



RE: Annual Engagement Letter

This agreement constitutes a Statement of Work (“SOW”) to the Original Service Agreement made by and between WSDM – District Managers and **Tuscan Foothills Village Metropolitan District** (“the District”). This engagement letters serves as a renewal to the service provided or additional service to be provided as prescribed below.

Management Services

1. Meeting and Reporting Services – WSDM will continue to provide the following services:
 - a. Coordinate Board meetings, prepare and distribute meeting agenda. Preparation, filing and posting of legal notices required in conjunction with the meeting.
 - b. Ensure meeting notices are properly and timely posted.
 - c. Contact Board members 72 hours prior to a scheduled meeting to ensure a quorum will be present. In the event of a cancelation of a meeting, contact and advise all parties of the cancelation and any changes to the meeting date, time and place, if available.
 - d. Meeting packets will be distributed by U.S. Mail and/or email, as determined by the Board
 - e. Prepare for and attend regular and special meetings of the Board.
 - f. Draft, revise and finalize the minutes of the meeting and circulate for review and comment to ensure all statutory requirements have been met.
 - g. Prepare and maintain a record of all Board members, consultants and vendors. Direct and oversee all service providers, consultants and employees.
 - h. Prepare and make annual compliance filings (but not judicial filings) with the various State and County officials, as required. Coordinate review and approval of annual compliance filings with the attorney.
 - i. Respond to inquiries made by various officials, property owners or consultants in a timely and professional manner.
 - j. Set up and maintain the official records of the District and service as official custodian for same pursuant to the Colorado Open Records Act.
 - k. Monitor requirements pertaining to HB 1343 (Illegal Aliens).
 - l. Insurance administration, including evaluating risks, comparing coverage, process claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence. Ensure that all District contractors and subcontractors maintain required coverage for the District's benefit. Obtain quotes for insurance annually.

2. Elections – service as a Designated Election Official (DEO) for district elections with familiarity with various laws, including, but not limited to the Special District Act, the Colorado Local Government Election Code, the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, and Article X, § 20 of the Colorado Constitution ("TABOR")
3. Construction Oversight – we may provide extensive construction management. Our current experience principals have funded and managed over \$100,000,000 in public infrastructure including roads, water, wastewater, electric, gas, telecommunications and stormwater facilities.
4. Website Administration – continue extensive experience with creating and updating the District websites, specifically including the State Internet Portal Authority funded sites (SIPA). Or continue hosting the district website under www.wsdistricts.co.
5. Employee management – management of full or part time employees including Operators in Responsible Control (ORC), field and operations employees, administrative employees, part time seasonal employees, Certified Pool Operators, etc. Maintain compliance with Human Resource aspects like; labor statutes, insurance, training, safety, etc. issues. Also, automated payroll services
6. Covenant enforcement and CCR Management – WSDM will continue to provide the following services:
 - a. Management of Architectural Control Committees or Design Review Committees, including, but not limited to, coordination of meetings and preparation of meetings.
 - b. Community inspections and review of proposed improvements or architectural requests.
 - c. Provide enforcement of the recorded CCRs (Covenant, Conditions, and Restrictions) and Design Guidelines including, but not limited to, violation tracking and imposition of fines.
7. Insurance – WSDM will continue to be the liaison for the annual insurance renewal and payment, as well coordination for any insurance claims, as needed, and complete the annual insurance audit to ensure the district is properly covered.

Accounting and bookkeeping

1. Standard Service – WSDM will continue to provide the following services (with a Certified Public Accountant):
 - a. Accounting:
 - i. Prepare monthly, quarterly and annual financial statements for the monthly meeting packets.
 - ii. Reconcile bank statements and trustee statements on a monthly basis.
 - iii. Coordinate bank account setup and maintenance of signature cards.
 - iv. Prepare and file Continuing Disclosure Notices with the Trustee and other required parties. Coordinate review with legal counsel.
 - v. Coordinate capital project draws and requisitions.

- vi. Prepare and review all payments of claims prior to release to ensure funds are available.
 - vii. Monthly review of all expenditures and coordinate preparation and distribution of same with the manager for the District to monitor the district is on track with the budget and appropriated expenditures.
- b. Accounts Payable:
- i. Receive and review invoices for accuracy and appropriateness for payment. Code the invoices in accordance with the budgeted line item.
 - ii. Prepare issuance of checks (or virtual checks) to be presented to the Board for approval and signatures. The claims (Payables) list will be included in the monthly meeting packets.
 - iii. Prepare funding requests, if required.
 - iv. Release checks to vendors when all approvals and funding have been received.
- c. Accounts Receivable:
- i. Process deposit of revenues
 - ii. Process bank charges and other miscellaneous accounts receivable matters.
- d. Financial Projections:
- i. Provide multi-year forecasting on Board request
 - ii. Provide a Utility consumption versus rate analysis, and possible water loss calculations
 - iii. Provide commercial billing and rate structure analysis.
- e. Budgets:
- i. Prepare annual budget and budget message for approval by the Board and coordinate with legal counsel for same.
 - ii. Prepare or assist in the preparation of supplemental and/or amended budgets and accompanying documents, if required.
 - iii. Prepare and assist in the compliance of filing the annual Budget, or amendment, as needed.
- f. Audits:
- i. Obtain proposals for conducting the annual audit for consideration at budget hearing meeting. Proposals should be included in the meeting packet.
 - ii. Coordinate and participate in audit bids, engagements, fieldwork and audit draft review.
 - iii. Assist the auditor in performing the annual audit, to accomplish timely completion and filing by statutory deadline.
 - iv. Help present the Annual Audit for approval by the Board to be file din compliance with State, local, and federal requirements.
- g. Bonds:
- i. Monitor and comply with Bond documents, State Statute, and Auditing requirements
 - ii. Transfer debt obligated funds to correct Reserve Funding accounts as applicable
 - iii. Coordinate principal and interest payments as required by the governing documents.
 - iv. Coordinate with Bond counsel to issue bonds as directed by the Board of Directors

- v. Coordinate the proper compliance filing including but not limited to the DLG-30, etc.
- h. Developer Reimbursements/ Advances:
 - i. Coordinate with Developers to ensure all advances are received, tracked, or accounted for to fund the district as needed.
 - ii. Monitor and comply with Developer Reimbursement agreements and Auditing requirements
 - iii. Coordinate principal and interest payments required by the Reimbursement agreement

Billing and Collections

1. ~~Standard Services — WSDM will continue to utilize the Continental Utility Solutions, Inc. (CUSI) billing software system for the residents, BILL billing software for, or QuickBooks billing software.~~
 - a. ~~CUSI system is compatible with the Automatic Meter Reading (AMR), Badger Beacon systems as well as state of the art integration with direct payment options (Customer Web Portals, ACH, and Credit Card).~~
2. ~~Additional Standard Services will include:~~
 - a. ~~Provide resolution of re-reads for meter reads, if necessary.~~
 - b. ~~Customize billing system to download meter readings directly into accounting software to allow for automatic updates to customer accounts.~~
 - c. ~~Produce and transmit customer invoices to a mailing facility or perform the mailing in house, whichever is more economical.~~
 - d. ~~Process and make daily deposits of all receipts mailed directly to the billing company, as necessary.~~
 - e. ~~Communicate with customers and transmit Automated Clearing House ("ACH") authorization forms allowing the District to initiate an ACH withdrawal of the customer bill directly from their checking or savings account. Initiate ACH batches using dual controls.~~
 - f. ~~Coordinate and provide correspondence regarding terminations, delinquencies, payment plans and shut-off notices in compliance with the District's collection policies and in coordination with the District's legal counsel.~~
 - g. ~~Process payoff requests from title company for closings and set up new ownership information.~~
 - h. Collect transfer fee due upon the transfer of and account or property.
 - i. ~~Process payment arrangements for customers facing economic hardship at the direction of the Board.~~
 - j. ~~Process and transmit delinquent notices.~~
 - k. ~~Process shutoff notices and direct the District's operator to proceed with shutoff.~~
 - l. ~~Certify delinquent accounts with the County, as applicable, in coordination with the District's legal counsel.~~
 - m. ~~Coordinate processing of statements of liens with the District's legal counsel, and release of liens as account are paid current.~~
 - n. Respond to customer calls and inquiries in a timely and professional manner.

- o. ~~Track tap fee payments and coordinate with the Water Operator to provide installation of a new Tap for water utility.~~

Customer Service

1. WSDM will continue to provide customer service support by phone, email, social media, and text messaging, and fax to help all customers with their inquires, questions, or request for information.
2. WSDM will continue to provide access to a 24-hour emergency number at 719-447-4840.
3. WSDM will continue to collaborate with security teams and monitory any security camera's as needed.
4. All customer inquires will have a response to them within 1 hour during regular business hours or immediately the following business day, if not an emergency.

Hourly Rates

WSDM will continue to provide all applicable services as listed to the District at a monthly cost or not to exceed contractual monthly limit of **\$2,000 / month.**

Principal	\$225.00
Senior Manager	\$180.00
Senior Accountant (CPA)	\$190.00
Assistant Manager	\$150.00
Bookkeeper	\$ 75.00
Administrative/ Supporting Staff	\$ 50.00

Thank you,



Kevin Walker,
President of WSDM

APPROVED AS SIGNED:

David Hewett

Signature

Board Chair

Title

12-02-2022

Date

WSDM - Annual Engagement Letter 2023

Final Audit Report

2022-12-02

Created:	2022-12-02
By:	Heather Smith (heather.s@wsdistricts.co)
Status:	Signed
Transaction ID:	CBJCHBCAABAAf_J5mNDazVX9UGdYspnf8MtR4qxX6N9E

"WSDM - Annual Engagement Letter 2023" History

-  Document created by Heather Smith (heather.s@wsdistricts.co)
2022-12-02 - 6:28:10 PM GMT
-  Document emailed to David Hewett (dave@davidwhewett.com) for signature
2022-12-02 - 6:28:30 PM GMT
-  Email viewed by David Hewett (dave@davidwhewett.com)
2022-12-02 - 8:17:48 PM GMT
-  Document e-signed by David Hewett (dave@davidwhewett.com)
Signature Date: 2022-12-02 - 8:19:08 PM GMT - Time Source: server
-  Agreement completed.
2022-12-02 - 8:19:08 PM GMT