remainder of Page Intentionally Left Blank.]*

## NOTICE AS TO PROPOSED 2022 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 16, 2021, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1.     Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2022. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2.     Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2022 budget year, there is hereby levied a tax of 5.566 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3.     Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2022 budget year, there is hereby levied a tax of

33.398 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4.     Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2022 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5.     Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2022 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6.     Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of El Paso County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7.     Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8.     Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9.     Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

***[Remainder of page intentionally left blank.]***

ADOPTED THIS 16<sup>th</sup> DAY OF NOVEMBER, 2021.

TUSCAN FOOTHILLS VILLAGE METROPOLITAN  
DISTRICT

---

Officer of the District

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel to the District

STATE OF COLORADO  
COUNTY OF EL PASO  
TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Tuesday, November 16, 2021, via teleconference, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this \_\_\_\_ day of November, 2021.

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**



**CliftonLarsonAllen LLP**  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

September 14, 2021

Board of Directors  
Tuscan Foothills Village Metro District  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111

Dear Board of Directors:

This master service agreement ("MSA") documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") will provide for Tuscan Foothills Village Metro District ("you," "your," or "the district"). The terms of this MSA will apply to the initial and each subsequent statement of work ("SOW"), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

#### **Scope of professional services**

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA's performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal control as part of any services.

#### **Management responsibilities**

Management and, when appropriate, the board of directors of the district acknowledge and understand that our role is to provide the services identified in an SOW and that management and the board of directors of the district have certain responsibilities that are fundamental to our undertaking to perform the identified services. The district may engage CLA to perform management functions to help the board of directors of the district to meet your responsibilities, but the board of directors of the district acknowledges its management responsibilities. References to management in this MSA and in an SOW are applicable to the board of directors of the district.

CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.



**Responsibilities and limitations related to nonattest services**

For all nonattest services we may provide to you, your management agrees to assume all management responsibilities; oversee the services; evaluate the adequacy and results of the services; ensure that your data and records are complete; and accept responsibility for the results of the services.

**Fees and terms**

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 90 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client initiated payment method approved by CLA. CLA's electronic online bill pay platform [claconnect.com/billpay](https://claconnect.com/billpay) accepts credit card and Automated Clearing House (ACH) payments. Instructions for making direct bank to bank wire transfers or ACH payments will be provided upon request.

***Other fees***

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

***Finance charges and collection expenses***

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

**Mediation**

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties (i.e., you and CLA). The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Any Dispute will be governed by the laws of the state of Colorado, without giving effect to choice of law principles.

### **Limitation of remedies**

**These limitation of remedies provisions are not applicable for any audit, examination, or agreed-upon procedures services provided to you.**

Our role is strictly limited to the services described in an SOW, and we offer no assurance as to the results or ultimate outcomes of any services or of any decisions that you may make based on our communications with you. You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a "CLA party") and that this limitation of remedies provision is governed by the laws of the state of Colorado, without giving effect to choice of law principles.

You further agree that you will not hold CLA or any other CLA party liable for any claim, cost, or damage, whether based on warranty, tort, contract, or other law, arising from or related to this MSA, the services provided under an SOW, the work product, or for any plans, actions, or results of an SOW, except to the extent authorized by this MSA. In no event shall any CLA party be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this MSA and the specific SOW thereunder, but any recovery on any such claims shall not exceed the fees actually paid by you to CLA pursuant to the SOW that gives rise to the claim.

### **Time limitation**

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this MSA or the services performed under an SOW, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within the shorter of these periods ("Limitation Period"):

### ***Consulting services***

- For each service pursuant to an SOW, separately within twenty-four (24) months after the date we deliver the services or work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you under this MSA or other SOW.
- Within twenty-four (24) months from the date of our last billing for services performed pursuant to the SOW on which the dispute is based.
- Within twenty-four (24) months after the termination by either party of either this MSA or the district's ongoing relationship with CLA.

### ***Tax services***

- For tax return preparation, separately within thirty-six (36) months after the date when we deliver any final tax return(s) pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you under this MSA or other SOW relating to said return(s).

CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.



- For tax consulting engagements, separately within thirty-six (36) months from the date of our last billing for services pursuant to the SOW on which the dispute is based.
- For all tax return and tax consulting engagements, within twelve (12) months from the date when you terminate this MSA or the district's ongoing relationship with CLA.

***Examination, compilation, and preparation services related to prospective financial information***

- For examination, compilation, and preparation services related to prospective financial information (i.e., forecasts and projections), separately within twelve (12) months after the dates when we deliver the work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you relating to the work product.

***Audit, review, examination, agreed-upon procedures, compilation, and preparation services other than those related to prospective financial information***

- For audit, review, examination, agreed-upon procedures, compilation, and preparation services, separately within twenty-four (24) months after the dates when we deliver the work product pursuant to the SOW on which the dispute is based, regardless of whether any CLA party provides other services for you relating to the work product.

The applicable Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

**CLA shall be authorized to the following cash access services:**

- Using any or a combination of the following methods and approval processes, we will pay your vendors and service providers based upon invoices that you have reviewed and approved:
  - Paper checks – we will prepare the checks for your approval and wet ink signature.
  - Payments using Bill.com – we will only release payments after you have electronically approved and authorized such payments.
  - ACH/Wire – we will use this method as needed/as requested, with your approval.

We understand that you will designate one or more members of the Board to approve disbursements using the above methods.

- If applicable, access the entity credit card for purposes of purchasing products and services on your behalf up to a certain limit that will be discussed with you and documented separately.
- Obtain administrator access to your bank accounts for purposes of performing the duties documented in our engagement letter identified above.
- Take deposits to the bank that include cash.
- If applicable, have access to cash-in-kind assets, such as coupons.
- If applicable, initiate direct deposits or sign checks as part of the payroll processing function.

CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.



### **Management responsibilities relevant to CLA's access to your cash**

All members of your Board of Directors are responsible for the processes below; however, we understand that you will designate one or more board members to review and give approvals for disbursements. All approvals must be documented in writing, either electronically or manually, then formally ratified in board meetings and documented in the meeting minutes.

- Approve all invoices and check payments.
- Approve all new vendors and customers added to the accounting system.
- Approve non-recurring wires to external parties.
- Pre-approve for recurring wires, then Board will ratify approval.
- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all credit card statements prior to those expenses being processed in the accounting system and subsequently paid.
- Approve (or delegate to the CLA controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off.
- Review and approve (or delegate to the CLA controller if applicable) all bank statements and affiliated monthly reconciliations.

### **Other provisions**

Except as permitted by the "Consent" section of this agreement, CLA will not disclose any confidential, proprietary, or privileged information of the district or you to any person or party, unless the district or you authorizes us to do so, it is published or released by the district, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

You acknowledge and agree that this agreement and the pricing structure and billing rates of CLA are sensitive information which you shall not furnish or otherwise disclose to any third party without the prior written consent of CLA or as required by law.

We will be responsible for our own property and casualty, general liability, and workers compensation insurance, taxes, professional training, and other personnel costs related to the operation of our business.

CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.



When performing the services identified in applicable SOWs, we will utilize the resources available at the district, when applicable, to the extent practical to continue development of your personnel. During a portion of our work, we may require the use of your computers. We will try to give you advance notice and coordinate our use so it does not interfere with your employees.

The relationship of CLA with the district shall be solely that of an independent contractor and nothing in this agreement shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

If applicable, accounting standards and procedures will be suggested that are consistent with those normally utilized in a district of your size and nature. Internal controls may be recommended relating to the safeguarding of the district's assets. If fraud is initiated by your employees or other service providers, your insurance is responsible for covering any losses.

The district agrees that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this agreement, except as may be assumed in a SOW.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, it is not appropriate for you to upload protected health information using such applications. All protected health information contained in a document or file that you plan to transmit to us via a web application must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all protected health information, please contact us to discuss other potential options for transmitting the document or file.

## **Consent**

### ***Consent to use financial information***

Annually, we assemble a variety of benchmarking analyses using data obtained through our client engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this MSA will serve as your consent to use of Tuscan Foothills Village Metro District information in these cost comparison, performance indicator, and/or benchmarking reports.

## ***Subcontractors***

CLA may, at times, use subcontractors to perform services under this agreement, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

## ***Technology***

CLA may, at times, use third-party software applications to perform services under this agreement. You authorize CLA to sign on your behalf any vendor agreements applicable to such software applications. CLA can provide a copy of the application agreement at your request. You acknowledge the software vendor may have access to your data.

## **Termination of MSA**

Either party may terminate this MSA at any time by giving 30 days written notice to the other party. In that event, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](http://nexia.com/member-firm-disclaimer) for details.



**Agreement**

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

Sincerely,

**CliftonLarsonAllen LLP**



Carrie Bartow, CPA  
Principal  
Carrie.Bartow@CLAconnect.com

**Response:**

This agreement correctly sets forth the understanding of Tuscan Foothills Village Metro District.

APPROVED:

---

Signature

---

Title

---

Date



**CliftonLarsonAllen LLP**  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

## **Special Districts Preparation SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Tuscan Foothills Village Metro District (“you” and “your”) dated September 14, 2021. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

Carrie Bartow is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

### ***Ongoing normal accounting services:***

Outsourced accounting activities

For each fund of the district, CLA will generally prepare and maintain the following accounting records:

- Cash receipts journal
- Cash disbursements journal
- General ledger
- Accounts receivable journals and ledgers
- Deposits with banks and financial institutions
- Schedule of disbursements
- Bank account reconciliations
- Investment records
- Detailed development fee records

Process accounts payable including the preparation and issuance of checks for approval by a designated individual

Prepare billings, record billings, enter cash receipts, and track revenues

Reconcile certain accounts regularly and prepare journal entries

Prepare depreciation schedules

Prepare monthly/quarterly/as requested financial statements and supplementary information, but not perform a compilation with respect to those financial statements. Additional information is provided below.

Prepare a schedule of cash position to manage the district's cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district's board of directors.

Prepare the annual budget and assist with the filing of the annual budget – additional information is provided below.

Assist the district's board of directors in monitoring actual expenditures against appropriation/budget.

If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district's auditors.

If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below.

Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required.

Review claims for reimbursement from related parties prior to the board of directors' review and approval.

Read supporting documentation related to the district's acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness. Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW. These procedures may not satisfy district policies, procedures, and agreements' requirements. Note: our procedures should not be relied upon as the final authorization for this transaction.

Attend board meetings as requested.

Be available during the year to consult with you on any accounting matters related to the district.

Review and approve monthly reconciliations and journal entries prepared by staff

Reconcile complex accounts monthly and prepare journal entries

Analyze financial statements and present to management and the board of directors.

Develop and track key business metrics as requested and review periodically with the board of directors.

Document accounting processes and procedures

Continue process and procedure improvement implementation

Report and manage cash flows

Assist with bank communications.

Perform other nonattest services.

## **Compilation services**

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

## **Preparation services – financial statements**

We will prepare the monthly/quarterly/as requested financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

## **Preparation services - annual**

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district's auditors.

## ***Preparation services – prospective financial information (i.e., unexpired budget information)***

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the forecast period. It is based on management's assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

## **Engagement objectives and our responsibilities**

The objectives of our engagement are to:

- a. Prepare monthly/quarterly/as requested financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.

- b. As requested, apply accounting and financial reporting expertise to assist you in the presentation of your monthly/quarterly/as requested financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c. Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d. Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.
- e. If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f. If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

### **Engagement procedures and limitations**

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly/quarterly/as requested financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any wrongdoing within the district or noncompliance with laws and regulations. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

### **Our report**

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.

from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the 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 and may not be suitable for another purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation, the Application for Exemption from Audit (if an audit is not required), we will not issue reports on budget, the Application for Exemption from Audit as a result of this engagement.

### **No assurance statements**

The monthly/quarterly/as requested financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For best business type activities the Statement of Cash Flows has been omitted".

If an audit is required, the year-end financial statements prepared for use by the district's auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

### **Management responsibilities**

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management's responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district's operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.

- a. The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b. The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c. The presentation of the supplementary information.
- d. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e. The prevention and detection of fraud.
- f. To ensure that the entity complies with the laws and regulations applicable to its activities.
- g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h. To provide us with the following:
  - i. Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
  - ii. Additional information that may be requested for the purpose of the engagement.
  - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the Board Treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

### **Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.

if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$425
Chief Financial Officer	\$200 - \$385
Controller	\$180 - \$250
Senior	\$140 - \$180
Staff	\$ 80 - \$150
Administrative support	\$ 80 - \$120

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. We will also add a technology and client support fee of five percent (5%) of all professional fees billed. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

#### **Use of financial statements, the annual budget, the Application for Exemption from Audit**

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

#### **Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](http://nexia.com/member-firm-disclaimer) for details.

discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

**Additional provisions required by CRS 8-17.5-102(2)(a)(I) and (II)**

***Unlawful employees, contractors, and subcontractors***

We shall not knowingly employ or contract with a worker without authorization to perform work under this contract. We shall not knowingly contract with a subcontractor that (a) knowingly employs or contracts with a worker without authorization to perform work under this contract or (b) fails to certify to us that the subcontractor will not knowingly employ or contract with a worker without authorization to perform work under this contract. [CRS 8-17.5-102(2)(a)(I) and (II)]

***Verification regarding workers without authorization***

We have verified or attempted to verify through participation in the E-Verify Program or the Department Program [as defined in CRS 8-17.5-101(3.3) and (3.7) of the state of Colorado that we do not employ and contract workers without authorization.

***Limitation regarding E-Verify Program and the Department Program***

We shall not use the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while performing this contract. [CRS 8-17.5-102(2)(b)(II)]

***Duty to terminate a subcontractor and exceptions***

If we obtain actual knowledge that a subcontractor performing work under this contract knowingly employs or contracts with a worker without authorization, we shall, unless the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with a worker without authorization.

- (1) Notify the subcontractor and the district within three days that we have actual knowledge that the subcontractor is employing or contracting with a worker without authorization; and
- (2) Terminate the subcontract with the subcontractor if, within three days of receiving notice that we have actual knowledge that the subcontractor is employing or contracting with a worker without authorization, the subcontractor does not stop employing or contracting with the worker without authorization. [CRS 8-17.5-102(2)(b)(A) and (B)]

***Duty to comply with state investigation***

We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to CRS 8-17.5-102(5). [CRS 8-17.5-102(2)(b)(IV)]

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in black ink that reads "Carrie Bartow". The signature is fluid and cursive, with the first name "Carrie" and last name "Bartow" clearly distinguishable.

Carrie Bartow, CPA

Principal

Carrie.Bartow@CLAconnect.com



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://nexia.com/member-firm-disclaimer) for details.

APPROVED:

---

Signature

---

Title

---

Date

# An Act

SENATE BILL 21-262

BY SENATOR(S) Zenzinger and Gardner, Ginal, Moreno, Pettersen,  
Priola, Woodward;  
also REPRESENTATIVE(S) Bird and McKean, Michaelson Jenet, Ricks.

CONCERNING TRANSPARENCY FOR SPECIAL DISTRICTS.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 1-13.5-501, **amend** (1);  
and **add** (1.5) and (1.7) as follows:

**1-13.5-501. Call for nominations - definitions.** (1) Between seventy-five and one hundred days before a regular local government election, the designated election official shall provide PUBLIC notice ~~by publication~~ of a call for nominations for the election. The call must state the director offices to be voted upon at the election, where a self-nomination and acceptance form or letter may be obtained, the deadline for submitting the self-nomination and acceptance form or letter to the designated election official, and information on obtaining an absentee ballot.

(1.5) EXCEPT AS OTHERWISE REQUIRED BY SUBSECTION (1.7) OF THIS SECTION, THE PUBLIC NOTICE REQUIRED BY SUBSECTION (1) OF THIS SECTION

---

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

MUST BE MADE BY PUBLICATION AS DEFINED BY SUBSECTION (2) OF THIS SECTION AND BY ANY ONE OF THE FOLLOWING MEANS:

(a) MAILING THE NOTICE, AT THE LOWEST COST OPTION, TO EACH ADDRESS AT WHICH ONE OR MORE ACTIVE REGISTERED ELECTORS OF THE LOCAL GOVERNMENT RESIDES AS SPECIFIED IN THE REGISTRATION LIST PROVIDED BY THE COUNTY CLERK AND RECORDER AS OF THE DATE THAT IS ONE HUNDRED FIFTY DAYS PRIOR TO THE DATE OF THE REGULAR LOCAL GOVERNMENT ELECTION;

(b) INCLUDING THE NOTICE AS A PROMINENT PART OF A NEWSLETTER, ANNUAL REPORT, BILLING INSERT, BILLING STATEMENT, LETTER, VOTER INFORMATION CARD OR OTHER NOTICE OF ELECTION, OR OTHER INFORMATIONAL MAILING SENT BY THE LOCAL GOVERNMENT TO THE ELIGIBLE ELECTORS OF THE LOCAL GOVERNMENT;

(c) POSTING THE INFORMATION ON THE OFFICIAL WEBSITE OF THE LOCAL GOVERNMENT; OR

(d) FOR A LOCAL GOVERNMENT WITH FEWER THAN ONE THOUSAND ELIGIBLE ELECTORS THAT IS WHOLLY LOCATED WITHIN A COUNTY THE POPULATION OF WHICH IS LESS THAN THIRTY THOUSAND PEOPLE, POSTING THE NOTICE IN AT LEAST THREE PUBLIC PLACES WITHIN THE TERRITORIAL BOUNDARIES OF THE LOCAL GOVERNMENT AND, IN ADDITION, POSTING A NOTICE IN THE OFFICE OF THE CLERK AND RECORDER OF THE COUNTY IN WHICH THE LOCAL GOVERNMENT IS LOCATED. ANY SUCH NOTICES MUST REMAIN POSTED UNTIL THE DAY AFTER THE CALL FOR NOMINATIONS CLOSES.

(1.7) (a) IN THE CASE OF ANY METROPOLITAN DISTRICT THAT WAS ORGANIZED AFTER JANUARY 1, 2000, IN ACCORDANCE WITH TITLE 32, THE NOTICE REQUIRED BY SUBSECTION (1) OF THIS SECTION MUST BE MADE BY EMAILING THE NOTICE TO EACH ACTIVE REGISTERED ELECTOR OF THE METROPOLITAN DISTRICT AS SPECIFIED IN THE REGISTRATION LIST PROVIDED BY THE COUNTY CLERK AND RECORDER AS OF THE DATE THAT IS ONE HUNDRED FIFTY DAYS PRIOR TO THE DATE OF THE REGULAR LOCAL GOVERNMENT ELECTION. WHERE THE ACTIVE REGISTERED ELECTOR DOES NOT HAVE AN E-MAIL ADDRESS ON FILE FOR SUCH PURPOSE WITH THE COUNTY CLERK AND RECORDER AS OF THE DATE THAT IS NOT LATER THAN ONE HUNDRED FIFTY DAYS PRIOR TO THE DATE OF THE REGULAR LOCAL GOVERNMENT ELECTION, THE PUBLIC NOTICE REQUIRED BY SUBSECTION (1)

OF THIS SECTION MUST BE MADE BY MAILING THE NOTICE, AT THE LOWEST COST OPTION, TO EACH ADDRESS AT WHICH ONE OR MORE ACTIVE REGISTERED ELECTORS OF THE METROPOLITAN DISTRICT RESIDES AS SPECIFIED IN THE REGISTRATION LIST PROVIDED BY THE COUNTY CLERK AND RECORDER AS OF THE DATE THAT IS ONE HUNDRED FIFTY DAYS PRIOR TO THE DATE OF THE REGULAR LOCAL GOVERNMENT ELECTION.

(b) IN ADDITION TO THE PUBLIC NOTICE REQUIRED BY SUBSECTION (1.7)(a) OF THIS SECTION, THE DESIGNATED ELECTION OFFICIAL SHALL ALSO PROVIDE PUBLIC NOTICE BY ANY ONE OF THE FOLLOWING MEANS:

(I) PUBLICATION AS DEFINED IN SUBSECTION (2) OF THIS SECTION;

(II) INCLUDING THE NOTICE AS A PROMINENT PART OF A NEWSLETTER, ANNUAL REPORT, BILLING INSERT, BILLING STATEMENT, LETTER, VOTER INFORMATION CARD OR OTHER NOTICE OF ELECTION, OR OTHER INFORMATIONAL MAILING SENT BY THE METROPOLITAN DISTRICT TO THE ELIGIBLE ELECTORS OF THE METROPOLITAN DISTRICT;

(III) POSTING THE INFORMATION ON THE OFFICIAL WEBSITE OF THE METROPOLITAN DISTRICT; OR

(IV) FOR A METROPOLITAN DISTRICT WITH FEWER THAN ONE THOUSAND ELIGIBLE ELECTORS THAT IS WHOLLY LOCATED WITHIN A COUNTY, THE POPULATION OF WHICH IS LESS THAN THIRTY THOUSAND PEOPLE, POSTING THE NOTICE IN AT LEAST THREE PUBLIC PLACES WITHIN THE TERRITORIAL BOUNDARIES OF THE METROPOLITAN DISTRICT AND, IN ADDITION, POSTING A NOTICE IN THE OFFICE OF THE CLERK AND RECORDER OF THE COUNTY IN WHICH THE SPECIAL DISTRICT IS LOCATED. ANY SUCH NOTICES MUST REMAIN POSTED UNTIL THE DAY AFTER THE CALL FOR NOMINATIONS CLOSES.

**SECTION 2.** In Colorado Revised Statutes, 32-1-104, **amend** (5) as follows:

**32-1-104. Establishment of a special districts file.**  
(5) Notwithstanding any other provision of law, inactive special districts ~~shall be~~ ARE exempt from compliance with ~~the provisions of~~ subsection (2) of this section; sections **32-1-104.5 (3), 32-1-207 (3)(c),** 32-1-306, 32-1-809, and 32-1-903; parts 1, 2, and 6 of article 1 of title 29; ~~C.R.S.; and~~

part 1 of article 1 and part 1 of article 5 of title 39. ~~C.R.S.~~

**SECTION 3.** In Colorado Revised Statutes, 32-1-104.5, add (3) as follows:

**32-1-104.5. Audit and budget requirements - election results - description on websites.** (3) (a) EXCEPT AS PROVIDED IN SUBSECTION (3)(d) OF THIS SECTION, WITHIN ONE YEAR OF THE DATE AN ORDER AND DECREE HAS BEEN ISSUED BY A DISTRICT COURT FOR A NEWLY ORGANIZED METROPOLITAN DISTRICT, OR BY JANUARY 1, 2023, FOR ANY METROPOLITAN DISTRICT THAT HAS RECEIVED AN ORDER AND DECREE FROM THE DISTRICT COURT IN CONNECTION WITH ITS ORGANIZATION AFTER JANUARY 1, 2000, BUT BEFORE JANUARY 1, 2022, THE METROPOLITAN DISTRICT SHALL ESTABLISH, MAINTAIN, AND, UNLESS OTHERWISE SPECIFIED, ANNUALLY UPDATE AN OFFICIAL WEBSITE IN A FORM THAT IS READILY ACCESSIBLE TO THE PUBLIC THAT CONTAINS THE FOLLOWING INFORMATION:

(I) THE NAMES, TERMS, AND CONTACT INFORMATION FOR THE CURRENT DIRECTORS OF THE BOARD OF THE METROPOLITAN DISTRICT AND OF THE MANAGER OF THE METROPOLITAN DISTRICT, IF APPLICABLE;

(II) THE CURRENT FISCAL YEAR BUDGET OF THE METROPOLITAN DISTRICT AND, WITHIN THIRTY DAYS OF ADOPTION BY THE BOARD OF THE METROPOLITAN DISTRICT, ANY AMENDMENTS TO THE BUDGET;

(III) THE PRIOR YEAR'S AUDITED FINANCIAL STATEMENTS OF THE METROPOLITAN DISTRICT, IF APPLICABLE, OR AN APPLICATION FOR EXEMPTION FROM AN AUDIT PREPARED IN ACCORDANCE WITH THE "COLORADO LOCAL GOVERNMENT AUDIT LAW", PART 6 OF ARTICLE 1 OF TITLE 29, WITHIN THIRTY DAYS OF THE FILING OF THE APPLICATION WITH THE STATE AUDITOR;

(IV) THE ANNUAL REPORT OF THE METROPOLITAN DISTRICT IN ACCORDANCE WITH SECTION 32-1-207 (3)(c);

(V) BY JANUARY 30 OF EACH YEAR, THE DATE, TIME, AND LOCATION OF SCHEDULED REGULAR MEETINGS OF THE DISTRICT'S BOARD FOR THE CURRENT FISCAL YEAR;

(VI) IF REQUIRED BY SECTION 1-13.5-501 (1.5), BY NO LATER THAN

SEVENTY-FIVE DAYS PRIOR TO A REGULAR ELECTION FOR AN ELECTION AT WHICH MEMBERS OF A BOARD OF DIRECTORS FOR A METROPOLITAN DISTRICT WILL BE CONSIDERED, THE CALL FOR NOMINATIONS PURSUANT TO SECTION 1-13.5-501 (1);

(VII) NOT MORE THAN THIRTY DAYS AFTER AN ELECTION, CERTIFIED ELECTION RESULTS FOR AN ELECTION CONDUCTED WITHIN THE CURRENT FISCAL YEAR;

(VIII) A CURRENT MAP DEPICTING THE BOUNDARIES OF THE METROPOLITAN DISTRICT AS OF JANUARY 1 OF THE CURRENT FISCAL YEAR; AND

(IX) ANY OTHER INFORMATION DEEMED APPROPRIATE BY THE BOARD OF DIRECTORS OF THE METROPOLITAN DISTRICT.

(b) METROPOLITAN DISTRICTS SERVING THE SAME COMMUNITY MAY ESTABLISH AND MAINTAIN A CONSOLIDATED WEBSITE PROVIDED THE WEBSITE CLEARLY IDENTIFIES EACH METROPOLITAN DISTRICT AND PROVIDES THE REQUIRED INFORMATION SPECIFIED IN SUBSECTION (3)(a) OF THIS SECTION FOR EACH METROPOLITAN DISTRICT.

(c) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A NOTICE OF MEETING CONTAINING THE INFORMATION SET FORTH IN SECTION 24-6-402 (2)(c)(III) AND POSTED ON THE METROPOLITAN DISTRICT'S WEBSITE NO LESS THAN TWENTY-FOUR HOURS PRIOR TO SUCH MEETING SATISFIES THE REQUIREMENTS OF SECTION 24-6-402 (2)(c)(III).

(d) (I) ANY METROPOLITAN DISTRICT IN INACTIVE STATUS PURSUANT TO SECTION 32-1-104 (3) IS NOT REQUIRED TO ESTABLISH, MAINTAIN, OR UPDATE AN OFFICIAL WEBSITE DURING INACTIVE STATUS. A METROPOLITAN DISTRICT RETURNING TO ACTIVE STATUS SHALL COMPLY WITH THIS SUBSECTION (3) WITHIN NINETY DAYS OF ADOPTION OF A RESOLUTION RETURNING TO ACTIVE STATUS.

(II) ANY METROPOLITAN DISTRICT THAT DOES NOT HAVE THE POWER TO IMPOSE AN AD VALOREM PROPERTY TAX IS NOT REQUIRED TO ESTABLISH, MAINTAIN, OR UPDATE AN OFFICIAL WEBSITE PURSUANT TO THIS SUBSECTION (3).

**SECTION 4.** In Colorado Revised Statutes, 32-1-207, **amend** (3)(c), (3)(d), and (4) as follows:

**32-1-207. Compliance - modification - enforcement.** (3) (c) (I) ~~A board of county commissioners may request any special district located wholly or partially within the county's unincorporated area, and the governing body of any municipality may request any special district located wholly or partially within the municipality's boundaries, to file, ANY SPECIAL DISTRICT CREATED AFTER JULY 1, 2000, SHALL FILE not more than once a year a special district annual report FOR THE PRECEDING CALENDAR YEAR. UNLESS THE REQUIREMENT IS WAIVED OR OTHERWISE REQUESTED BY AN EARLIER DATE BY THE BOARD OF COUNTY COMMISSIONERS OR BY THE GOVERNING BODY OF THE MUNICIPALITY IN WHICH A SPECIAL DISTRICT IS WHOLLY OR PARTIALLY LOCATED, COMMENCING IN 2023 FOR THE 2022 CALENDAR YEAR, THE ANNUAL REPORT MUST BE PROVIDED IN ACCORDANCE WITH THIS SUBSECTION (3)(c) BY OCTOBER 1 OF EACH YEAR. The annual report shall MUST be ELECTRONICALLY filed with the board of county commissioners, any municipality in which the special district is wholly or partially located, GOVERNING BODY THAT APPROVED THE SERVICE PLAN OR, IF THE JURISDICTION HAS CHANGED DUE TO ANNEXATION INTO A MUNICIPALITY, THE CURRENT GOVERNING BODY WITH JURISDICTION OVER THE SPECIAL DISTRICT, the division, and the state auditor, and such report shall MUST be deposited ELECTRONICALLY FILED with the county clerk and recorder for public inspection, and a copy of the report shall MUST be made available by the special district to any interested party pursuant to section 32-1-204 (1). If a special district files an annual report pursuant to this paragraph (c), ON THE SPECIAL DISTRICT'S WEBSITE PURSUANT TO SECTION 32-1-104.5 (3).~~

(II) ~~Such~~ THE report ~~shall~~ REQUIRED BY THIS SUBSECTION (3)(c) MUST include, AS APPLICABLE FOR THE REPORTING YEAR, but shall not be limited to: ~~information on the progress of the special district in the implementation of the service plan~~

(A) BOUNDARY CHANGES MADE;

(B) INTERGOVERNMENTAL AGREEMENTS ENTERED INTO OR TERMINATED WITH OTHER GOVERNMENTAL ENTITIES;

(C) ACCESS INFORMATION TO OBTAIN A COPY OF RULES AND

REGULATIONS ADOPTED BY THE BOARD;

(D) A SUMMARY OF LITIGATION INVOLVING PUBLIC IMPROVEMENTS OWNED BY THE SPECIAL DISTRICT;

(E) THE STATUS OF THE CONSTRUCTION OF PUBLIC IMPROVEMENTS BY THE SPECIAL DISTRICT;

(F) A LIST OF FACILITIES OR IMPROVEMENTS CONSTRUCTED BY THE SPECIAL DISTRICT THAT WERE CONVEYED OR DEDICATED TO THE COUNTY OR MUNICIPALITY;

(G) THE FINAL ASSESSED VALUATION OF THE SPECIAL DISTRICT AS OF DECEMBER 31 OF THE REPORTING YEAR;

(H) A COPY OF THE CURRENT YEAR'S BUDGET;

(I) A COPY OF THE AUDITED FINANCIAL STATEMENTS, IF REQUIRED BY THE "COLORADO LOCAL GOVERNMENT AUDIT LAW", PART 6 OF ARTICLE 1 OF TITLE 29, OR THE APPLICATION FOR EXEMPTION FROM AUDIT, AS APPLICABLE;

(J) NOTICE OF ANY UNCURED DEFAULTS EXISTING FOR MORE THAN NINETY DAYS UNDER ANY DEBT INSTRUMENT OF THE SPECIAL DISTRICT; AND

(K) ANY INABILITY OF THE SPECIAL DISTRICT TO PAY ITS OBLIGATIONS AS THEY COME DUE UNDER ANY OBLIGATION WHICH CONTINUES BEYOND A NINETY-DAY PERIOD.

(III) SPECIAL DISTRICTS OPERATING UNDER A CONSOLIDATED SERVICE PLAN OR SERVING THE SAME COMMUNITY MAY FILE A CONSOLIDATED ANNUAL REPORT SETTING FORTH THE INFORMATION CONTAINED IN THIS SUBSECTION (3)(c) FOR EACH OF THE SPECIAL DISTRICTS. The board of county commissioners or the governing body of the municipality may review the annual reports in a regularly scheduled public meeting, and such review ~~shall~~ MUST be included as an agenda item in the public notice for such meeting. A SPECIAL DISTRICT IS NOT REQUIRED TO FILE AN ANNUAL REPORT FOR ANY YEAR IN WHICH THE SPECIAL DISTRICT WAS IN INACTIVE STATUS FOR THE ENTIRE YEAR PURSUANT TO SECTION 32-1-104 (3).

~~(d) Any special district created on or after July 1, 1991, shall annually file the report specified in paragraph (c) of this subsection (3) with the board of county commissioners or the governing body of the municipality that has adopted a resolution of approval of the special district pursuant to section 32-1-204.5 or 32-1-204.7 for five years after its organization and for succeeding annual periods, if so requested by the board of county commissioners or the governing body of the municipality. The annual report shall also be filed with the division and with the state auditor. The state auditor shall review the annual report and report any apparent decrease in the financial ability of the district to discharge its existing or proposed indebtedness in accordance with the service plan to the division. In such event, the division shall confer with the board of the special district and the board of county commissioners or the governing body of the municipality regarding such condition. The division may establish a standard form for the annual report that the board of a special district may elect to use.~~

(4) In the case of a health service district, a change in service by the district ~~shall not be~~ IS NOT deemed material unless the change affects the license or certificate of compliance issued by the department of public health and environment. A health service district ~~shall be~~ IS exempt from paragraphs (b) and (c) of subsection (3) SUBSECTION (3)(b) AND (3)(c) of this section.

**SECTION 5.** In Colorado Revised Statutes, 32-1-1004, **amend** (4) as follows:

**32-1-1004. Metropolitan districts - additional powers and duties.**

(4) A metropolitan district may have and exercise the power of eminent domain and dominant eminent domain and, in the manner provided by article 1 of title 38, ~~C.R.S.~~, may take any property necessary to the exercise of the powers granted, both within and without the special district, only for the purposes of fire protection, sanitation, street improvements, television relay and translator facilities, water, or water and sanitation, except for the acquisition of water rights, and, within the boundaries of the district, if the district is providing park and recreation services, only for the purpose of easements and rights-of-way for access to park and recreational facilities operated by the special district and only where no other access to such facilities exists or can be acquired by other means. A METROPOLITAN DISTRICT SHALL NOT EXERCISE ITS POWER OF DOMINANT EMINENT DOMAIN

WITHIN A MUNICIPALITY OR THE UNINCORPORATED AREA OF A COUNTY, OTHER THAN WITHIN THE BOUNDARIES OF THE JURISDICTION THAT APPROVED ITS SERVICE PLAN, WITHOUT A WRITTEN RESOLUTION APPROVING THE EXERCISE OF DOMINANT EMINENT DOMAIN BY THE GOVERNING BODY OF THE MUNICIPALITY IN CONNECTION WITH PROPERTY THAT IS LOCATED WITHIN AN INCORPORATED AREA OR BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY IN CONNECTION WITH PROPERTY THAT IS LOCATED WITHIN AN UNINCORPORATED AREA.

**SECTION 6.** In Colorado Revised Statutes, add 38-35.7-110 as follows:

**38-35.7-110. Disclosure - estimated future property taxes for newly constructed residences within the boundaries of a metropolitan district - rules - definition.** (1) AS USED IN THIS SECTION, "NEWLY CONSTRUCTED RESIDENCE" MEANS A RESIDENTIAL IMPROVEMENT AS DEFINED IN SECTION 39-1-102 (14.3) THAT:

(a) HAS NOT BEEN PREVIOUSLY SOLD TO ITS INTENDED OCCUPANT AS A PLACE OF RESIDENCE; AND

(b) IS LOCATED WITHIN THE TERRITORIAL BOUNDARIES OF A METROPOLITAN DISTRICT.

(2) ON AND AFTER JANUARY 1, 2022, EACH OWNER OF REAL PROPERTY THAT SELLS REAL PROPERTY THAT INCLUDES A NEWLY CONSTRUCTED RESIDENCE, CONCURRENTLY WITH OR PRIOR TO THE EXECUTION OF A CONTRACT TO SELL THE PROPERTY, SHALL PROVIDE TO THE PURCHASER OF THE PROPERTY:

(a) A PAPER COPY, ELECTRONIC COPY, OR A WEBSITE PAGE LINK TO THE NOTICE TO ELECTORS REQUIRED BY SECTION 32-1-809 (1) AS MOST RECENTLY PREPARED AND FILED BY THE METROPOLITAN DISTRICT;

(b) A PAPER COPY, ELECTRONIC COPY, OR A WEBSITE PAGE LINK TO THE SERVICE PLAN OR STATEMENT OF PURPOSE OF THE METROPOLITAN DISTRICT, INCLUDING ANY AMENDMENTS TO THE SERVICE PLAN, AS FILED WITH THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS;

(c) A STATEMENT IN WRITING DISCLOSING THAT:

(I) PURSUANT TO ITS SERVICE PLAN, THE METROPOLITAN DISTRICT HAS AUTHORITY TO ISSUE UP TO \_\_\_\_ DOLLARS OF DEBT AND, IF APPLICABLE, THAT THE DEBT OF THE DISTRICT MAY BE REPAID THROUGH AD VALOREM PROPERTY TAXES, FROM A DEBT SERVICE MILL LEVY ON ALL TAXABLE PROPERTY OF THE DISTRICT, OR ANY OTHER LEGALLY AVAILABLE REVENUES OF THE DISTRICT;

(II) THE MAXIMUM DEBT SERVICE MILL LEVY THE METROPOLITAN DISTRICT IS PERMITTED TO IMPOSE UNDER THE SERVICE PLAN IS \_\_\_\_ MILLS OR, IF NO MAXIMUM DEBT SERVICE MILL LEVY IS SPECIFIED IN THE SERVICE PLAN, A STATEMENT THAT THERE IS NO MAXIMUM DEBT SERVICE MILL LEVY. IF APPLICABLE, THE STATEMENT MUST ALSO DISCLOSE WHETHER THE DEBT SERVICE MILL LEVY CAP MAY BE ADJUSTED DUE TO CHANGES IN THE CONSTITUTIONAL OR STATUTORY METHOD OF ASSESSING PROPERTY TAX OR IN THE ASSESSMENT RATIO, OR BY AMENDMENTS TO THE SERVICE PLAN OR VOTER AUTHORIZATIONS.

(III) IN ADDITION TO IMPOSING A DEBT SERVICE MILL LEVY, THE METROPOLITAN DISTRICT IS ALSO AUTHORIZED TO IMPOSE A SEPARATE MILL LEVY TO GENERATE REVENUES FOR GENERAL OPERATING EXPENSES. IF APPLICABLE, THE STATEMENT MUST ALSO DISCLOSE WHETHER THE AMOUNT OF THE GENERAL OPERATING EXPENSES MILL LEVY MAY BE INCREASED AS NECESSARY, SEPARATE AND APART FROM THE DEBT SERVICE MILL LEVY CAP. IN THE ALTERNATIVE, IF THE SERVICE PLAN PROVIDES FOR THE AGGREGATE MILL LEVY CAP FOR DEBT SERVICE AND GENERAL OPERATING EXPENSES COMBINED, THE STATEMENT MUST ADDRESS THE APPLICABLE AGGREGATE MILL LEVY CAP.

(IV) THE METROPOLITAN DISTRICT MAY ALSO RELY UPON VARIOUS OTHER REVENUE SOURCES AUTHORIZED BY LAW TO OFFSET ITS EXPENSES OF CAPITAL CONSTRUCTION AND GENERAL OPERATING EXPENSES. PURSUANT TO COLORADO LAW, THE DISTRICT MAY IMPOSE FEES, RATES, TOLLS, PENALTIES, OR OTHER CHARGES AS PROVIDED IN TITLE 32. THE STATEMENT MUST INCLUDE THAT A CURRENT FEE SCHEDULE, IF APPLICABLE, IS AVAILABLE FROM THE METROPOLITAN DISTRICT.

(d) (I) AN ESTIMATE OF THE PROPERTY TAXES LEVIED BY THE METROPOLITAN DISTRICT THAT ARE APPLICABLE TO THE PROPERTY FOR

COLLECTION DURING THE YEAR IN WHICH THE SALE OCCURS, WHICH ESTIMATE MUST INCLUDE ANY DEBT SERVICE MILL LEVIES THAT ARE SPECIFIED IN SUBSECTION (2)(c)(II) OF THIS SECTION AND ANY MILL LEVIES FOR GENERAL OPERATING EXPENSES THAT ARE SPECIFIED IN SUBSECTION (2)(c)(III) OF THIS SECTION, SHOWN BOTH AS THE TOTAL MILL LEVY AS WELL AS THE TOTAL DOLLAR AMOUNT THAT COULD BE COLLECTED BASED UPON THE PURCHASE PRICE OF THE PROPERTY, THE RESIDENTIAL ASSESSMENT RATE, AND MILL LEVIES THAT ARE IN EFFECT IN THE DISTRICT AT THE TIME OF THE SALE.

(II) A SELLER HAS COMPLIED WITH SUBSECTION (2)(d)(I) OF THIS SECTION IF THE SELLER PROVIDES TO THE PURCHASER THE MILL LEVY, THE RESIDENTIAL ASSESSMENT RATIO, AND A FORMULA BY WHICH THE PURCHASER MAY CALCULATE THE ESTIMATED PROPERTY TAXES ON THE PROPERTY FOR THE CURRENT YEAR.

(e) A COPY OF THE MOST CURRENT COUNTY ASSESSOR'S PROPERTY TAX CERTIFICATE APPLICABLE TO THE PROPERTY AS AN ESTIMATE OF THE SUM OF ADDITIONAL PROPERTY TAXES LEVIED BY OTHER TAXING ENTITIES THAT OVERLAP THE PROPERTY IN WHICH THE NEWLY CONSTRUCTED RESIDENCE IS LOCATED.

(3) IN DISCLOSING AN ESTIMATE OF PROPERTY TAXES FOR PURPOSES OF SATISFYING SUBSECTIONS (2)(d)(I) OF THIS SECTION, THE SELLER SHALL CALCULATE THE ESTIMATE BASED UPON APPLICATION OF THE FOLLOWING ASSUMPTIONS:

(a) THE PURCHASE PRICE IS CONSIDERED TO BE THE VALUE OF THE REAL PROPERTY INCLUDING THE NEWLY CONSTRUCTED RESIDENCE AS REFLECTED IN THE CONTRACT TO PURCHASE THE PROPERTY;

(b) THE RATIO OF VALUATION FOR ASSESSMENT IS THE SAME AS THE RESIDENTIAL REAL PROPERTY ASSESSMENT RATIO SET FORTH IN SECTION 39-1-104.2 FOR THE PROPERTY TAX YEAR IN WHICH THE SALE OCCURS; AND

(c) THE MILL LEVIES ARE THE SAME AS THOSE LEVIED BY ALL TAXING ENTITIES THAT ARE APPLICABLE TO THE PROPERTY FOR THE PROPERTY TAX YEAR IN WHICH THE SALE OCCURS; EXCEPT THAT, IF THE SELLER HAS ACTUAL KNOWLEDGE THAT THE TOTAL MILL LEVIES WILL CHANGE IN THE NEXT PROPERTY TAX YEAR, THE SELLER SHALL USE THE UPDATED INFORMATION

IN MAKING THE CALCULATION.

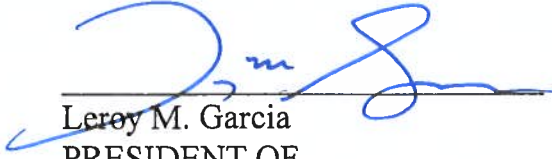
(4) ALONG WITH THE ESTIMATE REQUIRED BY SUBSECTION (2) OF THIS SECTION, THE SELLER SHALL INCLUDE, IN BOLD-FACED TYPE THAT IS CLEARLY LEGIBLE, THE FOLLOWING STATEMENT:


**THIS ESTIMATE ONLY PROVIDES AN ILLUSTRATION OF THE AMOUNT OF THE NEW PROPERTY TAXES THAT MAY BE DUE AND OWING AFTER THE PROPERTY HAS BEEN REASSESSED AND, IN SOME INSTANCES, RECLASSIFIED AS RESIDENTIAL PROPERTY. THIS ESTIMATE IS NOT A STATEMENT OF THE ACTUAL AND FUTURE TAXES THAT MAY BE DUE. FIRST YEAR PROPERTY TAXES MAY BE BASED ON A PREVIOUS YEAR'S TAX CLASSIFICATION, WHICH MAY NOT INCLUDE THE FULL VALUE OF THE PROPERTY AND, CONSEQUENTLY, TAXES MAY BE HIGHER IN SUBSEQUENT YEARS. A SELLER HAS COMPLIED WITH THIS DISCLOSURE STATEMENT AS LONG AS THE DISCLOSURE IS BASED UPON A GOOD-FAITH EFFORT TO PROVIDE ACCURATE ESTIMATES AND INFORMATION.**


(5) A SELLER IS DEEMED TO HAVE COMPLIED WITH THIS SECTION AS LONG AS THE DISCLOSURES REQUIRED BY THIS SECTION ARE BASED UPON A GOOD-FAITH EFFORT TO PROVIDE ACCURATE ESTIMATES AND INFORMATION.


**SECTION 7. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in

November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

  
Leroy M. Garcia  
PRESIDENT OF  
THE SENATE

  
Alec Garnett  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

  
Cindi L. Markwell  
SECRETARY OF  
THE SENATE

  
Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED June 28, 2021 at 1:55pm  
(Date and Time)

  
Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO