# SHERIDAN STATION WEST METROPOLITAN DISTRICT

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NOTICE OF A REGULAR MEETING AND AGENDA

| Board of Directors: | Office: | Term/Expiration: |
|---|---|---|
| Douglas Elenowitz | President | 2023/May 2023 |
| Scott M. Watkins | Treasurer | 2023/May 2023 |
| Paul Malone | Assistant Secretary | 2023/May 2023 |
| Ashley Begley | Assistant Secretary | 2025/May 2025 |
| Mitchell Paur | Assistant Secretary | 2025/May 2025 |
| | | |
| Peggy Ripko | Secretary | |

DATE: December 9, 2022
TIME: 10:00 a.m.
PLACE: *This meeting will be held via Zoom without any individuals (neither District representatives nor the general public) attending in person. The meeting can be joined through the directions below:*

https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09
Meeting ID: 862 6755 0643
Passcode: 987572
Dial In: 1-719-359-4580

I. PUBLIC COMMENTS *(Each speaker is limited to 3 minutes. Speakers are encouraged to stick to their point. Presentations that are less than three minutes long are more effective than long and repetitive presentations. The Board will not respond during the speaker's comments, so as to ensure that they do not take away from the speaker's time, but may choose to respond after the speaker's time has elapsed, or after the period for public comments has concluded.)*

A. _____

II. ADMINISTRATIVE MATTERS

A. Confirm quorum. Present Disclosures of Potential Conflicts of Interest.

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B. Approve Agenda, Confirm Location of Meeting and Posting of Notices.

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C. Consider Approval of Minutes of the June 10, 2022 Regular Meeting and the October 3, 2022 Special Meeting (enclosures).

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D. Review and consider adoption of 2023 Annual Administrative Resolution (enclosure).

i. Election of Officers
ii. Regular Meeting Dates
iii. Consider appointment of District Accountant to prepare the 2024 Budget and set date for public hearing to adopt the 2024 Budget (_____, 2023).

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III. COMMUNITY MANAGEMENT

A. Community Manager's Report (enclosure).

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B. Discussion of Implementation of Towing Operations.

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C. Discuss status of Transferring the West Line Village Website to the District.

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D. Discuss Engineering Requirements for ARC Approvals related to Drainage Matters.

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E. Review and consider approval of proposal from Environmental Designs, Inc. for 2023 Landscape Maintenance Services (enclosure).

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F. Review and consider approval of proposal from Environmental Designs, Inc. for 2022/2023 Snow Removal Services (to be distributed).

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G. Review and consider approval of proposal from Environmental Designs, Inc. for Landscape Enhancements (enclosures).

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H. Review and consider approval of proposal from Altitude Community Law for Legal Services (enclosure).

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I. Review proposed updates to District rules and regulations (enclosure).

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IV. FINANCIAL MATTERS

A. Review and Ratify the Approval of the Payment of Claims as follows (enclosures):

| Fund | Period Ending Oct. 31, 2022 | Period Ending Nov. 30, 2022 |
|---|---|---|
| General | $ 28,767.71 | $ 12,715.66 |
| Debt | $ -0- | $ -0- |
| Capital | $ -0- | $ |
| **Total** | **$ 28,767.71** | **$ 12,715.66** |

B. Review and Accept the Unaudited Financial Statements through the Period Ending September 30, 2022 (enclosure).

C. Consider engagement of Simmons & Wheeler, P.C. for preparation of 2022 Audit, in the amount of $4,800 (enclosure).

D. Review and consider ratification of 2021 Audited Financial Statements (enclosure – final Audit) and Representations Letter.

E. Conduct Public Hearing to consider Amendment to the 2022 Budget and (if necessary) adopt Resolution to Amend the 2022 Budget and Appropriate Expenditures.

F. Conduct Public Hearing on the proposed 2023 Budget and consider adoption of Resolutions to Adopt the 2023 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies (for General Fund _____, Debt Service Fund _____, for a total mill levy of _____) (enclosures –assessed valuation, draft 2023 Budget and Resolutions), including authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

V. LEGAL MATTERS

A. Review and consider adoption of Election Resolution, appointing Designated Election Official ("DEO") and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. Self-Nomination Forms are due by February 24, 2023 (enclosure). Discuss the need for ballot issues and/or questions.

B. Legislative Report (enclosure).
   i. 2022 Legislative Memorandum.
   ii. SB 21-262 Website Compliance.

VI. CAPITAL PROJECT MATTERS

A. _____

VII. OTHER BUSINESS

A. _____

VIII. ADJOURNMENT ***THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2022.***

Informational Enclosure:
- Memo regarding New Rate Structure from Special District Management Services, Inc.
- Memo regarding 2023 Rates from Icenogle Seaver Pogue, P.C.

# RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT HELD JUNE 10, 2022**

A Regular Meeting of the Board of Directors of the Sheridan Station West Metropolitan District (referred to hereafter as the "Board") was convened on Friday, June 10, 2022 at 10:00 a.m. This District Board meeting was held by videoconference via Zoom. The meeting was open to the public.

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**Directors In Attendance Were**:
Douglas Elenowitz, President (*for a portion of the meeting*)
Scott Watkins, Assistant Secretary
Paul Malone, Assistant Secretary
Ashley Begley, Assistant Secretary
Mitchell Paur, (*for a portion of the meeting*)

**Also In Attendance Were**:
David Solin and Peggy Ripko; Special District Management Services, Inc. ("SDMS")

Jennifer L. Ivey, Esq.; Icenogle Seaver Pogue, P.C.

Cathy Kulzer, Ben Barnette, Allison Maio, Sara Wright, Morgan Barstad and Mathew Maraia – Residents

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**PUBLIC COMMENTS**

Mr. Ben Barnett and Mss. Cathy Kulzer and Sara Wright all discussed the parking rules with the Board.

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**DISCLOSURE OF POTENTIAL/ CONFLICTS OF INTEREST**

**Disclosure of Potential Conflicts of Interest**: Attorney Ivey reported that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Mr. Solin requested that the Directors consider whether they had any additional conflicts of interest to disclose. Mr. Solin noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes.

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## RECORD OF PROCEEDINGS

**ADMINISTRATIVE MATTERS**

**Agenda**: Mr. Solin reviewed with the Board the Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Malone, seconded by Director Watkins and, upon vote, unanimously carried, the Board approved the Agenda, as presented.

**Meeting Location and Posting of Notices**: This District Board meeting was held by videoconference. Mr. Solin noted that notice of the time, date, and location of the meeting was duly posted.

**May 3, 2022 Election**: Mr. Solin updated the Board on the results of the May 3, 2022 Election. There were not more candidates than there were open positions, so all candidates were elected by acclamation and the election was cancelled.

**Appointment of Officers**: The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Watkins, seconded by Director Elenowitz and, upon vote, unanimously carried, the following slate of officers was appointed:

| | |
|---|---|
| President | Douglas Elenowitz |
| Secretary | David Solin |
| Assistant Secretary | Scott Watkins |
| Assistant Secretary | Paul Malone |
| Assistant Secretary | Ashley Begley |
| Assistant Secretary | Mitchell Paur |

**Minutes**: The Board reviewed the Minutes of the March 14, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Elenowitz, seconded by Director Watkins and, upon vote, unanimously carried, the Board approved the Minutes of the March 14, 2022 Special Meeting, as presented

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**COMMUNITY MANAGEMENT**

**Community Manager's Report**: Ms. Ripko presented and discussed with the Board the Community Manager's Report.

**Implementation of Towing Operations**: The Board directed Attorney Ivey to review and validate the photos prepared to be included as an exhibit to the Towing Agreement with Wyatt's Towing, for the purpose of illustrating safety hazards that would require immediate towing versus the photos that illustrate parking that would

first be provided with warning notices by Wyatt's. Ms. Ripko was directed to post notices on all residents' front doors and to send three emails outlining that towing would be immediate for those areas that Attorney Ivey and Mr. Solin identified as immediate towing zones. The Board determined that the District will pause towing until June 20, 2022.

**Transferring West Line Village Website to the District**: Ms. Ripko reported to the Board that the West Line Village website redirect to the District's website should be operational within a week.

**Engineering Requirements for ARC Approvals Related to Drainage Matters**: The Board discussed a proposal from Ware Malcolm to review and the District's drainage plan with the purpose of identifying areas of concern that could then be used in reviewing ARC requests for patio changes.

**Civil Design and Engineering Services from Ware Malcolm**: The Board reviewed a proposal from Ware Malcolm for Civil Design and Engineering Services, for the purpose of reviewing the District's drainage plan and identifying areas of concern that could be used in reviewing ARC requests for patio changes.

Following discussion, upon motion duly made by Director Begley, seconded by Director Watkins and, upon vote, unanimously carried, the Board approved the proposal from Ware Malcolm for Civil Design and Engineering Services.

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**FINANCIAL MATTERS**

**Claims:** The Board considered ratifying the approval of the payment of claims for the following period:

| Fund | Period Ending March 31, 2022 | Period Ending April 30, 2022 | Period Ending May 31, 2022 |
|---|---|---|---|
| General | $ 27,544.85 | $ 20,696.29 | $ 13,980.76 |
| Debt | $ -0- | $ -0- | $ -0- |
| Capital | $ -0- | $ 1,237.50 | $ -0- |
| **Total** | **$ 27,544.85** | **$ 21,933.79** | **$ 13,980.76** |

Following discussion, upon motion duly made by Director Watkins, seconded by Director Malone and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented for the periods ending as shown.

**Unaudited Financial Statements**: The Board reviewed the unaudited quarterly financial statements of the District through the period ending March 31, 2022.

Following review and discussion, upon motion duly made by Director Watkins, seconded by Director Begley and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending March 31, 2022.

**2021 Audit**: It was noted that review and approval of the 2021 Audit was deferred as the 2021 Audit was not yet available.

**Reserve Study**: The Board reviewed a proposal from Aspen Reserve Specialties for a Reserve Study.

Following discussion, upon motion duly made by Director Watkins, seconded by Director Begley and, upon vote, unanimously carried, the Board directed Ms. Ripko to obtain a second proposal for a reserve study and directed that the lower priced of the two proposals be approved, for an amount not to exceed $2,570.

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**LEGAL MATTERS**

**Conveyance/Dedication of Tract A**: Director Watkins reported to the Board that the BMPs and blankets will be removed and landscape completed, within the next week. Director Begley shared her concerns about the stairs being an area for ice buildup during the winter.

Following discussion, upon motion duly made by Director Watkins, seconded by Director Malone and, upon vote, unanimously carried, the Board authorized Director Begley or Director Watkins to sign the Special Warranty Deed conveying Tract A to the District upon completion of all punch-list items.

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**CAPITAL PROJECT MATTERS**

There were no capital project matters to discuss at this time.

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**OTHER MATTERS**

There were no other matters to discuss at this time.

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**ADJOURNMENT**

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

Respectfully submitted,

By _____
Secretary for the Meeting

# RECORD OF PROCEEDINGS

## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT HELD OCTOBER 3, 2022

A Special Meeting of the Board of Directors of the Sheridan Station West Metropolitan District (referred to hereafter as the "Board") was convened on Monday, October 3, 2022 at 9:00 a.m. This District Board meeting was held by videoconference via Zoom. The meeting was open to the public.

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**Directors In Attendance Were**:
Douglas Elenowitz, President
Scott Watkins, Assistant Secretary
Paul Malone, Assistant Secretary
Ashley Begley, Assistant Secretary
Mitchell Paur, Assistant Secretary

**Also In Attendance Were**:
Peggy Ripko and Larry Loften; Special District Management Services, Inc. ("SDMS")

Jennifer L. Ivey, Esq.; Icenogle Seaver Pogue, P.C.

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**PUBLIC COMMENTS**

There were no public comments.

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**DISCLOSURE OF POTENTIAL/ CONFLICTS OF INTEREST**

**Disclosure of Potential Conflicts of Interest**: Attorney Ivey reported that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Ms. Ripko requested that the Directors consider whether they had any additional conflicts of interest to disclose. Ms. Ripko noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes.

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**ADMINISTRATIVE MATTERS**

**Agenda**: Ms. Ripko reviewed with the Board the Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Watkins, seconded by Director Begley and, upon vote, unanimously carried, the Board approved the Agenda, as presented.

**Meeting Location and Posting of Notices**: This District Board meeting was held by videoconference. Ms. Ripko noted that notice of the time, date, and location of the meeting was duly posted.

**Resignation and Appointment of Secretary to the Board**: The Board considered the resignation of David Solin and the appointment of Peggy Ripko as Secretary to the Board.

Following discussion, upon motion duly made by Director Elenowitz, seconded by Director Malone and, upon vote, unanimously carried, the Board accepted the resignation of David Solin and the appointment of Peggy Ripko as Secretary to the Board.

**Appointment of Treasurer**: The Board discussed the need to fill the position of Treasurer.

Following discussion, upon motion duly made by Director Malone, seconded by Director Begley and, upon vote, unanimously carried, the Board appointed Director Watkins as Treasurer.

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**FINANCIAL MATTERS**

**Resolution certifying delinquent rates/fees and charges to Jefferson County Treasurer**: The Board discussed the Resolution certifying delinquent rates/fees and charges to Jefferson County Treasurer for collection with property taxes collected in 2022.

Attorney Ivey noted that Notice of the Board's intent to certify those delinquent accounts, meeting the statutory criteria, was given to all interested parties as required by law. Following discussion, upon motion duly made by Director Malone, seconded by Director Watkins, and, upon vote, unanimously carried, the Board adopted Resolution certifying delinquent rates/fees and charges to Jefferson County Treasurer for collection with property taxes collected in 2022.

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**OTHER MATTERS**

There were no other matters to discuss at this time.

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**ADJOURNMENT**

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

## RECORD OF PROCEEDINGS

Respectfully submitted,

By _____
Secretary for the Meeting

**ANNUAL RESOLUTION OF**
**THE BOARD OF DIRECTORS OF THE**
**SHERIDAN STATION WEST METROPOLITAN DISTRICT**

At a regular meeting of the Board of Directors of the Sheridan Station West Metropolitan District, Jefferson County, Colorado, held at 10:00 A.M., on Friday, December 9, 2022, via video conference at https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09 and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572, at which a quorum was present, the following resolution was adopted:

**WHEREAS**, the Sheridan Station West Metropolitan District (the "District") was organized as a special district pursuant to an Order of the District Court in and for the County of Jefferson, Colorado, dated November 23, 2016 and is located within Jefferson County (the "County"); and

**WHEREAS**, the Board of Directors of the District (collectively referred to as the "Board" or individually as "Director(s)") has a duty to perform certain obligations in order to assure the efficient operation of the District; and

**WHEREAS**, Section 32-1-306, C.R.S. requires the District to file a current, accurate map of its boundaries with the County Assessor, County Clerk and Recorder and the Division of Local Government (the "Division") on or before January 1 of each year; and

**WHEREAS**, Sections 24-10-109 and 24-32-116, C.R.S. require that the District provide its name, its principal address and/or mailing address, the name of its agent and the agent's mailing address to the Department of Local Affairs (the "Department") and keep such information updated regularly; and

**WHEREAS**, Section 32-1-809, C.R.S. requires that the Board provide notice, containing certain information about the District, to the eligible electors of the District no more than sixty (60) days prior to and not later than January 15; and

**WHEREAS**, Section 32-1-104(2), C.R.S. requires that the District, on or before January 15, file a copy of the notice required by Section 32-1-809, C.R.S. with the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder in each county in which the District is located, the governing body of any municipality in which the District is located and the Division; and

**WHEREAS**, the Local Government Budget Law of Colorado, Sections 29-1-101 *et seq.*, C.R.S., requires the Board to hold a public hearing on proposed budgets and amendments thereto, to adopt budgets and to file copies of the budgets and amendments thereto; and

**WHEREAS**, Section 29-1-205(1), C.R.S. requires the District to file a current list of all contracts in effect with other political subdivisions within thirty (30) days of receiving a request therefor from the Division; and

**WHEREAS**, in accordance with the Public Securities Information Reporting Act, Sections 11-58-101 *et seq.*, C.R.S., issuers of nonrated public securities shall make public within sixty (60) days following the end of each of such issuer's fiscal year, an annual information report or reports with respect to any of such issuer's nonrated public securities which are outstanding as of the end of each such fiscal year; and

**WHEREAS**, in accordance with Section 29-1-604(1), C.R.S., if expenditures and revenues of the District are not in excess of $100,000, the District may file an application for exemption from audit with the State Auditor; or in accordance with Section 29-1-604(2)(b), C.R.S., if expenditures and revenues of the District for any fiscal year are at least $100,000, but not more than $750,000, the District may file an application for exemption from audit with the State Auditor; or in accordance with Section 29-1-603, C.R.S., the Board shall cause to be made an annual audit of the financial statements of the District for each fiscal year; and

**WHEREAS**, the Revised Uniform Unclaimed Property Act, Sections 38-13-101 *et seq.*, C.R.S., requires that governmental subdivisions, if applicable, file an annual report listing unclaimed property with the State Treasurer by November 1 of each year; and

**WHEREAS**, pursuant to Section 32-1-103(15), C.R.S., the legal notices of the District must be published one time, in one newspaper of general circulation in the District, and if there is not one such newspaper of general circulation, then in one newspaper in each county in which the District is located and in which the District also has fifty (50) or more eligible electors; and

**WHEREAS**, pursuant to Section 24-6-402(2)(c)(I), C.R.S., the Board shall annually designate at the first regular meeting of the calendar year a posting place within the boundaries of the District for posting of notices; and

**WHEREAS**, pursuant to Sections 32-1-903(2) and 24-6-402(2)(c)(I) & (III), C.R.S., in addition to any other means of full and timely notice, the Board shall be deemed to have given full and timely notice of a public meeting if the Board posts the notice on a public website of the District or in the designated public place within District boundaries, no less than twenty-four (24) hours prior to the meeting; and

**WHEREAS**, Section 32-1-903(1), C.R.S. requires that the Board shall meet regularly at a time and location to be designated by the Board and such location may be physical, telephonic, electronic, other virtual place, or combination of such means where a meeting can be attended; provided that meetings that are held solely at physical locations must be held at physical locations that are within the boundaries of the District or within the boundaries of any county in which the District is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the District boundaries, unless the proposed change of location for a meeting appears on the Board agenda of a meeting and a resolution is adopted stating the reason for which meetings of the Board are to be held in a physical location other than under the provisions of Section 32-1-903(1.5), C.R.S. and further stating the date, time and physical location of such meeting; and

**WHEREAS**, pursuant to Section 32-1-904, C.R.S., the office of the District shall be at some fixed place to be determined by the Board; and

**WHEREAS**, pursuant to Section 32-1-901(1), C.R.S., each Director, within thirty (30) days after his or her election or appointment to fill a vacancy, shall take an oath or affirmation in accordance with Section 24-12-101, C.R.S., and the oath must be filed with the County Clerk and Recorder, and in accordance with Section 32-1-901(1), C.R.S. with the Clerk of the Court and with the Division; and

**WHEREAS**, in accordance with Section 32-1-901(2), C.R.S., at the time of filing said oath, there shall also be filed for each Director a bond; and

**WHEREAS**, in accordance with Section 24-14-102(2), C.R.S., the District may, in lieu of the required bond, purchase crime insurance to protect the District from any dishonesty, theft, or fraud; and

**WHEREAS**, pursuant to Section 32-1-902(1), C.R.S., the Board shall elect one of its members as chairman of the Board and president of the District, one of its members as a treasurer of the Board and District, and a secretary who may be a member of the Board, or the secretary and treasurer may be one individual, who in such case is a member of the Board; and

**WHEREAS**, Directors may receive compensation for their services subject to the limitations imposed by Section 32-1-902(3)(a), C.R.S.; and

**WHEREAS**, Directors are governed by Section 32-1-902(3)(b), C.R.S., which requires any Director to disqualify himself or herself from voting on an issue in which he or she has a conflict of interest, unless the Director has properly disclosed such conflict in compliance with Section 18-8-308, C.R.S.; and

**WHEREAS**, Directors are governed by Section 32-1-902(4), C.R.S., which requires any Director who owns undeveloped land that constitutes at least twenty percent (20%) of the territory included in the District to properly disclose such fact in compliance with Section 18-8-308, C.R.S. before each meeting of the Board, and such disclosure must be entered into the minutes of such meeting; and

**WHEREAS**, pursuant to Section 32-1-1001(1)(o), C.R.S. the Board has the power to authorize the use of electronic records and electronic signatures and adopt rules, standards, policies, and procedures for use of electronic records or signatures in accordance with the Uniform Electronic Transaction Act, Sections 24-71.3-101 *et seq*., C.R.S.; and

**WHEREAS**, pursuant to Section 24-72-204.5, C.R.S., should the District operate or maintain an electronic mail communications system, the Board must adopt a written policy on any monitoring of electronic mail communications and the circumstances under which it will be conducted; and

**WHEREAS**, Sections 32-1-1604 and 32-1-1101.5(1), C.R.S. require the District to issue notice of the authorization or incurrence of general obligation indebtedness to the Board of County Commissioners of each county in which the District is located or the governing body of the municipality that has adopted a resolution of approval of the District and to record such notice with the Clerk and Recorder in each county in which the District is located within thirty (30) days of incurring or authorizing such indebtedness; and

**WHEREAS**, Section 32-1-1101.5(1), C.R.S. requires the District to certify the results of ballot issue elections to incur general obligation indebtedness to the Board of County Commissioners of each county in which the District is located or to the governing body of a municipality that has adopted a resolution of approval of the District within forty-five (45) days after the election, or at least thirty (30) days before issuing any general obligation debt if not previously certified, and requires the District to file a copy of such certificate with the Division of Securities within that timeframe; and

**WHEREAS**, in accordance with Section 32-1-1101.5(1.5), C.R.S., the Board of County Commissioners or the governing body of a municipality that has adopted a resolution of approval of the District may require the District to file an application for the quinquennial finding of reasonable diligence; and

**WHEREAS**, in accordance with Section 32-1-207(3)(c), C.R.S., and unless otherwise waived or requested by an earlier date, commencing in 2023 for the 2022 calendar year, any special district created after July 1, 2000, must electronically file an annual report for the preceding calendar year by October 1st with the governing body that approved the service plan or, if the jurisdiction has changed due to the annexation into a municipality, the current governing body with jurisdiction over the District, the Division, the State Auditor, and the County Clerk and Recorder, and make the same available on the website of the District; and

**WHEREAS**, in accordance with the Colorado Governmental Immunity Act, Sections 24-10-101, *et seq.*, C.R.S., the Board is granted the authority to obtain insurance; and

**WHEREAS**, the Colorado Open Meetings Law at Section 24-6-402(2)(d.5)(II)(A), C.R.S. specifies that discussions that occur in an executive session of a local public body shall be electronically recorded; and

**WHEREAS**, pursuant to Section 24-6-402(2)(d.5)(II)(E), C.R.S., such electronic recording of executive sessions shall be retained for at least ninety (90) days after the date of the executive session; and

**WHEREAS**, in accordance with the Public Deposit Protection Act, Sections 11-10.5-101 *et seq.*, C.R.S., the Board shall designate an official custodian with plenary authority to deposit public funds in any bank which has been designated by the Colorado Banking Board as an eligible public depository; and

**WHEREAS**, in accordance with Section 32-1-104.8, C.R.S., the District must record a public disclosure document and a map of the boundaries of the District with the Clerk and Recorder

of each county in which the District is located at any time that an order or decree confirming the inclusion of real property into the District is recorded; and

**WHEREAS**, in accordance with Section 32-1-104.5, C.R.S., (1) within one year of the date an order and decree has been issued by a district court for a newly organized metropolitan district; or (2) for all metropolitan districts organized after January 1, 2000, by January 1, 2023, such metropolitan district, shall establish, maintain and annually update an official website containing specific information as set forth in Section 32-1-104.5(3)(a), C.R.S.; and

**WHEREAS**, elections may be held pursuant to the Special District Act, Article 1 of Title 32, C.R.S.; the Uniform Election Code of 1992, Articles 1 to 13 of Title 1, C.R.S.; and the Colorado Local Government Election Code, Article 13.5 of Title 1, C.R.S., for the purpose of (1) electing members of the Board; and (2) presenting certain ballot questions to the eligible electors of the District; and

**WHEREAS**, Sections 1-1-111(2), 1-13.5-108 and 32-1-804(2), C.R.S. provide that all powers and authority granted to the Board may be exercised by a "Designated Election Official" designated by the Board.

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board directs the District's engineer to prepare an accurate map in accordance with the standards specified by the Division or directs legal counsel to prepare a letter asserting there have been no changes in the boundaries of the District, as applicable, for filing with the County Assessor, County Clerk and Recorder and the Division as required by Section 32-1-306, C.R.S on or before January 1.

2. The Board directs management to notify the Department of the District's name, principal address and/or mailing address, agent's name and agent's mailing address in accordance with Sections 24-10-109 and 24-32-116, C.R.S.

3. The Board directs management to: (1) provide notice, containing certain information about the District, to the eligible electors of the District, not earlier than November 16 and not later than January 15, in one or more of the ways set forth in Section 32-1-809(2), C.R.S; and (2) in accordance with Section 32-1-104(2), C.R.S., file a copy of the notice with the Board of County Commissioners, County Assessor, County Treasurer, County Clerk and Recorder's Office in each county in which the District is located, the governing body of any municipality in which the District is located and with the Division. The Board further directs that a copy of the notice shall be made available for public inspection at the principal business office of the District.

4. The Board directs the accountant for the District to submit a proposed budget to the Board by October 15; to schedule a public hearing on the proposed budget; to prepare a final budget, including any resolutions adopting the budget, appropriating

moneys and fixing the rate of any mill levy; to prepare budget resolutions, including certification of mill levies and amendments to the budget if necessary; to certify the mill levies on or before December 15; and to file the approved budgets and amendments thereto with the proper governmental entities not later than thirty (30) days after the beginning of the fiscal year of the budget adopted, in accordance with the Local Government Budget Law of Colorado.

5. The Board directs management to prepare and file a current list of all contracts in effect with other political subdivisions with the Division within thirty (30) days of receiving a request therefor from the Division, if applicable.

6. The Board directs legal counsel and/or the accountant to prepare and file the annual public securities report for nonrated public securities issued by the District with the Department within sixty (60) days following the end of the District's fiscal year, if applicable.

7. The Board directs the accountant to file either an application for exemption from audit with the State Auditor within three (3) months after the close of the District's fiscal year, or that an audit of the financial statements is prepared and submitted to the Board within six (6) months after the close of the District's fiscal year. Further, the Board directs that the audit report be filed with the State Auditor within thirty (30) days after the Board's receipt of the audit report from the auditor.

8. The Board directs legal counsel to prepare the Unclaimed Property Act report and forward to the State Treasurer by November 1, if applicable.

9. The Board designates the *HUB for Lakewood* as a newspaper of general circulation within the boundaries of the District or in the vicinity of the District if none is circulated within the District, and directs that all legal notices shall be published in accordance with applicable statutes in the *HUB for Lakewood*.

10. The Board designates the URL Domain https://sheridanstationwestmd.colorado.gov/ as the District's official website and posting place for notices of meetings pursuant to Sections 24-6-402(2)(c) and 32-1-104.5, C.R.S. Further, in compliance with Section 24-6-402(2)(III), C.R.S., the Board designates the post within the boundaries of the District, as the public place within the boundaries of the District at which it may post notices of meetings if it is unable to post a notice on the District's official website.

11. The Board directs management to maintain and update the official website of the District in compliance with Section 32-1-104.5(3)(a), C.R.S.

12. Emergency meetings may be called without notice, if notice is not practicable, by the president of the Board or any two (2) Directors in the event of an emergency that requires the immediate action of the Board in order to protect the public health, safety and welfare of the property owners and residents of the District. If possible,

notice of such emergency meeting may be given to the Directors of the Board by telephone or whatever other means are reasonable to meet the circumstances of the emergency, and shall be provided to the public via any practicable means available, *if any*, including, but not limited to, posting notice of such emergency meeting on the District's website, if any. At such emergency meeting, any action within the power of the Board that is necessary for the immediate protection of the public health, safety and welfare may be taken; provided however, that any action taken at an emergency meeting shall be ratified at the first to occur: (a) the next regular meeting of the Board, or (b) the next special meeting of the Board.

13. The Board determines to hold regular meetings on June 9, 2023 and December 8, 2023, at 10:00 A.M. via video conference at _____. The Board directs those notices of all meetings must include the method or procedures, including the conference number and/or link, by which members of the public can attend the meeting. Any additional means of public participation, if any, will also be designated on the meeting agenda.

14. Pursuant to Section 32-1-904, C.R.S., the Board determined that the office of the District shall be at Special District Management Services, Inc., 141 Lakewood Boulevard, Suite 150, Lakewood, Colorado 80228.

15. The Board directs legal counsel to prepare, administer and file an oath or affirmation in accordance with Sections 32-1-901 and 24-12-101, C.R.S. In addition to the oath or affirmation, the Board directs legal counsel to procure either crime insurance in accordance with Section 24-14-102(2), C.R.S. or a bond for each Director as required by Section 32-1-901, C.R.S. in the total amount of $10,000, and to file copies of the crime insurance or bond with the Clerk of the Court and the Division.

16. The Board hereby elects the following officers for the District:

| | |
|---|---|
| President/Chairman: | _____ |
| Treasurer: | _____ |
| Secretary: | _____ |
| Assistant Secretary: | _____ |
| Assistant Secretary: | _____ |

17. The Board directs that each Director may receive compensation for services as Directors in accordance with Sections 32-1-902(3)(a)(I) & (II), C.R.S.

18. The Board has determined that when so directed by one or more Directors legal counsel will file conflict-of-interest disclosures provided by Directors with the Secretary of State seventy-two (72) hours prior to each meeting of the Board. In addition, written disclosures provided by Directors required to be filed with the governing body in accordance with Section 18-8-308, C.R.S. shall be deemed filed with the Directors of the District when filed with the Secretary of State.

19. The Board authorizes the use of electronic records and electronic signatures. Use of electronic records and electronic signatures, when conducting transactions and in relation to the administration of the affairs of the District, will be performed and governed in accordance with the Uniform Electronic Transactions Act, Sections 24-71.3-101 *et seq.*, C.R.S.

20. The Board does not operate or maintain an electronic mail communication system devoted to the District but recognizes that its Directors and consultants may utilize electronic mail to conduct matters on behalf of the District and that such communications may be a public record under the Colorado Open Records Act and may be subject to public inspection under Section 24-72-203, C.R.S.

21. The Board directs legal counsel to issue notice of indebtedness to the Board of County Commissioners or to the governing body of the municipality that has adopted a resolution of approval of the District, as applicable, and to record such notice with the County Clerk and Recorder in each county in which the District is located within thirty (30) days of incurring or authorizing any indebtedness in accordance with Sections 32-1-1604 and 32-1-1101.5(1), C.R.S. The Board also directs legal counsel to certify the results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners of each county in which the District is located, to the governing body of a municipality that has adopted a resolution of approval of the District, as applicable, and the Division of Securities within forty-five (45) days after such election, or at least thirty (30) days before the District's issuance of any general obligation debt if not previously certified, in accordance with Section 32-1-1101.5(1), C.R.S.

22. The Board directs legal counsel to prepare and file, if requested, the quinquennial finding of reasonable diligence with the Board of County Commissioners or to the governing body of a municipality that has adopted a resolution of approval of the District, as applicable, in accordance with Section 32-1-1101.5(1.5), C.R.S.

23. The Board directs legal counsel to prepare and file an annual report as required under the Service Plan for the District and Section 32-1-207(3)(c), C.R.S., as applicable.

24. The District is currently a member of the Special District Association ("SDA") and insured through the Colorado Special Districts Property and Liability Pool. The Board directs the District's accountant to pay the annual SDA membership dues and insurance premiums in a timely manner and complete all necessary conditions of the third-party insurance agent, as applicable. The Board will review all insurance policies and coverage in effect to determine appropriate insurance coverage is maintained, at least biannually.

25. The Board directs the custodian of all electronic recordings of executive sessions to retain all electronic recordings of executive sessions for purposes of the Colorado Open Meetings Law for ninety (90) days after the date of the executive session.

The Board further directs the custodian to systematically delete all recordings of executive sessions made for purposes of the Colorado Open Meetings Law at its earliest convenience after the ninetieth (90th) day after the date of the executive session.

26. The Board hereby designates the District's accountant as its official custodian over public deposits in accordance with Sections 11-10.5-101 *et seq*., C.R.S.

27. The Board directs legal counsel to prepare the special district public disclosure statement in accordance with Section 32-1-104.8, C.R.S. and record the statement with the County Clerk and Recorder at any such time as a decree or order of inclusion of real property into the District's boundaries is recorded.

28. Peggy Ripko, of Special District Management Services, Inc., is hereby appointed as the "Designated Election Official" of the Board for any elections to be held during 2023 and any subsequent year unless another Designated Election Official is appointed by resolution. The Board hereby grants all powers and authority for the proper conduct of the election to the Designated Election Official, including, but not limited to, appointing election judges, appointing a canvass board, cancelling the election, if applicable, and certifying election results.

29. The Board hereby authorizes legal counsel, the District manager, and District accountant to use the District's name and a brief description of the work performed for the District for marketing purposes, including identifying the District in presentations, proposals, and publications, provided that no confidential information about the District is revealed.

**[The remainder of this page is intentionally left blank.]**

Whereupon a motion was made and seconded, and upon a majority vote this Annual Resolution was approved by the Board.

**ADOPTED AND APPROVED** THIS 9TH DAY OF DECEMBER 2022.

SHERIDAN STATION WEST METROPOLITAN DISTRICT

_____

Douglas Elenowitz, President

ATTEST:

_____

Paul Malone, Assistant Secretary

**CERTIFICATION**

I, Paul Malone, Assistant Secretary of the Board of the Sheridan Station West Metropolitan District, do hereby certify that the annexed and foregoing Resolution is a true copy from the records of the proceedings of the Board of said District, on file with Icenogle Seaver Pogue, P.C., general counsel to the District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District, at the County of Jefferson, Colorado, this 9th day of December 2022.

_____

Paul Malone, Assistant Secretary

[SEAL]

**Community Management Report**

**December 2022**

**Parking/ Towing:** Parking issues have slowed down due to enforcement**.**

**Architectural Requests:** We have not received any recent architectural requests for this community.

**Violations:** The majority of the violations in this community are trash can violations. Trash bins being left out on non-trash pick up days. We have been fining frequent offenders.

**Snow Removal:** Snow removal has been contracted with Environmental Design Inc. for the 2022-2023 season.

**Homeowner Contact Information:** Several homeowner files are missing complete contact information. We recently preformed an audit of the community and mailed contact information request letters to all applicable addresses. So far, only a handful of homeowners have returned completed request letters.

# LANDSCAPE MAINTENANCE AGREEMENT

EDI Contact: Eric VanLaren

Project Name: Sheridan Station Metropolitan District
Project Address 1045 Depew St., Lakewood, CO 80214

Proposal #: 103296
Effective Date: January 1, 2023
Termination Date: December 31, 2023

THIS LANDSCAPE MAINTENANCE AGREEMENT (the "Agreement") is made and entered into as of 1/1/2023 (the "Effective Date") by and between Environmental Designs, Inc. (the "Contractor") and Sheridan Station Metropolitan District (the "Client"). The Client and Contractor agree as follows:

## 1. SCOPE OF WORK

A. The Contractor agrees to perform the work and services under this Agreement at its sole expense for all labor, materials, services, equipment, and tools required to fulfill its obligations and to properly execute and complete the work as described more particularly on the attachment (the "Work") identified as Exhibit A.

B. The Contractor shall commence work on the Effective Date and shall expire on the Termination Date unless sooner terminated as provided in this Agreement.

## 2. GENERAL PROVISIONS

A. The Contractor shall be responsible for any damages caused by his work force while performing the requirements of this agreement. The Contractor shall provide Labor and Materials for the repair or replacement of these damages.

B. This proposal shall expire unless accepted in writing, by Client and an authorized agent of Contractor, as evidenced by their signatures below, and the offering party receives notice of acceptance within ten (10) calendar days of the date of this contract. If accepted, this document shall become a contract between Client and Contractor. A copy of this document may be executed by each party, separately, and when each party has executed a copy thereof, such copies taken together shall be deemed to be a full and complete contract between Client and Contractor.

C. This Agreement constitutes the entire contract between the Client and Contractor, and any prior agreements pertaining thereto, whether verbal or written, have been merged and integrated into this contract. No subsequent modification of any of the terms of this Agreement shall be valid, binding upon the parties, or enforceable unless made in writing and signed by both the Client and an authorized agent of Contractor. Any obligation in this Agreement that, by its terms, is intended to be performed after completion shall survive the same.

## 3. TERMINATION

A. Either party may terminate this Agreement by written notice by certified mail to the other party. Notice to be given at least thirty (30) days prior to the effective date of such termination.

B. Contractor and Client agree that the work performed is proportionally greater during the growing season. In the event of termination full payment for actual services performed or materials provided become due and payable on or before date of termination. In the event of pre-payment of services or materials not performed or provided, a refund will be due and payable on termination date.

C. In the event that Contractor cannot secure an adequate labor force to perform the work as outline within this agreement, at the sole discretion of Contractor, Contractor may cancel this Agreement without penalty from Client subject to notification as outlined above.

D. If payment for services rendered is delinquent by thirty (30) days or more, Contractor reserves the right to suspend services until the account is made current without any breach of contract.

## 4. INSURANCE

A. The Contractor shall at all times be covered by adequate liability and workers compensation insurance. The Contractor shall provide proof of coverage to the Client prior to work being performed.

## 5. ADDITIONAL SERVICES AVAILABLE

A. The Contractor offers the following services to complete their Landscape Maintenance & Construction Package:

1. Full Landscape Design Services by in house Architects and Designers.
2. All sizes of landscape construction projects, both residential and commercial.
3. Irrigation system design, installation, and service.
4. Annual Floral Color design, installation, and maintenance including beds, pots, hanging pots, deckscapes, etc.
5. Replacement of or addition of trees, shrubs, ornamental grasses, and perennial flowers.
6. Full Plant Health Care (PHC) including pest control, fertilization, and deep root watering.
7. Full Arbor Services including tree pruning, tree removal, and stump grinding.
8. Estate Maintenance Programs
9. Native Grass and Field Mowing
10. Holiday Lighting and Decoration

## 6. PAYMENT SCHEDULE

A. All payments are to be made on or before that last day of each month. Billing cycle will be processed on the first for services performed for that month. Time and material charges will be invoiced separately and will be due NET 30 from date of invoice.

B. Payments past due fifteen (15) days shall incur a finance charge of 1.5% per month (18% per anum). ENVIRONMENTAL DESIGNS, INC. or its assignee shall be entitled to collect all reasonable costs and expenses of collection, including, but not limited to, reasonable attorney fees.

C. In consideration for the Contractor's performance of the Work included in this agreement and before any Additional Services Addendums, if any, the Client will pay the Contractor as follows:

| | |
|---|---|
| 12 Monthly Installments of: | $1,415.88 |
| Starting: | January 2023 |
| Ending: | December 2023 |
| Total Contract Price: | $16,990.56 |

D. In the event that the average fuel price index, as found on http://www.denvergasprices.com, reach or exceed $4.00 per gallon, a fuel surcharge of 3%will be applied to all invoices associated with this Landscape Maintenance Agreement until fuel prices drop below the aforementioned benchmark price, said surcharge shall increase 3% for every $0.50 increase above the benchmark price of $4.00 per gallon.

## 7. ACCEPTANCE

ENVIRONMENTAL DESIGNS, INC.
12511 E. 112th. Avenue Henderson,
CO 80640
303-287-9113

_____

Contractor Signature Date

_____

Printed Name

Sheridan Station Metropolitan District
1045 Depew St.
Lakewood, CO 80214 303-987-0835 x 237

_____

Client Signature Date

_____

Printed Name

# EXHIBIT A Scope of Services (the "Work")

**Weekly Services** Frequency included in this Agreement 26

Weekly Services shall include the weekly monitoring of landscape areas for loose trash and debris, trimming of turf areas where necessary, weed control in beds, blowing of grass clippings from walks, porches, and curb lines, and mowing of all turf areas to a height of 3"-4" from May to September and twice monthly in April and October. Steel-blade edging along sidewalks and curbs will be performed bi-weekly from April to October.

The Contractor shall be selective in the chemical controls used so as to ensure against an improper application that may cause damage to turf, trees, or shrubs. The Contractor shall provide for the complete safety the user(s), the public, residents, and their properties. The Contractor shall meet all Colorado State and Environmental Protection Agency (EPA) licensing requirements.

**Commercial Applicators are licensed by the Colorado Department of Agriculture.**

**Aeration - Spring** Frequency included in this Agreement 1

A core aeration of all turf areas shall be performed in the Spring to minimize the compaction of the soil which will promote greater air movement within the ground and, in turn, promote a healthier, stronger root system for the turf.

**Fertilization - Spring Turf** Frequency included in this Agreement 1

Spring Fertilization consists of an application of granular fertilizer containing a slow-release nitrogen compound applied to all turf areas. This application is crucial to a strong “green up” during the spring, and with the slow-release nitrogen, the product not only benefits the turf for a longer period of time but also helps it to hold its color later into the season. The Spring Fertilization application of fertilizer is coupled with a granular pre-emergent weed control to mitigate germination of weeds in turf areas. Thus, reducing the overall volume of weeds to be controlled with a broadleaf herbicide.

**Fertilization - Summer Turf** Frequency included in this Agreement 1

Summer Fertilization consists of an application of granular fertilizer containing a slow-release nitrogen compound applied to all turf areas. This application is crucial to maintaining a strong green appearance through the hot summer season and with the slow-release nitrogen, the product not only benefits the turf for a longer period of time but also helps it to hold its color later into the season.

**Spring Leaf & Debris Clean-up** Frequency included in this Agreement 1

Spring Leaf & Debris Clean-up consists of the cleaning of any leftover leaves, bed maintenance, and edging along sidewalks and hardscape as needed.

**Fall Leaf & Debris Clean-up** Frequency included in this Agreement 1

Fall Leaf and Debris Clean-up includes the raking or blowing of leaves and removal from landscape areas after all of the leaves have fallen from the trees and shrubs on the property. All leaves and debris will be disposed of offsite.

**Prune / Cutback Grasses & Perennials** Frequency included in this Agreement 1

Prune / Cutback Grasses & Perennials includes the late winter or early spring cutting of the Ornamental Grasses and Perennials to promote healthy growth in the next growing season.

**Prune Trees & Shrubs** Frequency included in this Agreement 1

This service includes the one-time pruning of all shrubs and ornamental trees (up to 12' in height and branches 2" or less in diameter) on site at the appropriate time during the growing season to accommodate normal growing habits. This includes the removal of nuisance growth and site restrictions. Large tree trimming and removal, rejuvenation pruning, full removal of dead and/or dying branches & limbs, and other major pruning projects are available upon request under separate bid.

**Prune Trees & Shrubs - Touchup** Frequency included in this Agreement 3

This service includes additional rounds of selective pruning of nuisance growth and site restrictions on shrubs and ornamental trees (up to 12' in height and branches 2” or less in diameter) on site.

**Irrigation Activation** Frequency included in this Agreement 1

This service includes the activation of the irrigation system and a full system check. If any repairs are necessary to complete the activation of the irrigation system, a proposal for said repairs will be delivered for approval. Any delay in approving Spring Activation Repairs may result in a delay in fully activating the irrigation system.

# EXHIBIT A Scope of Services (the "Work")

**Irrigation Checks - Bi-Weekly** Frequency included in this Agreement 14

This service includes a full system check as necessary up to every other week during the growing season. This service includes checking the entire system for proper operation, the minor adjustment of irrigation heads, clearing plugged nozzles, and Irrigation Timer adjustments. In the event of a non-operable condition not caused by the Contractor's Mowing Operations, any irrigation system repairs necessary will be corrected and billed at $80.00 per man hour plus materials and machine if necessary. This includes raising and lowering irrigation heads, clearing of plugged lines, replacement of broken or missing irrigation heads, redesign work, additions, valve locating, Irrigation Timer repairs and replacements, toning or tracing wires, and anything that requires digging or excavation.

Contractor provides 24-Hour Emergency Service with a two hour minimum billed as outlined above.

**Irrigation Winterization** Frequency included in this Agreement 1

This service includes a fully system shutdown and Winterization.

**Pre-Emergent Application-Beds/Parking** Frequency included in this Agreement 1

This service includes the spraying of a Pre-Emergent Weed Control Pesticide on all beds and cracks in the adjacent walks and parking areas.

The Contractor shall be selective in the chemical controls used so as to ensure against an improper application that may cause damage to turf, trees, or shrubs. The Contractor shall provide for the complete safety the user(s), the public, residents, and their properties. The Contractor shall meet all Colorado State and Environmental Protection Agency (EPA) licensing requirements.

**Commercial Applicators are licensed by the Colorado Department of Agriculture.**

**Broadleaf Application Round 1** Frequency included in this Agreement 1

This service includes one broadcast application of a Selective Post-Emergent Weed Control Pesticide to all turf areas.

The Contractor shall be selective in the chemical controls used so as to ensure against an improper application that may cause damage to turf, trees, or shrubs. The Contractor shall provide for the complete safety the user(s), the public, residents, and their properties. The Contractor shall meet all Colorado State and Environmental Protection Agency (EPA) licensing requirements.

**Commercial Applicators are licensed by the Colorado Department of Agriculture.**

**Broadleaf Application Round 2** Frequency included in this Agreement 1

This service includes one spot spray or full broadcast application of a Selective Post-Emergent Weed Control Pesticide to all turf areas as needed.

The Contractor shall be selective in the chemical controls used so as to ensure against an improper application that may cause damage to turf, trees, or shrubs. The Contractor shall provide for the complete safety the user(s), the public, residents, and their properties. The Contractor shall meet all Colorado State and Environmental Protection Agency (EPA) licensing requirements.

**Commercial Applicators are licensed by the Colorado Department of Agriculture.**

**Winter Services** Frequency included in this Agreement 24

Winter Services are included under this agreement and shall consist of a weekly policing of the property for removal of loose trash & debris.

**Site Inspection** Frequency included in this Agreement Not Included

**Additional Services Addendums**

In the event that the Contractor and Client mutually agree in writing duly authorized and executed by both parties to add Additional Services to this Agreement, those Additional Services shall be attached hereto as an Addendum to this Exhibit A and shall be incorporated into the Scope of Services (the "Work") and any fees and terms of the executed Addendum shall be incorporated into this Agreement.

ENVIRONMENTAL DESIGNS, INC.
DENVER METRO
(303) 287-9113
12511 E. 112TH AVE.
BRIGHTON, CO 80640
NORTHERN COLORADO
(970) 237-6225
3950 PATTON AVE.
LOVELAND, CO 80538
WWW.ENVIRONMENTALDESIGNS.COM

# LANDSCAPE ENHANCEMENT AGREEMENT

EDI Contact: Eric VanLaren

Project Name: Sheridan Station Metro District
Project Address 1045 Depew St., Lakewood, CO 80214

Agreement #: 105300
Date of Agreement: September 28, 2022
2022 Enhancement

THIS LANDSCAPE ENHANCEMENT AGREEMENT (the "Agreement") is made and entered into as of 9/28/2022 (the "Effective Date") by and between Environmental Designs, Inc. (the "Contractor") and Sheridan Station Metro District (the "Client"). The Client and Contractor, in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

## 1. SCOPE OF WORK

A. The Contractor agrees to perform the work and services under this Agreement at its sole expense for all labor, materials, services, equipment, tools, and taxes required to fulfill its obligations and to properly execute and complete the work as described more particularly on the attachment (the “Work”) identified as Exhibit A.

## 2. TIME OF COMPLETION

A. The Client acknowledges that The Contractor cannot guarantee the date upon which commencement of the Work shall begin (the "Commencement Date") and that any date that is given is approximate and only a target date. Among other things, the Commencement Date is subject to and conditioned upon performance by the Client, including, but not limited to timely payment of the Deposit and/or the Commencement Payment.

B. The Work shall be substantially completed within approximately 5 business days of the Commencement Date, Subject to delay due to inclement weather or any other conditions outside of the direct control of the Contractor (each a "Force Majeure Event" and collectively "Force Majeure Events"). Delays dut to Fore Majeure Events may cause additional price increases to be incurred.

## 3. GENERAL PROVISIONS

A. The Client shall be solely responsible to establish and provide property line locations at the Property. Rough Grade establishment is the responsibility of The Client. Rough Grade shall be defined as the establishment of the initial grade, slope, soil composition and drainage of the Property. The Client understands that the Contractor needs access to perform the work as outlined within this Agreement, and that the Contractor will use its best efforts to avoid damage to any ingress and egress access points, but in some cases damage may occur to Concrete, Asphalt, or other surfaces including, but not limited to, Driveways, Sidewalks, Streets, Turf, Lawn, Beds, Loading Docs, Elevators, and Lobbies, whether public, private, or shared and the Client will hold Environmental Designs, Inc. Harmless for any damage as a result of ingress and egress to the project. The Contractor shall not be responsible for any damage to, or moving of, materials, equipment, or furniture that is not explicitly part of this Agreement, including but not limited to, BBQ appliances, patio furniture, statuary, garden art, play structures, etc.

B. As it relates to the work outlined within this Agreement, this agreement shall supersede all prior agreements between the Parties, whether verbal or written. Any changes to this Agreement must be made in writing and evidenced by a change order (each a "Change Order" and collectively "Change Orders") executed by both the Client and the Contractor. All Change Orders shall be attached hereto and shall become part of this Agreement. The charges for work covered by Change Orders shall be generated using then current pricing which may differ from the pricing of the original Work or other Change Orders. Additional time necessary to complete the project will be outlined with each Change Order.

C. Unless otherwise outlined in "EXHIBIT A – Scope of Services (the ”Work")”, any pricing and charges for permits, material changes to Work, underground obstructions, and erosion control are not included in the original pricing and must be addressed, as necessary, with the generation of a

D. This proposal shall expire unless accepted in writing, by Client and an authorized agent of Contractor, as evidenced by their signatures below, and the Contractor receives notice of acceptance within ten (10) calendar days of the date of this Agreement. If accepted, this document shall become a binding Agreement between the Client and the Contractor. A copy of this document may be executed by each party, separately, and when each party has executed a copy thereof, such copies taken together shall be deemed to be a full and complete Agreement between the Client and the Contractor.

## 4. TERMINATION

A. Either party may terminate this Agreement by written notice by certified mail to the other party. Notice to be given at least thirty (30) days prior to the effective date of such termination.

B. In the event that the Contractor cannot secure an adequate labor force to perform the work as outlined within this agreement, at the sole discretion of the Contractor, the Contractor may cancel this Agreement without penalty from Client subject to notification as outlined above.

## 5. INSURANCE

A. The Contractor shall at all times be covered by adequate liability and workers compensation insurance. Upon the Client's request, the Contractor shall provide proof of coverage.

## 6. WARRANTY

A. With the exception of the excluded plants listed below and unless otherwise outlined in “EXHIBIT A – Scope of Services (the “Work”), plant material #5 and greater in size, sod, irrigation and hardscapes installed by Contractor (collectively “installations”) will carry a one year, one time replacement, warranty, provided they are properly maintained. The warranty period shall begin upon substantial completion of the Work. All warranties on plant material and sod installed between September and April shall be void unless the Client agrees to have the Contractor perform winter watering services as needed during the winter months while the irrigation systems are winterized, as outlined in “EXHIBIT A – Scope of Services (the “Work”). Deciduous trees in excess of three inches (3”) caliper and evergreen trees in excess of nine feet (9’) in height shall not be warranted unless access by machine is available, which access shall be determined by Contractor, in its sole discretion. If no access is available trees of this size may be replaced with a smaller tree. Reprogramming of irrigation controllers, Seed installation, night lighting bulbs, finished concrete, weeds, truck-spaded trees and reapplication of groundcover mulches (including rock) are not warranted. Weeds in your landscape areas are a natural occurrence and are considered a maintenance issue and Contractor does not guarantee a weed free landscape. Warranties on work performed by Subcontractors shall be passed through directly from the Subcontractor and no additional warranty or guaranty shall be made by Contractor. Any parts of the work that are damaged or die because of acts of God, fire, hail, flood, abuse, neglect, animal damage, insect damage, disease or fungal damage and freezing are not warranted. Excluded plant varieties include Redbuds, Arborvitaes, Rhododendrons, Japanese Maples, Boxwoods, and Agave.

B. All warranties are void if all Payments are not made as outlined in this Agreement.

## 7. ADDITINOAL SERVICES AVAILABLE

A. The Contractor offers the following services to complete their Landscape Maintenance & Construction Package:

1. Full Landscape Maintenance Services on Commercial and Residential Properties.
2. Full Landscape Design Services by in house Architects and Designers.
3. All sizes of landscape construciton projects, both residential and commercial.
4. Irrigation system design, installation, and service.
5. Annual Floral Color design, installation, and maintenance including beds, pots, hanging pots, deckscapes, etc.
6. Replacement of or addition of trees, shrubs, ornamental grasses, and perennial flowers.
7. Full Plant Health Care (PHC) including pest control, fertilization, and deep root watering.
8. Full Arbor Services including tree pruning, tree removal, and stump grinding.
9. Native Grass and Field Mowing
10. Holiday Lighting and Decoration

## 8. PRICE AND TERMS

A. The Client shall pay the Owner **$4,466.01** for the Work as outlined in the EXHIBIT A - Scope of Services (the "Work")

B. This price is valid for ten (10) days from the date of this Agreement.

C. If the Contractor's Vendors charge a fuel surcharge on deliveries, this fee will be passed on to the Client. Additionally, if the average fuel price index for Denver, as found on http://www.denvergasprices.com, reach or exceed $4.00 per gallon (“Benchmark Price”), a fuel surcharge of 3% will be applied to all invoices associated with this Agreement until fuel prices drop below the Benchmark price, said surcharge shall increase 3% for every $0.50 increase above the benchmark price of $4.00 per gallon.

D. Full payment from the Client to THE Contractor equal to the sum of this Agreement along with any Change Orders, Permit Fees, or Fuel Surcharges as outlined within this Agreement within thirty (30) days from Substantial Completion.

E. Substantial Completion shall be defined as the moment the project is complete, including punch list items, and can be used for its intended purpose. Warranty items are not punch list items and shall not hold up final payment of all monies due. Any delay in making the final payment upon Substantial Completion shall result in all warranties being voided.

F. If any Payment is not made as required by this Agreement, a mechanic's lien may be placed on the Property for the entire balance due. Upon Final Payment, provided that all other Payments have been made, Contractor shall release any liens that Contractor has placed on the Property and, upon Client’s written request, shall issue waivers of lien for all Work performed.

G. Payments thirty (30) days past due shall incur finance charge of 1.5% per month (18% per annum). Contractor and/or its assignee shall be entitled to collect all reasonable costs of collection, including but not limited to, collection agency fees and attorney fees.

## 9. ACCEPTANCE

By evidence of signatures below all Parties agree to all of the terms and conditions as outlined herein. By signing this Agreement, Client represents and warrants that Client holds title to the Property and/or is duly and properly authorized by all title holders to have Work performed on the Property. Additionally, Client acknowledges that declining Winter Watering through the Contractor during the warranty period, all plant material and sod warranties will be considered waived, voided, and null.

ENVIRONMENTAL DESIGNS, INC.
12511 E. 112th. Avenue
Henderson, CO 80640
303-287-9113

Sheridan Station Metro District
1045 Depew St.
Lakewood, CO 80214
303-987-0835 x 237

Contractor Signature Date

Client Signature Date

Printed Name

Printed Name

# EXHIBIT A
# Scope of Services (the "Work")

The Client and the Contractor agree that the scope for the "Work" included in this Agreement is as follows:

## Dead Plant Replacements Throughout Prop.

Chase St - 15 Miss Kim Lilacs

1010 10th - 1 Lime Mound Spirea

1075 - 1 Blue Mist Spirea

5634 - 4 Feather Reeds

5670 - 1 Feather Reed

5674 - 1 Feather Reed

Irrigation modifications will be billed T&M.

| Description | Quantity | Unit |
|---|---|---|
| Delivery / Disposal / Mobilization | 0.50 | EA |
| Perennial - Gayfeather #1 | 6.00 | EA |
| Spirea- Limemound #5 | 1.00 | EA |
| Lilac- Miss Kim #5 | 15.00 | EA |
| Spirea- Blue Mist #5 | 1.00 | EA |
| **Group Total** | | **$2,277.13** |

_____ By initialing here, the Client agrees to have the services in this group performed as part of this Agreement. If all groups are not accepted by the Client, then the final price of this Agreement shall be adjusted accordingly.

---

## Top Dressing Rock Through Property

Price to lay 1-1.5" river rock wherever weed barrier is visible. There are labor hours included in this section to rake existing rock back where it has slid down a steep grade. If soil is visible weed barrier will be installed at no extra cost.

Irrigation modifications will be billed T&M.

| Description | Quantity | Unit |
|---|---|---|
| Delivery / Disposal / Mobilization | 0.25 | EA |
| River Rock - Local/Tan 1-1.5 | 150.00 | SF |
| Labor for Installation | 5.00 | HR |
| **Group Total** | | **$1,058.74** |

_____ By initialing here, the Client agrees to have the services in this group performed as part of this Agreement. If all groups are not accepted by the Client, then the final price of this Agreement shall be adjusted accordingly.

---

## Corner of Depew and W 10th

Price to replace the removed perennials in front of the "West Line Village" sign.

Irrigation modifications will be billed T&M.

| Description | Quantity | Unit |
|---|---|---|
| Mobilization - Daily | 0.25 | EA |
| Perennial - Daylily #1 | 4.00 | EA |
| Grass- Blue Avena #5 | 2.00 | EA |
| **Group Total** | | **$554.97** |

_____ By initialing here, the Client agrees to have the services in this group performed as part of this Agreement. If all groups are not accepted by the Client, then the final price of this Agreement shall be adjusted accordingly.

---

# EXHIBIT A
# Scope of Services (the "Work")

The Client and the Contractor agree that the scope for the "Work" included in this Agreement is as follows:

## 5555 W 10th Renovation

Price to renovate area where cable or electrical box was installed and surrounding landscaping was destroyed.

Irrigation modifications will be billed T&M.

| Description | Quantity | Unit |
|---|---|---|
| Delivery / Disposal / Mobilization | 0.25 | EA |
| Labor By Hour | 3.00 | HR |
| River Rock - Local/Tan 1-1.5 | 75.00 | SF |
| Grass- Feather Reed Variegated Avalanche #5 | 3.00 | EA |

**Group Total** **$1,075.17**

_____ By initialing here, the Client agrees to have the services in this group performed as part of this Agreement. If all groups are not accepted by the Client, then the final price of this Agreement shall be adjusted accordingly.

---

## Fall Discount

Fall discount applies only if all work is accepted in the proposal.

| Description | Quantity | Unit |
|---|---|---|
| Fall Discount | -500.00 | EA |

**Group Total** **-$500.00**

_____ By initialing here, the Client agrees to have the services in this group performed as part of this Agreement. If all groups are not accepted by the Client, then the final price of this Agreement shall be adjusted accordingly.

---

**Agreement Total** **$4,466.01**

## WINTER WATERING

Evidenced by checking the appropriate box and signature below, the Client agrees to have the Contractor Winter Water all plant material and sod included in this agreement. Winter Watering services will be invoiced at $85.00 per hour plus one way travel to the site with a one hour minimum each visit. The Client has been informed that if Winter Watering services are declined then all warranties on plant material and sod will be considered waived, voided, and

☐ By Checking this box, Client Declines having Winter Watering Services Performed by the Contractor.

☐ By Checking this box and Signing Below, Client Agrees to have Winter Watering Services performed by the Contractor.

Client: _____ Date:

Eric Van Laren

Environmental Designs, Inc.

9/30/2022 | 5 Photos

# West Line Village Enhancement

# Areas to Improve

1

Replace the blue avena grasses and day lilies that were removed

Project: Sheriden Station Metro District
Date: 9/27/2022, 1:11pm
Creator: Eric Van Laren

2

Replace 15 dead miss kim lilacw

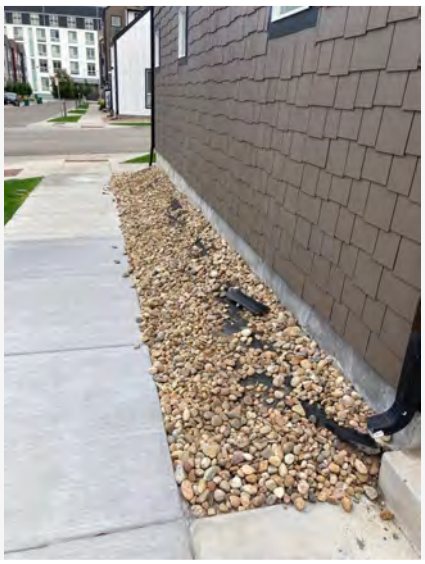
Project: Sheriden Station Metro District
Date: 9/27/2022, 1:04pm
Creator: Eric Van Laren

3

Amend this area after the box was installed. Grasses will be used to help hide the box.

Project: Sheriden Station Metro District
Date: 9/27/2022, 1:06pm
Creator: Eric Van Laren

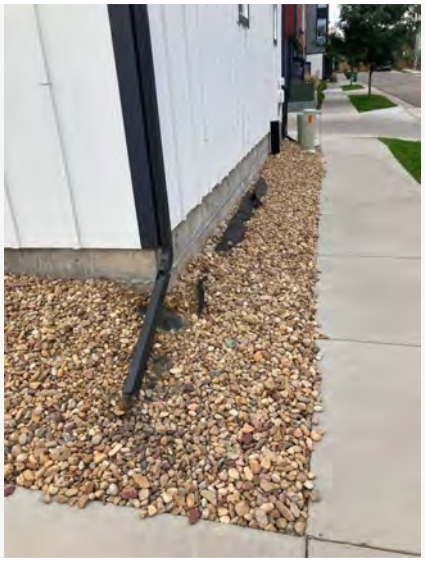
4



## Top Dress

Project: Sheriden Station Metro District
Date: 9/27/2022, 1:09pm
Creator: Eric Van Laren

5



## Top dress

Project: Sheriden Station Metro District
Date: 9/27/2022, 1:02pm
Creator: Eric Van Laren

August 5, 2022

***Via Email***

*Denver Office*
**Jeffrey B. Smith**
Direct 303.991.2066
jsmith@altitude.law

Board of Directors
Sheridan Station West Metropolitan District
c/o Special District Mgmt. Services
141 Union Blvd., Ste. 150
Lakewood, CO 80228

*Re: Altitude Community Law P.C. Legal Services Proposal for Sheridan Station West Metropolitan District*

Dear Members of the Board:

Thank you for your interest in the legal services we can provide for your association. Enclosed are materials describing our experience, philosophy, services and fees. We offer a variety of fee programs, including flat fees and retainers, to suit the needs of individual associations. To determine what fee program may best suit Sheridan Station West Metropolitan District, please give me a call after you have had a chance to review the enclosed material.

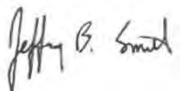
**How we will work with you.** Our experience enables us to partner with your metro district and your team to provide tailored, creative solutions that best meet the metro district's unique needs. As the trusted leader in community association law in Colorado, we have over 200 years combined experience and have successfully represented more than 2,000 associations. As many of the legal issues and practices of associations overlap with metro districts, we will apply the same expertise to your metro district. We make every effort to understand your issues and constraints and will alert you when we see an opportunity or potential problem that is beyond the metro district's immediate need, while keeping your budget in mind.

**Value-added benefits of partnering with Altitude Community Law P.C.** We are committed to providing our clients with up-to-date information, education and tools to help you govern your district proactively and positively. We offer education programs designed exclusively for board and committee members. While primarily for community associations, many of the same practice pointers apply to district board members. The 2022 education schedule is available on our website, www.altitude.law/education. From our website you also may register for our blog, webinars and e-newsletter, to keep up-to-date on current issues that may impact your association.

**Next steps.** If you desire to hire our firm, please complete and return the 2022 Legal Services and Fee Summary Agreement (starts on page 3). To take advantage of one of our retainer programs, check the appropriate retainer box on page 7.

**Primary Attorney.** If you decide to move forward with Altitude Community Law P.C., I will be your assigned Primary Attorney. As your primary attorney, my goal is to make sure your relationship with Altitude is as successful as possible. Feel free to contact me with questions or comments after you've had a chance to review the enclosed materials. We would be happy to attend a board meeting to meet you, listen to your concerns and discuss how we can assist your association.

Sincerely,



Jeffrey B. Smith
**Altitude Community Law P.C.**

JBS/mmg
Enc.
7552433

**2022 NOTICE OF LEGAL SERVICES AND FEE SUMMARY**

The following is a summary of fees and charges for legal services being offered by Altitude Community Law for 2022. For more details, contact your Primary Attorney or email us today at hoalaw@altitude.law.

Our retainer programs reduce your district's legal expenditures and simplify the budgeting process by establishing a fixed monthly fee. This fee purchases the essential legal services your district requires, making us available to you as needed. We offer three retainer packages to better fit your needs.

RETAINER SERVICES AND BENEFITS

For a monthly fee of $200, retainer clients receive the following legal services and benefits without further charges:

Phone Calls. We will engage in unlimited telephone consultations with a designated board member or district manager regarding legal and other questions and status of ongoing work we are performing for you, exclusive of litigation, foreclosure, covenant enforcement, and document amendments. Written consultations/communications such as emails, written correspondence, and calls with multiple board members at the same time will be billed at our reduced hourly rates, as will our time to review governing documents, correspondence, etc., if necessary to answer a question.

Reduced Hourly Rates. For legal services billed hourly beyond what is included in the retainer, we will provide those services at $20 per hour less than our non-retainer rates for attorneys and $10 per hour less than our non-retainer rates for paralegals. No rate change for legal assistants.

In-Office Consultation. We will meet with a designated board member and/or the district's manager in our office for 30 minutes on any new matter. If the meeting extends beyond the 30 minutes, you will be billed at our reduced hourly rates.

Attendance at Board Meeting. At your request, we will attend one board meeting per twelve-month period for up to one hour. As a retainer client, we will prioritize attending the board meeting of your choosing. If our attendance exceeds one hour, you will be billed at our reduced hourly rates.

Audit Response Letter. We will prepare a letter to your financial auditor in connection with your annual audit indicating pending or threatened litigation. We will also review your annual financial audit upon completion.

Periodic Report. We will prepare and file your periodic report with the Secretary of State if you have designated us as your registered agent.

DORA Renewal: We will prepare and file your renewal report with DORA if requested.

RETAINER PLUS SERVICES AND BENEFITS

For a monthly fee of $250, we will provide the following legal services and benefits without further charges:

In addition to the services provided to Retainer clients, Retainer Plus clients will receive the following additional services:

Email Consultations. We will engage in 30 (thirty) minutes of email consultations every month with a designated board member and the district's manager regarding legal and other questions and the status of ongoing work that we are performing on your behalf, exclusive of litigation, foreclosure, covenant enforcement, and document amendment matters. Additional written consultations and communications will be billed at our reduced hourly rates. If it is necessary to review governing documents, correspondence, etc. to answer a question, you will be billed at our reduced hourly rates.

SB100 Policy Update. We will provide one free SB100 Policy update for your district.

Credit Card Payments. For Retainer Plus clients, we will accept homeowner payments via credit card.

PREMIUM RETAINER SERVICES AND BENEFITS

For a monthly fee of $500, we will provide the following legal services and benefits without further charges:

In addition to the services provided to Retainer and Retainer Plus clients, Premium Retainer clients will receive the following additional services:

Email Exchanges. We will communicate with your designated board member and the district's manager via email up to 60 (sixty) additional minutes every month which includes minor research.

Attendance at one additional board meeting per year. At your request, we will attend a total of two board meetings per twelve-month period for up to one hour each. If our attendance exceeds one hour, you will be billed at our reduced hourly rates.

Other needed revisions to Policies required by new legislation reduced by $100.

RETAINER SERVICES GENERALLY

Clients on retainer will remain on their chosen level of retainer until we are notified otherwise in writing.

FIXED FEE SERVICES

Altitude Community Law offers fixed fee services. The district will pay Altitude Community Law (the Firm) for performance of the services as outlined in a proposal for services, plus costs. The district understands that it is not entering into an hourly fee agreement for that specified service, except as otherwise set forth. This means the Firm will devote such time to the matter as is necessary, but the Firm's fee will not be increased or decreased based upon the number of hours spent.

NON-RETAINER SERVICES AND BILLING TERMS

If you desire representation on a non-retainer basis, you will be billed hourly for all work performed unless a fixed fee (such as collection matters or amendment of documents) has been agreed to in advance. Our hourly rates for 2022 non-retainer clients are $105 - $165 for legal assistants/paralegals, $310 - $360 for attorneys. Non-retainer clients are billed hourly for all phone calls.

TERMINATION OF REPRESENTATION

You may terminate our representation at any time by notifying us in writing and we may resign from representation by notifying you in writing. In either case, you understand that court or administrative rules may require us to obtain a judicial or administrative order to permit our withdrawal. We agree that upon receipt of your termination notice, we will take such action as is necessary to withdraw from representing you, including requesting any necessary judicial or administrative order for withdrawal. However, whether you terminate our representation, we cease performing further work and/or withdraw from representing you, as allowed under the Colorado Rules of Professional Conduct or for your failure to comply with the terms of this Agreement, you understand and agree that you continue to be responsible to us for the payment of all fees and expenses due and owing and incurred in withdrawing from representing you, including any fees and expenses we incur to obtain, and/or during the time we are seeking to obtain, any necessary judicial or administrative order to approve our withdrawal.

If you so request, we will send to you your files as soon as a particular matter is concluded. If you do not request your files, the firm will keep the files for a minimum of ten (10) years, after which it may retain, destroy or otherwise dispose of them.

PRIVACY POLICY

Attorneys, like other professionals who provide certain financial services, are now required by federal and state laws to inform their clients of their policies regarding privacy of client information. Attorneys have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by this new law. Thus, we have always protected the privacy of your confidential information.

In the course of providing legal services, we sometimes receive significant nonpublic personal information from our clients. As a client of Altitude Community Law, you should know that all such information we receive from you is held in confidence. We do not disclose such information to anyone outside the firm except when required or authorized by applicable law or the applicable rules of professional conduct governing lawyers, or when authorized by you in writing.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain, physical, electronic and procedural safeguards that comply with our professional standards.

If you have any questions or would like more information about our privacy policies and practices, please let us know.

GENERAL TERMS FOR ALL CLIENTS

We represent the district as a corporate entity. We will take our direction for work as instructed by the manager or the board. We do not represent any individual board members or homeowners.

Clients are required to reimburse us for cost advances and other out-of-pocket expenses. Reimbursement is made at actual cost for outside charges such as court recording fees, filing fees, service of process charges, computerized legal research, expert witness fees, title searches, deposition reporting and transcription fees, outside photocopying, etc. Typically, we do not charge for internal photocopies, faxes, postage and long-distance telephone calls unless these charges are extraordinary. We provide monthly statements for services and expense incurred. Unless other arrangements are made and agreed upon in writing, all charges are due and payable upon your receipt of the statement. A finance charge of 12% per annum may be imposed upon any amount not paid within 30 days of becoming due. Fees may be modified upon 30 days prior written notice. If it becomes necessary to file suit to recover unpaid attorney fees, the prevailing party shall be entitled to receive its attorney fees.

In the event we have not been provided with, or our files do not contain, all of the recorded documents of the district, we retain the right to obtain any such recorded documents to supplement our file without district approval and at the district's cost. The district's cost will include, but not be limited to, hourly charges for procuring the documents and copying costs. In order to provide you with the most efficient and effective service we will, at all times, unless otherwise directed, work through your manager if appropriate.

Should you have any questions, please do not hesitate to call any of our attorneys. We are happy to answer any of your questions or meet with you at no charge to discuss our services and fees in greater detail.

RESPONSE REQUIRED

If you desire to engage our services, please indicate below which type of service you prefer by checking the appropriate box, execute the acceptance and return it to us via mail, e-mail or fax.

Legal Services: (select one)
□ Retainer Services
□ Retainer Plus Services
□ Premium Retainer Services
□ Non-Retainer

Collection Services:
Please see attached Fee Structure

Billing Preference: (select one)
□ Paper and Mailed
□ Electronic and Emailed
Email address:_____
(please note, only one email address per management company will be used)

Agreed to and accepted this ____ day of _____, 20___.

_____
Print District Name

By: _____
President/Manager

**EXHIBIT A TO LEGAL SERVICES AND FEE SUMMARY AGREEMENT FOR 2022 LEGAL COLLECTION SERVICES**

Fee Structure

This is a flat fee agreement for collection services. The District will pay Altitude Community Law (the Firm) for performance of the services described below, plus costs. The District understands that it is not entering into an hourly fee agreement for collection services, except as otherwise set forth below. This means the Firm will devote such time to the representation as is necessary, but the Firm's fee will not be increased or decreased based upon the number of hours spent.

The District has the right to terminate the representation at any time and for any reason, and the Firm may terminate the representation in accordance with Rule 1.16 of the Colorado Rules of Professional Conduct. In the event that the District terminates the representation without wrongful conduct by the Firm that would cause the Firm to forfeit any fee, or the Firm justifiably withdraws in accordance with Rule 1.16 from representing the District, the District shall pay, and the Firm shall be entitled to, the fee or part of the fee earned by the Firm as described in paragraph 1 above, up to the time of termination. If the representation is terminated between the completion of increments (if any), the District shall pay a fee based on our standard hourly rate set forth in our standard fee agreement. However, such fees shall not exceed the amount that would have been earned had the representation continued until the completion of the increment, and in any event all fees shall be reasonable. Once the work is performed, the Fee will be deemed earned and is due upon receipt of an invoice.

Case Intake, Review and Assessment - No charge
We do not charge you to review new collection cases and make recommendations. However, if we receive open collection files from another attorney, there will be a $25 set-up and review fee per file. This fee will be waived if you are a retainer client.

At the rates set here in, upon receiving a new turnover, we will perform the following work for due diligence and to put the District in the best possible collection position: Assessment Lien Package (if a lien has not already been recorded), Demand Letter, Public Trustee Search, and Bankruptcy Search. Next steps after this work depends on the homeowner's response, balance due, history, information acquired, and other factors.

Demand Letter - $155
Preparation of a demand letter includes reviewing the ledger or equivalent record to ascertain the amounts owed including interest, late charges, fines and charge backs, if relevant, and review prior notice given to owner to meet statutory requirements; drafting and mailing the demand letter to the homeowner; follow-up, including telephone calls with the management company and homeowner, negotiation of an acceptable payment plan; follow up letter (as needed) to confirm payment arrangements. All correspondence other than the initial demand and payment plan letter is $50 per letter (e.g., follow up demand letter, breach of payment plan letter).

Super Lien Demand Letter - $110
Preparation of a demand letter post foreclosure includes reviewing ledger to ascertain amounts owed; verifying party to whom demand should be sent; drafting and mailing demand letter: or if request is received from a lender for the super lien amount, drafting a response. All discussions with the owner or lender after the letter are billed hourly.

Assessment Lien Package - $110
This charge includes preparing both the lien and the lien release. It also includes verification of ownership with either the assessor's office or title company.

Lawsuit: - $350 plus costs
This charge includes preparing the summons and complaint, filing these papers with the court, appearing at the return date and obtaining default judgment. It also includes all negotiations and telephone conferences with the owners prior to an answer being filed with the court.

Lawsuit: Trial - Hourly rates apply
All preparation for trial and appearances in court are billed on an hourly basis. If the district prevails at trial, it can recover its attorney fees and costs from the delinquent owner.

Interrogatories - $80
We prepare and file a motion with the court to request the court to order an owner to answer a series of questions from us about the owner's assets. We will use the answer to help satisfy any judgment obtained by the district. We will also arrange for service of the order on the client and monitor and evaluate answers received from the owner.

Contempt Citation - $105
If an owner fails to answer the interrogatories as ordered by the court, we will prepare and file all the necessary paperwork to require the owner to appear before the judge to explain why the questions were not answered. Our fee also includes our appearance at court, subsequent appearance if the owner fails to appear initially and review and evaluation of the answers once received from the owner.

Garnishments - $105 (each)
We will identify entities (usually banks, employers or tenants) which owe or have money of the owner and prepare documentation to be filed with the court to order the entity to release all or a portion of the money they hold for or are obligated to pay the owner to the district. We will arrange for service of the necessary documentation and will monitor for responses.

Payment Plans - $75-175 (each)
We will charge a fee depending upon the length of the payment plan to prepare the necessary documentation, monitor and process payments and close the file. Unless we are instructed otherwise, we may agree to payment plans of up to 24 months with any homeowner. We request that interest and late fees not be added to the ledger during payment plans, as long as the homeowner pays as agreed. Monthly payments amounts are calculated based on no additional interest or late fees being incurred during the payment plan.

Motions - $100-125
Occasionally, certain motions may be necessary in a case in order to get the court to issue a ruling without further legal action. These will be prepared, filed, monitored and argued before the court, if necessary.

Outbound Phone Calls - $55
Once we obtain a phone number for an owner, we will make up to 3 outbound calls to an owner to secure payment. All other calls with an owner will be at no charge.

Payoff Calculations - $100
It is important for your management company or treasurer to confirm all payoff amounts with us prior to issuing status letters or advising owners of balances so that all legal costs and fees can be included. We will also insure that all fees necessary to close or dismiss a file are included. Rush charges do apply.

Monitoring Lender Foreclosure - $195 (one-time charge)
It is important to monitor lender foreclosure through the sale and redemption period. We obtain periodic ownership and encumbrance reports, if needed, and routinely verify the status of the foreclosure action. We advise you of the district's rights and options throughout the process. Once a sale is completed, we advise the district of the new owner and the district's rights.

Monitoring Bankruptcy - $180 Chapter 7; $300 Chapter 13 (one-time charge)
We prepare and file a Proof of Claim, if necessary, monitoring the bankruptcy through discharge. Our services include reviewing the plan (if Chapter 13) to make sure it includes provisions for payment of pre- and post-petition assessments, and checking with the trustee and debtor's attorney to determine if property has been abandoned. If it becomes necessary to file any motion with the court, we charge fixed fees as follows:

Motion to Dismiss: $395
Motion for Relief from Stay: $595
Objection to Plan: $195
All preparation for and appearances in court are charged on an hourly basis.

Assessment Increase Notice - $200
We prepare notice to the bankruptcy court of any increase in the ongoing debt owed to the district upon receipt of notice from you, including filing a proof of claim and letter to the bankruptcy attorney or debtor.

Public Trustee/Bankruptcy Search - $30 (each)
Verifying whether a property is in foreclosure or subject to a bankruptcy before filing a lawsuit can save the district hundreds of dollars. So, we will search both the public trustee and bankruptcy records and then advise the district if different action is necessary.

Receiverships (County Court) - $295 initial, then hourly. Court costs are approximately $250
We will prepare pleadings and appear in court to obtain appointment of a receiver to collect rents where the property is abandoned or being rented by the owner. Once appointed, we supervise disbursement of the monies collected by the receiver at an hourly rate.

Lien/Judicial Foreclosures (District Court) - Hourly rates apply
We recommend that foreclosure be considered as a viable collection remedy in all problem cases. Our fee is based on the complexity of your circumstances and should reflect the value you will receive from the monetary result of the foreclosure.

Lien Sales - $500
We list all liens that are potentially available for sale on our website at https://Altitude.Law/general-topics/liens-for-sale/ at no cost. In the event a lien is sold we collect our fee from the purchaser of the lien. In order to handle quickly, within the legal time limits, we reserve the right to sell liens, without prior approval if the purchase price is equal to or more than the balance due.

Status Report - $75/month (if not accessed electronically)
We provide online access to each district's collection status report. For more information please contact us. If your district chooses to have us prepare your status report, there will be a monthly fee.

Asset/Person Locations - $25-100
From time to time we must locate debtors and/or their assets in order to secure payment for you. We will use various databases for which there is a cost to us, to secure possible leads. This information is then reviewed and analyzed to develop the best strategy for quickly and efficiently securing payments.

## SERVING HOMEOWNERS ASSOCIATIONS

Altitude Community Law P.C. is the premier law firm which serves legal needs of community associations. More than 2000 associations throughout Colorado have chosen us to guide them through the formation, transition and operation of their organizations. Our association clients include condominium, townhome and detached single family associations across the state. We also provide debt recovery and covenant enforcement services to districts.

Communities ranging in size from two units to more than 90,000 units have enjoyed the personal attention we provide, along with the depth and breadth of knowledge that only years of experience can yield. More than any law firm, we focus on homeowners associations and covenant controlled communities. We have prepared in excess of 500 sets of rules and architectural control guidelines and assisted over 500 associations in amending or restating their legal documents.

With several offices throughout Colorado, we are able to service our clients in a timely, efficient, and responsive manner.

**OUR TEAM**

Altitude Community Law was founded in 1988. Our attorneys work as a team to help you in the formation of a new community association, in running your existing association, or resolving disputes involving your association. Adding to the firm's 200 plus years of combined experience are attorneys Elina B. Gilbert, Melissa M. Garcia, David A. Firmin, David A. Closson, William H. Short, Debra J. Oppenheimer, Kiki N. Dillie, Jeffrey B. Smith, Maris S. Davies, Kate M. Leason, Amanda K. Ashley, Sheridan N. Classick, Jeremy B. Fletcher, and Angela N. Hopkins.

**CLIENT SERVICE – OUR NUMBER ONE PRIORITY**

Each member of our firm is committed to providing you with the best legal representation in our field at competitive rates that fit your budget. We also understand that each client has different needs and expectations, and good client servicing is in the eyes of the client, not in the eyes of the firm.

That's why we're committed to getting to know the board members of your association so that we can understand and

meet your needs. By returning your calls promptly, communicating with you regularly, and offering various educational workshops annually, we are always looking for ways to better serve you and to exceed your expectations in a law firm.

By working with you, we can help you accomplish your goals on behalf of your association, and we can make your role as a board member easier by providing you with the tools you need to do your job effectively.

**PREVENTION – THE BEST LEGAL APPROACH**

The first and best legal solution is preventing disputes and other legal problems. With a strong emphasis on prevention, we draw from our experience to help you lay a proper foundation for the future and avoid costly and destructive pitfalls.

And, while we emphasize prevention, we are also fully prepared to fight for your cause if the need arises. We can represent you to resolve disputes through mediation, arbitration or litigation.

**COMMITMENT TO EDUCATION**

Education of both community managers and board members has been the backbone of the firm since its inception. At Altitude, we believe that education is the best way to avoid problems in communities and we continually strive to provide the best and most accessible education to not only our clients, but to any directors or managers that want to better understand the industry. Altitude Community Education (ACE) provides numerous lunch forums, webinars, classes, and other educational opportunities to ensure your community's success. For more information please refer to our Education Tab on the Altitude website.

**COUNSEL FOR ASSOCIATIONS AT ALL STAGES**

We advise associations at all stages of growth; from pre transition to the mature association. Many areas of law converge to govern community associations. We can help you address issues at all stages of a homeowner association's development. In addition to our experience, we have been an advocate for community associations at the Capitol. Our attorneys serve on the Legislative Action Committee for CAI and are aggressively involved in monitoring and testifying in the legislature concerning bills affecting community associations.

**TRANSITION OF**

One of the most pivotal times for a community association is

**CONTROL**

during its transition from developer to homeowner control. The developer controls a common interest community during its formation. As lots or units are sold, transition from developer to homeowner control begins, with owners bearing the responsibility for the association's operation. Ideally this is a process rather than an isolated event. Over time, owners gradually become involved in the governance of the association. Altitude Community Law has assisted hundreds of associations with this process making for a smooth and problem-free transition.

**THE MATURE COMMUNITY ASSOCIATION**

Mature associations function best when they provide services to owners (as set forth in the governing legal documents) and responsibly enforce their governing documents and anticipate changing needs.

**REVIEWING, AMENDING AND INTERPRETING DOCUMENTS**

By periodically reviewing, amending or revising your association's articles of incorporation, bylaws, covenants, and rules, Altitude Community Law can help you build a strong, legally-sound foundation for your community. We can assist you by understanding your goals and redrafting, writing or amending rules, architectural control guidelines and covenants that address your association's needs within the framework of local, state and federal laws. We can also aid you in the proper interpretation and clarification of your governing documents.

**COVENANT ENFORCEMENT**

Two principles apply when addressing enforcement of covenants and rules. Covenants and rules must be carefully written to be enforceable and must be enforced consistently to retain their strength. The same principles apply when dealing with architectural control or design enforcement.

At Altitude Community Law, we can assist you in these important areas through use of our alternate dispute resolution services, or if need be, through our litigation services.

**CREATIVE PROBLEM SOLVING**

We've handled a wide variety of covenant enforcement issues and achieved many successes for our association clients. From painting and landscaping, to pets and parking, we have experience with virtually every imaginable covenant violation. While our goal is to resolve disputes outside of court, when litigation is necessary, we're strong advocates for associations. Not only do we have years of courtroom experience, but we also have years of industry experience–insight that enables us to utilize creative

solutions, as well as anticipate the challenges of a covenant violation lawsuit.

**DEBT RECOVERY**

Financial well-being hinges on timely collection of association assessments. In addition to traditional collections methods such as demand letters, liens, and personal lawsuits, we've developed successful alternatives to use when traditional methods fail, including the use of receiverships and foreclosures. In the last two years we've collected approximately $9 million in delinquent assessments and fees for our clients. No other firm can claim this degree of success.

Every collection matter in our office is handled by an attorney, not the paralegal-driven model that many law firms use. This difference provides for better representation, higher quality work and better results for our clients.

We are also the first firm to provide clients with online status reports of their collection accounts. The information is real-time account history accessed through a secure online system.

**INSURANCE AUDIT**

At every stage of an association's maturity, it is important that the association have adequate insurance not only for the structures and improvements, but also for the board of directors. We can review your current policies for adequate coverage and to determine if your coverage complies with the requirements in your governing documents.

An association that isn't properly insured for general liability and property coverage, director and officer coverage, fidelity insurance, and gap coverage may be susceptible to lawsuits filed by owners. Our insurance audit can assist your association not only by determining any weaknesses in your coverage, but by recommending a more comprehensive insurance plan that will meet your needs and budget.

**DISPUTE RESOLUTION/ LITIGATION**

We emphasize prevention of legal problems through thoughtful and thorough advice and counsel given prior to taking action or entering into transactions. When a legal problem does arise, we will assist you in finding the most practical and cost-effective solution. Our trial attorneys are not only experienced, but also have a long track record of winning in the courtroom. Our goal is to resolve disputes outside of court whenever possible, and all Altitude

Community Law attorneys have had formal training in mediation and negotiation.
But when a resolution cannot be found, we bring our extensive litigation experience to bear on behalf of our clients. We assess with you the benefits of litigation and weigh them against the costs and risks.

A wide variety of problems and needs come up in the course of governing and operating a homeowners association. Often the solution is not obvious. We enjoy taking both a creative and proactive approach and working with you to find legal solutions that allow you to do what your association wants to do. Altitude Community Law has gained a reputation for using ground- breaking methods and solving old problems in refreshing new ways.

Pertinent examples of such creative problem solving include:

- Negotiated and closed the first bond financing in the country by a homeowners association of 15 million dollars for various capital improvements.
- Negotiated and drafted a favorable annexation agreement that provided for substantial payment to the association.
- Identified and implemented procedures to collect working capital contribution from developer for use by association in a build-out community.
- Amended legal documents for a condominium community to create and sell a unit out of the common elements, with the proceeds going to the Association.
- Consolidated two associations into one, eliminating duplicate costs and overhead.

**FINANCIAL CONSIDERATIONS**

From the beginning of our relationship with you, we welcome an open dialogue about the subject of fees and costs. We know how essential legal services are to your successful operation. We also know you must work within an established budget.

**HOW WE CHARGE FOR OUR SERVICES**

We have made every effort to package our services in a meaningful way that reflects their value to you. We strongly urge all associations to elect to be on one of our popular retainer programs. The retainer programs are set at levels to be a maximum benefit to your community. They further simplify the budgeting process by establishing a fixed monthly fee for certain services.

Additionally, whether you are on one of our retainer programs or not, fees for specific work are frequently quoted on a flat or fixed fee basis. We will work with you to select from these convenient options, or to create an alternative arrangement tailored to suit your needs.

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# AMENDED AND RESTATED

# RULES AND REGULATIONS

# OF

# WEST LINE VILLAGE

Adopted by the Board of Directors on ~~December 10, 2021~~December 9, 2022

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## 1. INTRODUCTION

### 1.1 Basis for Rules and Regulations

These Rules and Regulations (the "Rules") are intended to assist Owners living in the West Line Village community (the "Community"). Pursuant to the Declaration of Covenants, Conditions and Restrictions of West Line Village ("Declaration"), recorded at Reception No. 2017100573, the Sheridan Station West Metropolitan District ("District") is authorized to adopt rules and regulations for the Community.

### 1.2 Definitions

All capitalized words and phrases used in these Rules shall have the meaning provided in the Declaration unless otherwise defined herein.

### 1.3 Contents of Rules

In addition to the introductory material, these Rules contain (A) a summary of procedures for obtaining approval from the ARC (see Section 2); and (B) a listing of specific types of improvements that Owners might wish to make with specific information as to each of these types of improvements (see Section 3).

### 1.4 Architectural Review Committee or Representative

The ARC consists of persons, representatives or a committee appointed to review requests for approval of architectural or site changes.

### 1.5 ARC Contact Information

The contact information of the ARC, persons, committee or representative authorized to administer the architectural review process is:

| COMPANY NAME | OFFICE | FAX | E-MAIL |
|---|---|---|---|
| ~~David Solin~~<br>Special District Management Services | (303) 987-0835 | (303) 987-2032 | ~~dsolin@sdmsi.com~~<br>cm@sdmsi.com |

### 1.6 Effect of Declaration

The Declaration governs the Community. Each Owner should review and become familiar with the Declaration. Nothing in these Rules supersedes or alters the provisions or requirements of the Declaration and, if there is any conflict or inconsistency, the Declaration will control.

### 1.7 Effect of Governmental and Other Regulations

Use of property within the Community and any Improvements must comply with any applicable building codes and other governmental requirements and regulations. Owners are encouraged to contact Jefferson County ("County") and the City of Lakewood ("City") and the Consolidated Mutual Water Company ("Consolidated") for further information and requirements for Improvements they wish to make.

**APPROVAL BY THE ARC DOES NOT CONSTITUTE ASSURANCE THAT IMPROVEMENTS COMPLY WITH APPLICABLE GOVERNMENTAL REQUIREMENTS OR REGULATIONS OR THAT A PERMIT OR APPROVALS ARE NOT ALSO REQUIRED FROM APPLICABLE GOVERNMENTAL BODIES.**

### 1.8 Water Service

Water service to the Community is provided by Consolidated, which is a Colorado non-profit corporation and is a mutual company (i.e., it is owned by its shareholders); Consolidated is not a government authority. All Owners and the District are subject to all of the Articles of Incorporation, Bylaws, Engineering Standards, rules, regulations, policies and procedures (the "Consolidated Rules") promulgated by Consolidated from time to time, including, without limitation, Consolidated Rules concerning failure to pay water service bills and Consolidated's right and procedure to suspend and to disconnect service from customers that are delinquent in payment or use water in an unauthorized manner. All Owners and the District are required to observe, abide by, and comply with the Consolidated Rules. At such time as an Owner desires to sell his/her home, that Owner must provide his/her buyer with copies of the Consolidated Rules as part of the due diligence documents provided to his/her buyer or shall inform his/her buyer in writing that the Consolidated Rules are available from the District upon request. Copies of the Consolidated Rules shall also be available from the District upon request.

### 1.9 Interference with Utilities

In making Improvements to property, Owners are responsible for locating all water, sewer, gas, electrical, cable television, or other utility lines or easements. Owners should not construct any Improvements over such easements without the consent of the utility involved, and Owners will be responsible for any damage to any utility lines. All underground utility lines and easements can be located by contacting:

**Utility Notification Center of Colorado**

**1-800-922-1987**

### 1.10 Goal of Rules

Compliance with these Rules and the provisions of the Declaration will help preserve the inherent architectural and aesthetic quality of the Community. It is the responsibility of the ARC to ensure that all proposed Improvements meet or exceed the requirements of these

Rules and to promote the highest quality design for the neighborhood. It is important that Improvements to property be made in harmony with and are not detrimental to the rest of the Community. A spirit of cooperation with the ARC and neighbors will go far in creating an optimum environment, which will benefit all Owners. By following these Rules and obtaining prior written approval for Improvements to property from the ARC, Owners will be protecting their financial investment and will help ensure that Improvements to property are compatible with standards established for the Community. If a question ever arises as to the correct interpretation of any terms, phrases or language contained in these Rules, the ARC's interpretation shall be final and binding.

## 2. PROCEDURES FOR ARC APPROVAL

### 2.1 General

The procedures set forth in this Article 2 are intended to clarify the terms, provisions and requirements of Article 4 of the Declaration. In the event of any conflict between these rules and the Declaration, the terms of Article 4 in the Declaration shall control. As indicated in Section 3 of these Rules, there are some cases in which advance written approval of the ARC is not required if the Rules with respect to that specific type of Improvement are followed. In a few cases, as indicated in Section 3, a specific type of Improvement is not permitted under any circumstances. In all other cases, including Improvements not included in Section 3, advance, or prior written approval by the ARC is required before an Improvement to property is commenced.

### 2.2 Drawings or Plans

Owners are required to submit to the ARC a completed Architectural Review Request Form ("ARR"), which forms are available from the person or entity listed in Section 1.5, the current version of which is attached as Appendix A, and complete plans and specifications, in duplicate, (said plans and specifications to show exterior design, height, materials, color, location of the structure or addition to the structure, plotted horizontally and vertically, location and size of driveways, general plan of landscaping, fencing, walls, windbreaks and grading plan, as well as such other materials and information as may be required) prior to commencement of work on any Improvement to property. In most cases, the materials to be submitted will *not* have to be professionally prepared by an architect or draftsman, and a simple drawing with dimensions and description will be sufficient. In the case of major improvements, such as room additions, structural changes or accessory building construction, detailed plans and specifications, prepared by a licensed architect, may be required. Whether done by the Owner, or professionally, the following guidelines should be followed in preparing drawings or plans:

**A.** The drawing or plan should be done to scale and shall depict the property lines of your Lot and the outside boundary lines of the home as located on the Lot. If you have a copy of an improvement survey of your Lot obtained when you purchased it, this survey would be an excellent base from which to start.

**B.** Existing Improvements, in addition to your home, should be shown on the drawing or plan and identified or labeled. Such existing Improvements include driveways, walks, decks, trees, shrubs, fences, etc. The proposed Improvements should be shown on the plan and labeled. Either on the plan or on an attachment, there should be a brief description of the proposed Improvement, including the materials to be used and the colors. For Example: Replacement of front steps.

**C.** The plan or drawing and other materials should include the name of the Owner, the address of the home, the lot, block and filing number of the Lot, and the e-mail address and telephone number where the Owner can be reached.

**D.** Additions to and expansions of homes are not permitted. Improvements that may be approved generally are limited to new roofing, exterior painting, and replacement of windows and doors.

**E.** The proposed Improvements must take into consideration the easements, building location restrictions and sight distance limitations at intersections.

**F.** Owners should be aware that many Improvements require a permit from the County, the City or other governmental entity. The ARC reserves the right to require a copy of such permit as a condition of its approval.

**G.** In some instances, elevation drawings of the proposed Improvement will be required. The elevation drawings should indicate materials.

**H.** Photographs of existing conditions and of proposed materials and colors are encouraged to be included, and are helpful to convey the intended design, but should not be used solely to describe the proposed changes.

### 2.3 Submission of Drawings and Plans

~~Two copies~~ One copy of the drawing or plans (minimum acceptable size 8.5" x 11") must be submitted to the ARC along with a completed ARR. This can be submitted electronically. ~~-~~Color photographs, brochures, paint swatches, etc. will help expedite the approval process. Specific dimensions and locations are required.

Any Submittal Fees required by the ARR, the current version of which is attached as Appendix A, and any costs incurred by the ARC for review of submittals shall be borne by the Owner and shall be payable prior to final approval. Any reasonable engineering/consultant fees or other fees incurred by the ARC in reviewing any submission will be assessed to the Owner requesting approval of the submission.

### 2.4 Action by ARC

The ARC will meet as required to review plans submitted for approval. The ARC may require submission of additional information or material, and the request will be deemed denied until all required information and materials have been submitted. The ARC will act upon all requests in writing within forty-five (45) days after the complete submission of

plans, specifications, and other materials and information as requested by the ARC. If the ARC fails to review and approve in writing (which may be with conditions and/or requirements) or disapprove, a request for architectural approval within forty-five (45) days after the complete submission of the plans, specifications, materials and other information with respect thereto, such request is deemed approved by the ARC.

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~~In its discretion, the ARC may, for any project which it determines may impact drainage within the Community, impose as a condition for approval of an ARR the requirement that the Owner obtain a letter from a professionally licensed engineer certifying the following: (i) he or she reviewed the ARR; and (ii) in his or her professional opinion, based upon the materials provided by the Owner and the ARC, if any, the project detailed in the ARR will not adversely impact the community-wide drainage plan currently in place (the "Engineer's Opinion"). If such a condition of approval is imposed the ARC shall deny the ARR until the Engineer's Opinion is received.~~

~~The Owner shall bear all costs incurred in obtaining an Engineer's Opinion.~~

~~If Owner is unable to obtain the required Engineer's Opinion because the professionally licensed engineer determines that the plans contained in the ARR will adversely impact the community-wide drainage plan currently in place, the Owner may revise the project as necessary to obtain the required Engineer's Opinion, at which time the Owner may resubmit the ARR with the Engineer's Opinion for consideration by the ARC.~~

~~Upon request from the Owner, the ARC may provide a list of engineers qualified to provide an Engineer's Opinion. Such information is intended for reference purposes only and in no way creates an expectation or requirement that the Owner retain an engineer from such list. The retention of an engineer from the list provided by the ARC shall not confer any benefits, nor obligate the ARC to give preference, to such Owner's ARR.~~

**2.5 Revisions and Additions to Approved Plans**

Any revisions and/or additions to approved plans made by the Owner or as required by any governmental agency, must be re-submitted for approval by the ARC. The revised plans must follow the requirements as outlined above.

**2.6 Completion of Work**

After approval of an ARR (which may be with conditions and/or requirements) of any proposed Improvement by the ARC, the proposed Improvement shall be completed and constructed as promptly and diligently as possible, and in complete conformity with all conditions and requirements of the approval. Failure to complete the proposed Improvement within one year from the date of the approval or such other date as may be set forth in the approval or as set forth in the Declaration (the "Completion Deadline"), shall constitute noncompliance; provided, however, that the ARC may grant extensions of time to individual Owners for completion of any proposed Improvements, either (a) at the time of initial approval of such Improvements, or (b) upon the request of any Owner, provided such request is delivered to the ARC in writing and the Owner is diligently

prosecuting completion of the subject Improvements or other good cause exists at the time such request is made.

**2.7 Inspection of Work**

The ARC, or its duly authorized representative, shall have the right to inspect any Improvement at any time, including prior to or after completion, in order to determine whether or not the proposed Improvement is being completed or has been completed in compliance with the approval granted pursuant to this Section.

**2.8 Notice of Non-Compliance**

If, as a result of inspections or otherwise, the ARC determines that any Improvement has been done without obtaining all required approvals (which may be with conditions and/or requirements), or was not done in substantial compliance with the approval that was granted, or has not been completed by the Completion Deadline, subject to any extensions of time granted pursuant to Section 2.6 hereof, then the ARC shall notify the District, and the District shall then notify the applicant in writing of the non-compliance (the "Notice of Non-Compliance"). The Notice of Non-Compliance shall specify the particulars of the non-compliance, shall state that the applicant is required to remedy or remove the non-compliance within not more than forty-five (45) days, and that if the non-compliance is not remedied or removed, that the District may impose fines upon the applicant as provided in Section 2.9. Proof of delivery of the Notice of Non-Compliance shall be placed in the records of the Board. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who gave such notice. The notice requirement shall be deemed satisfied if the applicant files a response. The applicant shall respond to the Notice of Non-Compliance within ten (10) days after it receives the notice, regardless of whether the applicant is challenging the finding of non-compliance. The applicant may request a hearing before the Board by including the request for a hearing in or with such Owner's response to the Notice of Non-Compliance. If a hearing is timely requested, the hearing shall be held before the Board. At the hearing, the applicant shall be afforded a reasonable opportunity to be heard. The Board may adopt rules for the conduct of such hearings that may include, without limitation, rules that govern the presentation of evidence and witnesses and the ability of an applicant to question adverse witnesses. The minutes of the hearing shall contain a written statement of the results of the hearing.

**2.9 Correction of Non-Compliance**

The Person responsible for any non-compliance shall remedy or remove the same within not more than forty-five (45) days from the date of receipt of the Notice of Non-Compliance or the hearing described in Section 2.8 if at such hearing the Board determines that a non-compliance exists. If such Person does not remedy or remove the non-compliance within such period, the ARC shall notify the District, and the District may, at its option and if allowed by applicable law, record a notice of non-compliance against the Lot on which the non-compliance exists, may impose fines in the amount of $15.00 for each day for the first thirty (30) days such non-compliance exists and thereafter fines in the

amount of $30.00 for each day such non-compliance exists, penalties and interest, may remove the non-complying Improvement, or may otherwise remedy the non-compliance in accordance with the Declaration and applicable law. The Person responsible for such non-compliance shall reimburse the District, upon demand, for all costs and expenses, as well as anticipated costs and expenses, with respect thereto.

### 2.10 Amendment

These Rules may at any time, from time to time, be added to, deleted from, repealed, amended, and modified, reenacted, or otherwise changed by the District, by majority vote or written approval of the members of the Board, with the approval of the Person authorized to appoint the Board, as changing conditions and/or priorities dictate.

### 2.11 Questions

If you have any questions about the foregoing procedures, feel free to call the District at the phone number and address listed in the Section 1.5 of these Rules.

## 3. SPECIFIC TYPES OF IMPROVEMENTS / SITE RESTRICTIONS

### 3.1 General

The following is a listing, in alphabetical order, of a wide variety of specific types of Improvements which Owners typically consider installing, with pertinent information as to each. Unless otherwise specifically stated, drawings or plans for a proposed Improvement must be submitted to the ARC and written approval of the ARC obtained before the Improvements are made. In some cases, where it is specifically so noted, an Owner may proceed with the Improvements without advance approval if the Owner follows the stated guideline. In some cases, where specifically stated, some types of Improvements are prohibited. ARC review and approval is required on any external items not be listed below.

#### 3.1.1 Variances

Approval of any proposed plans by the granting of a variance from compliance with any of the provisions of these Rules is at the sole discretion of the ARC when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require.

#### 3.1.2 No Unsightliness

All unsightly conditions, structures, facilities, equipment, and objects, including snow removal equipment and garden or maintenance equipment, when not in actual use, must be enclosed within a structure.

#### 3.1.3 Waivers; No Precedent

The approval or consent of the ARC to any application for approval shall not be deemed to constitute a waiver of any right to withhold or deny approval or consent as to any

application or other matters whatsoever, as to which approval or consent may subsequently or additionally be required. Nor shall any such approval or consent be deemed to constitute a precedent in any other matter.

#### 3.1.4 Liability

The District, the Board and the ARC and the members thereof shall not be liable in damages to any person submitting requests for approval or to any approval, or failure to approve or disapprove in regard to any matter within its jurisdiction. The ARC shall not bear any responsibility for ensuring structural integrity or soundness of approved construction or modifications, or for ensuring compliance with building codes and other governmental requirements. The ARC will not make any investigation into title, ownership, easements, rights-of-way, or other rights appurtenant to property with respect to architectural requests and shall not be liable for any disputes relating to the same.

### 3.2 Accessory Buildings

Accessory buildings are not permitted. That includes, without limitation, storage sheds, gazebos, playhouses and play structures.

### 3.3 Additions and Expansions

Addition to or expansion of any home is not permitted.

### 3.4 Address Numbers

Approval is required to replace, alter or relocate existing address numbers, unless the address numbers are replaced using the same style, color and type of number currently on the home.

### 3.5 Air Conditioning Equipment

Approval is required for all air conditioning equipment including evaporative coolers (swamp coolers) and attic ventilators installed after the initial construction.

Approval is not required for replacement of existing air conditioning equipment with like equipment located in the same location as the equipment being replaced. Replacement with different equipment requires approval.

No heating, air conditioning, air movement (e.g. swamp coolers) or refrigeration equipment shall be placed or installed on rooftops, or extended from windows. Ground mounted or exterior wall air conditioning equipment installed in the side yard must be installed in a manner so as to minimize visibility from the street and minimize any noise to adjacent property Owners.

### 3.6 Antennae/Satellite Dishes

#### 3.6.1 General Provisions

"Permitted Antennas" are defined as (a) an antenna which is less than one meter in diameter and is used to receive direct broadcast satellite service, including direct-to-home satellite services, or is used to receive or transmit fixed wireless signals via satellite; (b) an antenna which is less than one meter in diameter and is used to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instruction television fixed services, and local multipoint distribution services or is used to receive or transmit fixed wireless signals other than via satellite; (c) an antenna which is designed to receive broadcast television broadcast signals; or (d) other antennas which are expressly permitted under applicable federal statutes or regulations. In the event a Permitted Antenna is no longer expressly permitted under applicable federal statutes or regulations, such antenna will no longer be a Permitted Antenna for purposes of this Section. Installation of Permitted Antennas shall not require the approval of the ARC.

**A.** All Permitted Antennas shall be installed with emphasis on being as unobtrusive as possible to the Community. To the extent that reception is not substantially degraded or costs unreasonably increased, all Permitted Antennas shall be screened from view from any street and nearby Lots to the maximum extent possible, and placement shall be made in the following order of preference:

(1) Inside the structure of the house, not visible from the street
(2) Rear yard or side yard, mounted on the house, in the least visible location below roofline
(3) Back rooftop
(4) Any other location approved by the ARC.

**B.** If more than one (1) location on the Lot allows for adequate reception without imposing unreasonable expense or delay, the order of preference described above shall be used, and the least visible site shall be selected.

**C.** Permitted Antennas shall not encroach upon common areas or any other Owner's property.

**D.** Permitted Antennas may not be installed on balconies.

### 3.6.2 Installation of Antennae/Satellite Dishes

**A.** All installations must comply with all applicable building codes and other governmental regulations, and must be secured so they do not jeopardize the safety of residents or cause damage to adjacent properties. Any installation must strictly comply with FCC guidelines.

**B.** All Permitted Antennas shall be no larger, nor installed more visibly, than is necessary for reception of an acceptable signal.

**C.** Owners are responsible for all costs associated with the Permitted Antenna, including but not limited to costs to install, replace, repair, maintain, relocate, or remove the Permitted Antenna.

**D.** All cabling must be run internally when feasible, must be securely attached, and must be as inconspicuous as possible. Permitted Antennas, masts and any visible wiring may be required to be painted to match the color of the structure to which they are attached. The Owner should check with the installer/vendor for the appropriate type of paint.

**E.** All other antennas, not addressed above, are prohibited.

### 3.7 Awnings

Awnings, including, without limitation, cloth or canvas overhangs, and sunshades are not permitted.

### 3.8 Balconies and Decks

Balconies are not permitted, except for reconstruction of a balcony constructed by a builder as part of the original construction of the home. Reconstruction requires approval of the ARC.

Decks require approval by the ARC prior to installation. Consideration will be given to size, construction and color. Any proposed deck shall confirm with Section 3.17 Drainage~~ing~~.

### 3.9 Barbecue/Gas Grills

Approval is not required. Only gas-fired barbeque grills are permitted; charcoal grills are not permitted. All barbecue grills, smokers, etc. must be stored in the Owner's garage or on a rear balcony or in a rear yard.

### 3.10 Basketball Backboards

Not permitted, whether portable or affixed.

### 3.11 Birdbaths

Approval is not required, subject to the following limitations. Placement in front or side yard is not allowed. Birdbaths are only permitted in the rear yard.

See Section 3.52, Statues or Fountains.

### 3.12 Birdhouses and Bird Feeders

Approval is not required, subject to the following limitations. If installed in the rear yard and the size is limited to one foot by two feet, no approval is required. No more than ~~three~~ one of each of a birdhouse or bird feeder shall be installed on any Lot. Birdhouses or bird feeders may be mounted on a pole, provided the pole shall not exceed five (5) feet in height.

### 3.13 Clothes Lines and Hangers

Exterior clotheslines and hangers are ~~not~~ permitted, but must be retracted when not in use.

**Commented [SD1]:** Update per statute. It may be CCIOA but I always recommend following

### 3.14 Decks

See Section 3.8, Balconies and Decks.

### 3.15 Dog Houses

Approval is required. Dog houses are restricted to six (6) square feet and must be located in a fenced back yard. Dog houses must be installed at ground level, and must not be visible above the fence. Dog houses must also match the colors and materials of the exterior of the home. Limit of one dog house per Lot. Dog runs are not permitted.

### 3.16 Doors

Approval is not required for an already existing main entrance door to a home or an accessory building if the material matches or is similar to existing doors on the house and if the color is generally accepted as a complimentary color to that of existing doors on the house. Complementary colors would be the body, trim or accent colors of the house or white (for storm/screen doors).

**A.** Storm Doors. Approval is required.

**B.** Security Doors and Windows. All security or security-type doors and windows must be approved prior to installation.

### 3.17 Drainage

The Declaration requires that there be no interference with the established drainage pattern over any property. The established drainage pattern means the drainage pattern which exists at the time final grading of a Lot by the Declarant or a Builder is completed. It is very important to ensure that water drains away from the foundation of the house and that the flow patterns prevent water from flowing under or against the house foundation, walkways, sidewalks, and driveways into the street. Therefore, changes to landscaping are ~~generally~~ not permitted~~, except as provided in Section 3.28~~. The ARC may require a report from a drainage engineer as part of improvement plan approval. Landscaping and all drainage from downspouts off the house should conform to the established drainage pattern. Sump pump drainage should be vented a reasonable distance from the property line, on the Owner's property, to allow for absorption. Adverse effects to adjacent properties, including District lands, sidewalks and streets, will not be tolerated. Potted plants are permitted in containers not exceeding 18 inches in diameter.

### 3.18 Evaporative Coolers

Approval is required. No rooftop or window mount installations are allowed.

See Section 3.5, Air Conditioning Equipment.

### 3.19 Exterior Lighting

See Section 3.29, Lights and Lighting.

### 3.20 Fences

Fences will be constructed by the Developer or Builder. Perimeter fences and fences between Lots may not be removed, replaced, painted a different color or altered by any Owner. Adding a gate to a fence requires the approval of the ARC. All perimeter fences and fencing separating lots are owned and maintained by the District. Owners with pets may install 4 inch x 2 inch weld wire mesh on front and/or rear yard fences only with the approval of the ARC, in which case such modification to the fencing shall be maintained by the Owner. If vertical planter boxes are installed on a perimeter fence pursuant to Sections 3.24 and 3.28, the Owner shall be solely liable for all costs associated with any damage or loss incurred to such perimeter fence, or any appurtenances thereto, which is caused by or attributable to the installation, existence, or removal of any such vertical planter box.

**Formatted:** Font: Not Bold

### 3.21 Fire Pits

Fire pits are not permitted.

### 3.22 Firewood Storage

All firewood must be stored in the Owner's garage.

**Commented [SD2]:** Do the units have wood fireplaces? If not, I would say not permitted as fire pits are not

### 3.23 Flags/Flagpoles

The installation of flag poles shall be submitted to ARC review and approval. Flagpoles must be no higher than 20 feet from the ground when affixed to the ground and are limited to not more than 1 flagpole per residence. An Owner or resident may also display a flag on the inside of a window or door of the home, or on a balcony adjoining the home.

**Commented [SD3]:** Maybe make this shorter? Seems high for the small yards.

### 3.24 Gardens – Flower or Vegetable

Flower and vegetable gardens are not permitted. Potted plants are allowed as follows: (a) in containers not exceeding 18 inches in diameter; and (b) in vertical planter boxes along the 6' privacy fence between Lots, subject to approval as outlined in Section 3.28 below.

### 3.25 Grading and Grade Changes

See Section 3.17, Drainage.

### 3.26 Hanging of Clothes

See Section 3.13, Clothes Lines and Hangers.

### 3.27 Kennels

Approval will not be granted. Breeding or maintaining animals for a commercial purpose is prohibited.

### 3.28 Landscaping

~~Generally, changes to landscaping are not permitted. However, the ARC has determined that the changes listed herein may be approved for rear yards only, provided such changes comply with the submittal and approval requirements set forth in Section 2, drainage requirements of Section 3.17, and any other relevant part of these Rules or the Declarations.~~

~~Approval by the ARC is required for the following changes to landscaping, which shall be permitted only in the rear yard of each Lot:~~

~~**A.** Installation of turf or other artificial grasses;~~

~~**B.** Installation of vertical planter boxes along the six-foot (6') privacy fence between Lots, anchored to the horizontal support beams of the fence, and subject to the requirements set forth in Section 3.20;~~

~~**C.** Installation of landscape edging;~~

~~**D.** Paving consistent with Section 3.34; and~~

~~**E.** Installation of a pergola, either free-standing or "wall-mounted" to the residence, over the existing patio area in the rear yard of each Lot.~~

~~Attached to these Rules as Appendix B are examples of proposed landscape changes which were reviewed and approved by the ARC. At its discretion, the ARC may amend this Appendix B from time to time to add additional items or information. The information contained in Appendix B is intended to serve only as a resource for Owners in considering landscaping modifications and preparing an ARR therefor. As every circumstance is different, the inclusion of a project and its associated materials in Appendix B does not imply or assert that the same or similar project or materials will be approved by the ARC.~~ Changes to landscaping are not permitted.

### 3.29 Lights and Lighting

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Approval is not required for replacing existing lighting, including coach lights, with the same or similar lighting style and color as originally installed.

Approval is required to modify or add exterior lighting.

Approval is required to install motion detector spotlights, spotlights, floodlights or ballasted fixtures (sodium, mercury, multi-vapor, fluorescent, metal halide, etc.).

**A.** Considerations will include, but may not be limited to, the visibility, style and location of the fixture.

**B.** Exterior lighting for security and/or other uses must be directed at the ground and house, whereby the light cone stays within the property boundaries and the light source does not cause glare to other properties (bullet type light fixtures are recommended).

**C.** Ground lighting along walks must be maintained in a working and sightly manner. Low- voltage or solar powered ground lighting fixtures which are typically affixed by stakes or similar posts are to be maintained in good aesthetic repair, be functional, not be a tripping or other physical hazard along pedestrian pathways, and remain generally vertical in their presentation.

**D.** Holiday lighting and decorations do not require approval. It is required that they not be installed more than ~~thirty~~ forty-five (~~30~~45) days prior to the holiday. They shall be removed within thirty (30) days following the holiday.

**Commented [SD4]:** To allow installation at Thanksgiving

### 3.30 Mailboxes

Communal mailboxes are owned and maintained by the District. Changes by Owners are not permitted.

### 3.31 Ornaments/Art - Landscape/Yard

Approval is not required for yard ornaments which are installed in the rear yard and which are of a height less than three (3) feet.

Up to three (3) small (less than 12 inches in height) front yard ornaments may be installed in the front yard without approval, as long as the ornament is installed at ground level and the color and design integrate into the landscape.

Approval is required for any other yard ornaments.

See Section 3.51, Statues or Fountains.

### 3.32 Painting

Approval is required. The ARC generally will approve repainting if it is satisfied that color and/or color combinations are identical to the original manufacturer color established on the home and/or accessory improvement. Any changes to the color scheme must be submitted for approval and must conform to the general scheme of the Community.

### 3.33 Patios - Enclosed

See Section 3.3, Additions and Expansions.

### 3.34 Paving

Approval is required, regardless of whether for walks, driveways, patio areas or other purposes, and regardless of whether concrete, asphalt, brick, flagstones, stepping stones, pre-cast patterned, or exposed aggregate concrete pavers are used as the paving material.

### 3.35 Pipes

Approval is required for all exterior pipes, conduits and equipment. Adequate screening may also be required.

### 3.36 Play Structures and Sports Equipment

Play structures and sports equipment (trampolines, swing sets, fort structures, etc.) are not permitted.

### 3.37 Playhouses

Playhouse are not permitted.

### 3.38 Poles

See Section 3.23, Flags/Flagpoles.

### 3.39 Ponds and Water Features

Ponds and water features are not permitted.

### 3.40 Radio Antennae

See Section 3.6, Antennae/Satellite Dishes.

### 3.41 Radon Mitigation Systems

Approval is not required. Equipment must be painted a color similar or generally accepted as complimentary to the exterior of the house. All equipment shall be installed so as to minimize its visibility.

**Commented [SD5]:** Health & safety item; we don't want to delay installation

### 3.42 Roofing Materials

Approval is required for all roofing materials other than those originally used by the Builder. All buildings constructed on a Lot should be roofed with the same or greater quality and type of roofing material as originally used by the Builder.

Approval is not required for repairs to an existing roof with the same building material that exist on the building.

### 3.43 Rooftop Equipment

Approval is required. Equipment must be painted a color similar or generally accepted as complimentary to the roofing material of the house. All rooftop equipment shall be installed so as to minimize its visibility.

See Section 3.50 Solar Energy Devices.

### 3.44 Satellite Dishes

See Section 3.6, Antennae/Satellite Dishes.

### 3.45 Screen Doors

Screen doors require approval. See Section 3.16, Doors.

### 3.46 Seasonal Decorations

Approval is not required if installed on a Lot within ~~thirty~~ forty-five (~~30~~45) days of a holiday, provided that an Owner is keeping with the Community standards, and provided that the decorations are removed within thirty (30) days of the holiday.

See Section 3.29, Lights and Lighting.

### 3.47 Security Devices.

Approval is not required. Security devices, including cameras and alarms, must be selected, located and installed so as to be an integral part of the house and not distract from the home's architecture and appearance. Cameras and housing sirens, speaker boxes, conduits and related exterior elements should be unobtrusive and inconspicuous. Such devices should be located where not readily visible and should be a color that blends with or matches the surface to which it is attached.

### 3.48 Shutters - Exterior

Approval is required. Shutters should be appropriate for the architectural style of the home and be of the appropriate proportion to the windows they frame. Shutters should be the same color as the "accent" color of the home (typically the same as the front door or other accent details).

### 3.49 Siding

Approval is required.

### 3.50 Solar Energy Devices

Approval is required in order to review aesthetic conditions. Photovoltaic (PV) Solar panels must lay flat on the roof, meet all applicable safety, building codes and electrical requirements, including solar panels for thermal systems (solar water heaters). The ARC is

allowed to request changes as long as they don't significantly increase the cost by more than ten percent (10%) or decrease the efficiency of the proposed device and panels by more than ten percent (10%). Please also see Colorado Law C.R.S. 38-30-168, which governs the review and the Owner's installation of such devices.

**3.51 Statues or Fountains**

Approval is not required if statues or fountains are installed in the rear yard and are not greater than four (4) feet in height from the highest point, including any pedestal.

Approval is required if the statue or fountain is proposed for the front yard. Statue or fountain location in the front yard should be located close to the main entrance of the house.

See Section 3.11, Birdbaths and Section 3.31, Ornaments/Art – Landscape/Yard

**3.52 Storage Sheds**

See Section 3.2, Accessory Buildings.

**3.53 Swamp Coolers**

See Section 3.5, Air Conditioning Equipment, Section 3.18, Evaporative Coolers, and Section 3.43, Rooftop Equipment.

**3.54 Television Antennae**

See Section 3.6, Antennae/Satellite Dishes.

**3.55 Trash/Garbage and Recycling Receptables**

When not out for the purposes of pick-up, trash and recycling receptacles will be stored out of view. Trash cans/bags can be out from noon the day before collection day to noon the day after collection day.

**3.56 Tree Houses**

Approval will not be granted. Tree houses are not permitted.

**3.57 Vanes**

See Section 3.61, Weather Vanes and Directionals.

**3.58 Vents**

See Section 3.43, Rooftop Equipment.

**3.59 Walls**

See Section 3.20, Fences and Section 3.60, Walls, Retaining.

**3.60 Walls, Retaining**

New retaining walls are not permitted. Retaining walls installed by the Declarant will be maintained by the District.

**3.61 Weather Vanes and Directionals**

Approval is required.

**3.62 Wind Electric Generators**

Approval is required. In addition to ARC approval, windmills and any other type of fixture, which fall under the criteria of a wind generator, or are used to generate power etc., must meet the requirement of the C.R.S. §40-2-124 and any applicable regulations of the Colorado Public Utilities Commission.

**3.63 Windows Replacement**

Approval is not required if replacing with like windows. Approval is required if changing the style of window. Considerations will include, but may not be limited to, size, color, existing and proposed window style and style of home.

**3.64 Windows: Tinting, Security Bars, etc.**

Approval is required for any visible window tinting. Highly reflective and/or dark tinting is considered too commercial for residential applications and is not permitted.

Approval is required for security bars and may not be approved on second story windows and other windows visible to the street.

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

**Appendix A**

**APPENDIX A: Architectural Review Request Form**

## ARCHITECTURAL REVIEW REQUEST FORM

FOR OFFICE USE ONLY
Date Received_____
Crucial Date _____
Date Sent to Entity _____
Date Rcvd from Entity _____

Sheridan Station West Metropolitan District
141 Union Blvd., Suite 150
Lakewood, CO 80228
303-987-0835

HOMEOWNER'S NAME(S): _____
ADDRESS: _____
EMAIL ADDRESS: _____
PHONE(S): _____

My request involves the following type of improvement(s):

| | | | |
|---|---|---|---|
| ☐ Landscaping | ☐ Deck/Patio Slab | ☐ Roofing | ☐ Drive/Walk Addition |
| ☐ Painting | ☐ Patio Cover | | |
| ☐ Weld Wire Mesh Fencing | ☐ Other: | | |

Include two copies of your plot plans, and describe improvements showing in detail what you intend to accomplish (see Article 2 of the Rules and Regulations of West Line Village). Be sure to show existing conditions as well as your proposed improvements and any applicable required screening (see the Rules and Regulations for requirement details for your specific proposed Improvement).

I understand that I must receive approval from the ARC in order to proceed with installation of Improvements if Improvements vary from the Rules and Regulations or, are not specifically exempt. I understand that I may not alter the drainage on my lot. I understand that the ARC is not responsible for the safety of Improvements, whether structural or otherwise, or conformance with building codes or other governmental laws or regulations, and that I may be required to obtain a building permit to complete the proposed Improvements. The ARC and the members thereof, as well as the District, the Board of Directors of the District, or any representative of the ARC, shall not be liable for any loss, damage or injury arising out of or in any way connected with the performance of the ARC for any action, failure to act, approval, disapproval, or failure to approve or disapprove submittals, if such action was in good faith or without malice. All work authorized by the ARC shall be completed within the time limits established specified below, but if not specified, not later than ninety (90) days after the approval was granted. I further understand that following the completion of my approved Improvement the ARC reserves to right to inspect the Improvement at any time in order to determine whether the proposed Improvement has been completed and/or has been completed in compliance with this Architectural Review Request.

Date:_____ Homeowner's Signature: _____

**ARC Action:**

☐ Approved as submitted

☐ Approved subject to the following requirements:

☐ Disapproved for the following reasons:

All work to be completed no later than: _____

DRC/ARC Signature: _____ Date: _____

SUBMITTAL FEES

Submittal Fees shall be charged $100 for each submittal.

**Appendix B**

**Sheridan Station West Metropolitan District**
**October-22**

| Vendor | Invoice # | Date | Due Date | Amount | Expense Account | Account Number |
|---|---|---|---|---|---|---|
| A Squared Instruments and Controls | B22-003.1 | 7/11/2022 | 8/10/2022 | $ 1,596.00 | Repair and Maintenance | 1650 |
| Badger Meter | 80108714 | 9/29/2022 | 10/29/2022 | $ 146.45 | Billing and Meter Reading | 1721 |
| Chris Davies And Marla Schilling | 10262022 | 10/19/2022 | 10/20/2022 | $ 90.86 | Other Billing & Service Fees | 1535 |
| Colorado Special Districts P&L | 23PL-61576-1336 | 9/6/2022 | 9/6/2022 | $ 2,329.00 | Prepaid Expenses | 1143 |
| Consolidated Mutual Water | Oct-22 | 10/14/2022 | 10/14/2022 | $ 3,551.20 | Utilities | 1710 |
| Consolidated Mutual Water | 02100036-01 Oct. 2022 | 10/14/2022 | 10/26/2022 | $ 1,829.20 | Utilities | 1710 |
| Consolidated Mutual Water | 02100048-01 Oct. 2022 | 10/14/2022 | 10/26/2022 | $ 460.20 | Utilities | 1710 |
| DB Marketing | 2451-D | 10/4/2022 | 10/26/2022 | $ 250.00 | Miscellaneous | 1685 |
| Domonique Hansen | 10262022 | 10/19/2022 | 10/19/2022 | $ 74.18 | Other Billing & Service Fees | 1535 |
| Environmental Designs, Inc. | 157588 | 9/28/2022 | 10/28/2022 | $ 507.38 | Repair and Maintenance | 1650 |
| Environmental Designs, Inc. | 157927 | 9/30/2022 | 10/30/2022 | $ 1,232.26 | Landscape Maintenance | 1651 |
| Fusion Sign Design | 197916 | 10/7/2022 | 10/26/2022 | $ 1,322.00 | Miscellaneous | 1685 |
| Fusion Sign Design | 196526 | 9/13/2022 | 10/13/2022 | $ 208.00 | Miscellaneous | 1685 |
| Icenogle Seaver Pogue, P.C. | 22325 | 9/30/2022 | 9/30/2022 | $ 4,522.00 | Legal | 1675 |
| John Vannier | 10262022 | 10/19/2022 | 10/19/2022 | $ 84.74 | Other Billing & Service Fees | 1535 |
| Kline Alvarado Veio, P.C. | 9/3/2022 | 9/3/2022 | 9/3/2022 | $ 2,500.00 | Legal | 1675 |
| Pet Scoop | 434657 | 9/30/2022 | 10/15/2022 | $ 213.93 | Repair and Maintenance | 1650 |
| Special Dist Management Srvs | Sep-22 | 9/30/2022 | 9/30/2022 | $ 586.94 | Miscellaneous | 1685 |
| Special Dist Management Srvs | Sep-22 | 9/30/2022 | 9/30/2022 | $ 2,865.20 | Management | 1680 |
| Special Dist Management Srvs | Sep-22 | 9/30/2022 | 9/30/2022 | $ 1,190.00 | Billing and Meter Reading | 1721 |
| Special Dist Management Srvs | Sep-22 | 9/30/2022 | 9/30/2022 | $ 950.00 | Covenant Control | 1695 |
| Special Dist Management Srvs | Sep-22 | 9/30/2022 | 9/30/2022 | $ 1,583.60 | Accounting | 1690 |
| T Charles Wilson Insurance Service | 11584 | 9/29/2022 | 10/26/2022 | $ 495.00 | Prepaid Expenses | 1143 |
| UNCC | 222091358 | 9/30/2022 | 9/30/2022 | $ 1.30 | Miscellaneous | 1685 |
| Xcel Energy | 797948784 | 9/27/2022 | 10/18/2022 | $ 78.04 | Utilities | 1710 |
| Xpress Bill Pay, Inc | 68577 | 9/30/2022 | 10/5/2022 | $ 100.23 | Billing and Meter Reading | 1721 |
| | | | | $28,767.71 | | |

**Sheridan Station West Metropolitan District**
**October-22**

| | General | Debt | Capital | Totals |
|---|---|---|---|---|
| **Disbursements** | $ 28,589.44 | | | $ 28,589.44 |
| **Xcel** | 78.04 | | | 78.04 |
| **Xpress Bill Pay** | 100.23 | - | | 100.23 |
| **Total Disbursements from Checking Acct** | $ 28,767.71 | $ - | $ - | $ 28,767.71 |

**Sheridan Station West Metropolitan District**
**November-22**

| Vendor | Invoice # | Date | Due Date | Amount | Expense Account | Account Number |
|---|---|---|---|---|---|---|
| Badger Meter | 80110977 | 10/28/2022 | 11/27/2022 | $ 145.07 | Billing and Meter Reading | 1721 |
| Consolidated Mutual Water | Nov-22 | 11/14/2022 | 11/30/2022 | $ 3,478.40 | Utilities | 1710 |
| Consolidated Mutual Water | 02100036-01 Nov. 2022 | 11/14/2022 | 11/30/2022 | $ 104.40 | Utilities | 1710 |
| Consolidated Mutual Water | 02100048-01 Nov. 2022 | 11/14/2022 | 11/30/2022 | $ 57.00 | Utilities | 1710 |
| Diversified Underground Inc. | 26612 | 10/31/2022 | 11/30/2022 | $ 75.00 | Miscellaneous | 1685 |
| Environmental Designs, Inc. | 158524 | 10/21/2022 | 11/20/2022 | $ 162.60 | Repair and Maintenance | 1650 |
| Environmental Designs, Inc. | 158953 | 11/1/2022 | 11/30/2022 | $ 1,232.26 | Landscape Maintenance | 1651 |
| Environmental Designs, Inc. | 159530 | 11/23/2022 | 11/30/2022 | $ 1,965.00 | Snow Removal | 1672 |
| Icenogle Seaver Pogue, P.C. | 22570 | 10/31/2022 | 10/31/2022 | $ 410.00 | Legal | 1675 |
| Karen Steggs | Reimbursement - 11/2022 | 11/2/2022 | 11/2/2022 | $ 29.00 | Other Billing & Service Fees | 1535 |
| Pet Scoop | 438643 | 10/31/2022 | 11/15/2022 | $ 199.00 | Repair and Maintenance | 1650 |
| Special Dist Management Srvs | Oct-22 | 10/31/2022 | 10/31/2022 | $ 284.75 | Miscellaneous | 1685 |
| Special Dist Management Srvs | Oct-22 | 10/31/2022 | 10/31/2022 | $ 745.20 | Management | 1680 |
| Special Dist Management Srvs | Oct-22 | 10/31/2022 | 10/31/2022 | $ 1,025.40 | Billing and Meter Reading | 1721 |
| Special Dist Management Srvs | Oct-22 | 10/31/2022 | 10/31/2022 | $ 1,073.00 | Covenant Control | 1695 |
| Special Dist Management Srvs | Oct-22 | 10/31/2022 | 10/31/2022 | $ 1,539.20 | Accounting | 1690 |
| UNCC | 222081366 | 8/31/2022 | 8/31/2022 | $ 2.60 | Miscellaneous | 1685 |
| UNCC | 222101370 | 10/31/2022 | 10/31/2022 | $ 5.20 | Miscellaneous | 1685 |
| Xcel Energy | 802119803 | 10/27/2022 | 11/17/2022 | $ 90.21 | Utilities | 1710 |
| Xpress Bill Pay, Inc | 69320 | 10/31/2022 | 11/5/2022 | $ 92.37 | Billing and Meter Reading | 1721 |
| | | | | $12,715.66 | | |

**Sheridan Station West Metropolitan District**
**November-22**

| | General | Debt | Capital | Totals |
|---|---|---|---|---|
| **Disbursements** | $ 12,533.08 | | | $ 12,533.08 |
| **Xcel** | 90.21 | | | 90.21 |
| **Xpress Bill Pay** | 92.37 | - | | 92.37 |
| **Total Disbursements from Checking Acct** | $ 12,715.66 | $ - | $ - | $ 12,715.66 |

**Sheridan Station West Metropolitan District**
**Schedule of Cash Position**
**September 30, 2022**

| | Rate | Operating | Debt Service | Total |
|---|---|---|---|---|
| **Checking:** | | | | |
| Cash in Bank-1st Bank | | $ 60,580.36 | $ 202,735.84 | $ 263,316.20 |
| Xpress Deposit Account | | (162.82) | - | (162.82) |
| **Trustee:** | | | | |
| UMB Refunding Escrow 157917.1 | | - | 3,814,902.46 | 3,814,902.46 |
| 2022 Sub Interest Fund | | - | 1,555.48 | 1,555.48 |
| **TOTAL FUNDS:** | | $ 60,417.54 | $ 4,019,193.78 | $ 4,079,611.32 |

**2022 Mill Levy Information**

| | |
|---|---|
| General Fund | 22.154 |
| Debt Service Fund | 44.532 |
| Total | 66.686 |

**Board of Directors**

* Douglas Elenowitz
* Scott M. Watkins
* Paul Malone
  Ashley Begley
  Mitchell Paur

*authorized signer on checking account

**Sheridan Station West Metropolitan District**

**FINANCIAL STATEMENTS**

**September 30, 2022**

**Sheridan Station West Metropolitan District**
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**
**September 30, 2022**

| | GENERAL | DEBT SERVICE | CAPITAL PROJECTS | FIXED ASSETS | LONG-TERM DEBT | TOTAL |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash in Bank-1st Bank | $ 60,580 | $ 202,736 | $ - | $ - | $ - | $ 263,316 |
| Xpress Deposit Account | (163) | - | - | - | - | (163) |
| UMB Refunding Escrow 157917.1 | - | 3,814,902 | - | - | - | 3,814,902 |
| 2022 Sub Interest Fund | - | 1,555 | - | - | - | 1,555 |
| Property Taxes Receivable | 319 | 642 | - | - | - | 961 |
| Accounts Receivable | 23,429 | - | - | - | - | 23,429 |
| Prepaid Expenses | 450 | - | - | - | - | 450 |
| Due from Other Funds | 15,000 | - | - | - | - | 15,000 |
| Total Current Assets | 99,615 | 4,019,836 | - | - | - | 4,119,451 |
| **Other Debits** | | | | | | |
| Amount in Debt Service Fund | - | - | - | - | 4,004,194 | 4,004,194 |
| Amount to be Provided for Debt | - | - | - | - | 2,524,007 | 2,524,007 |
| Total Other Debits | - | - | - | - | 6,528,200 | 6,528,200 |
| **Capital Assets** | | | | | | |
| Fixed Assets | - | - | - | 2,646,440 | - | 2,646,440 |
| Total Capital Assets | - | - | - | 2,646,440 | - | 2,646,440 |
| **Total Assets** | $ 99,615 | $ 4,019,836 | $ - | $ 2,646,440 | $ 6,528,200 | $ 13,294,092 |
| **Liabilities** | | | | | | |
| Accounts Payable | $ - | $ - | $ 4,455 | $ - | $ - | $ 4,455 |
| Due to Other Funds | - | 15,000 | - | - | - | 15,000 |
| Developer Advance - Operations | - | - | - | - | 248,362 | 248,362 |
| Accrued Interest - Operations | - | - | - | - | 55,049 | 55,049 |
| Developer Advance - Capital | - | - | - | - | 282,133 | 282,133 |
| Accrued Interest - Capital | - | - | - | - | 98,656 | 98,656 |
| 2022A Bonds Payable | - | - | - | - | 4,230,000 | 4,230,000 |
| 2022B Bonds Payable | - | - | | - | 1,614,000 | 1,614,000 |
| Total Liabilities | - | 15,000 | 4,455 | - | 6,528,200 | 6,547,655 |
| **Deferred Inflows of Resources** | | | | | | |
| Deferred Property Taxes | 319 | 642 | - | - | - | 961 |
| Total Deferred Inflows of Resources | 319 | 642 | - | - | - | 961 |
| **Fund Balance** | | | | | | |
| Investment in Fixed Assets | - | - | - | 2,646,440 | - | 2,646,440 |
| Fund Balance | 36,503 | 482,345 | - | - | - | 518,847 |
| Current Year Earnings | 62,793 | 3,521,849 | (4,455) | - | - | 3,580,188 |
| Total Fund Balances | 99,296 | 4,004,194 | (4,455) | - | - | 6,745,475 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balance** | $ 99,615 | $ 4,019,836 | $ - | $ 2,646,440 | $ 6,528,200 | $ 13,294,092 |

**Sheridan Station West Metropolitan District**
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the 9 Months Ending**
**September 30, 2022**
**General Fund**

| | Period Actual | YTD Actual | Budget | Favorable (Unfavorable) Variance | % of Budget |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Property Tax Revenue | $ 48,523 | $ 110,363 | $ 110,682 | $ (319) | 99.7% |
| Specific Ownership Taxes | 1,969 | 5,150 | 6,600 | (1,450) | 78.0% |
| Operations and Maintenance Fee | 9,122 | 82,414 | 109,200 | (26,786) | 75.5% |
| Metered Services - Water | 33,233 | 48,915 | 54,000 | (5,085) | 90.6% |
| Non-metered services | 6,654 | 9,954 | - | 9,954 | - |
| Other Billing & Service Fees | 1,042 | 1,873 | 13,104 | (11,231) | 14.3% |
| Interest Income | 67 | 83 | - | 83 | - |
| Miscellaneous Income | 50 | 50 | 3,000 | (2,950) | 1.7% |
| **Total Revenues** | 100,660 | 258,803 | 296,586 | (37,783) | 87.3% |
| **Expenditures** | | | | | |
| Audit | 4,300 | 4,300 | 4,750 | 450 | 90.5% |
| Election | 74 | 1,095 | 18,000 | 16,905 | 6.1% |
| Repair and Maintenance | 5,582 | 13,589 | 6,000 | (7,589) | 226.5% |
| Landscape Maintenance | 3,697 | 4,929 | 16,153 | 11,224 | 30.5% |
| Landscape Enhancements | 5,000 | 5,000 | 15,000 | 10,000 | 33.3% |
| Insurance/SDA Dues | 250 | 4,018 | 4,500 | 482 | 89.3% |
| Snow Removal | - | 40,118 | 60,000 | 19,883 | 66.9% |
| Legal | 7,787 | 22,005 | 20,000 | (2,005) | 110.0% |
| Management | 8,027 | 18,671 | 18,000 | (671) | 103.7% |
| Miscellaneous | 3,102 | 6,849 | 3,000 | (3,849) | 228.3% |
| Accounting | 4,114 | 12,001 | 14,000 | 1,999 | 85.7% |
| Covenant Control | 6,110 | 12,630 | 13,200 | 570 | 95.7% |
| Treasurer's Fees | 728 | 1,656 | 1,660 | 4 | 99.8% |
| Utilities | 18,015 | 40,420 | 58,000 | 17,580 | 69.7% |
| Billing and Meter Reading | 3,163 | 8,730 | 12,000 | 3,270 | 72.8% |
| Contingency | - | - | 10,000 | 10,000 | 0.0% |
| | 69,949 | 196,010 | 274,263 | 78,253 | 71.5% |
| Excess (Deficiency) of Revenues Over Expenditures | 30,711 | 62,793 | 22,323 | 40,470 | |
| **Other Financing Sources (Uses)** | | | | | |
| Emergency Reserve | - | - | (8,898) | 8,898 | |
| **Total Other Financing Sources (Uses)** | - | - | (8,898) | 8,898 | |
| Change in Fund Balance | 30,711 | 62,793 | 13,425 | 49,368 | |
| Beginning Fund Balance | 68,586 | 36,503 | - | 36,503 | |
| **Ending Fund Balance** | $ 99,296 | $ 99,296 | $ 13,425 | $ 85,871 | |

**Sheridan Station West Metropolitan District**
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**Debt Service Fund**
**For the 9 Months Ending**
**September 30, 2022**

| | Period Actual | YTD Actual | Budget | Favorable (Unfavorable) Variance | % of Budget |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Property Tax Revenue | $ 97,536 | $ 221,842 | $ 222,484 | $ (642) | 99.7% |
| Specific Ownership Tax | 3,957 | 10,353 | 7,500 | 2,853 | 138.0% |
| Interest Income | 1 | 187 | 2,500 | (2,313) | 7.5% |
| **Total Revenues** | 101,494 | 232,382 | 232,484 | (102) | 100.0% |
| **Expenditures** | | | | | |
| Bond Principal | - | - | 35,000 | 35,000 | 0.0% |
| Bond Interest | - | 139,204 | 217,500 | 78,296 | 64.0% |
| Bond Issuance Costs | - | 274,945 | - | (274,945) | - |
| Paying Agent Fees | - | 6,750 | 4,000 | (2,750) | 168.8% |
| Miscellaneous | - | - | 5,000 | 5,000 | 0.0% |
| Treasurer's Fees | 1,464 | 3,328 | 3,337 | 9 | 99.7% |
| **Total Expenditures** | 1,464 | 424,228 | 264,837 | (159,391) | 160.2% |
| Excess (Deficiency) of Revenues Over Expenditures | 100,030 | (191,846) | (32,353) | (159,493) | |
| **Transfers and Other Sources (Uses)** | | | | | |
| Bond Proceeds | - | 5,844,000 | - | 5,844,000 | |
| Developer Advance Reimb. | - | (650,000) | - | (650,000) | |
| Transfer to Capital Projects | - | (1,480,305) | - | (1,480,305) | |
| **Total Transfers and Other Sources (Uses)** | - | 3,713,695 | - | 3,713,695 | |
| Change in Fund Balance | 100,030 | 3,521,849 | (32,353) | 3,554,202 | |
| Beginning Fund Balance | 3,904,164 | 482,345 | 474,938 | 7,407 | |
| **Ending Fund Balance** | $ 4,004,194 | $ 4,004,194 | $ 442,585 | $ 3,561,609 | |

**Sheridan Station West Metropolitan District**
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**
**For the 9 Months Ending,**
**September 30, 2022**
**Capital Projects Fund**

| | Period Actual | YTD Actual | Budget | Favorable (Unfavorable) Variance | % of Budget |
|---|---|---|---|---|---|
| **Expenditures** | | | | | |
| Engineering | $ - | $ 4,455 | $ - | $ (4,455) | - |
| Construction-General | - | 1,480,305 | - | (1,480,305) | - |
| **Total Expenditures** | - | 1,484,760 | - | (1,484,760) | - |
| Excess (Deficiency) of Revenues Over Expenditures | - | (1,484,760) | - | (1,484,760) | |
| **Other Financing Sources (Uses)** | | | | | |
| Transfer from Debt Service | - | 1,480,305 | - | 1,480,305 | |
| **Total Other Financing Sources (Uses)** | | 1,480,305 | - | 1,480,305 | |
| Change in Fund Balance | - | (4,455) | - | (4,455) | |
| Beginning Fund Balance | (4,455) | - | - | - | |
| **Ending Fund Balance** | $ (4,455) | $ (4,455) | $ - | $ (4,455) | |

SIMMONS & WHEELER, P.C. Certified Public Accountants
304 Inverness Way South, Suite 490, Englewood, CO 80112 (303) 689-0833

November 21, 2022

Board of Directors
Sheridan Station West Metropolitan District
c/o Special District Management
141 Union Boulevard, Suite #150
Lakewood, CO 80228

We are pleased to confirm our understanding of the services we are to provide Sheridan Station West Metropolitan District for the year ended December 31, 2022.

**Audit Scope and Objectives**

We will audit the 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, and the disclosures, which collectively comprise the basic financial statements of Sheridan Station West Metropolitan District as of and for the year ended December 31, 2022. Accounting standards generally accepted in the United States of America ("GAAP") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement Sheridan Station West Metropolitan District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Sheridan Station West Metropolitan District's RSI in accordance with GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance.

The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited: MD&A, as prepared by management, if applicable. We will apply certain limited procedures, which will consist principally of inquiries of management regarding methods of measurement and presentation, to management's discussion and analysis. However, we will not audit the MD&A and will express no opinion on it.

If applicable, we have also been engaged to report on supplementary information other than RSI that accompanies Sheridan Station West Metropolitan District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

If applicable, in connection with our audit of the basic financial statements, we will read the other information accompanying the financial statements and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated, if, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

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

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

**Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

**Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Sheridan Station West Metropolitan District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

**Other Services**

If applicable, we will also prepare the financial statements of Sheridan Station West Metropolitan District in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services, if applicable, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

**Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

**Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Simmons & Wheeler, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to grantor or cognizant agencies or a federal agency providing direct or indirect funding. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Simmons & Wheeler, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to other firms of Certified Public Accountants for our firm's required participation in the American Institute of Certified Public Accountants 'Peer Review' process. If requested, access to such audit documentation will be provided under the supervision of Simmons & Wheeler, PC personnel.

John Simmons or Diane Wheeler will be the engagement partner and will be responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on a date mutually agreed to by your accountants and our firm, and to issue our reports no later than July 31, 2022, or September 30, 2022, if the District requests an extension of time from the state auditor.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $4,800. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. 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 if your account becomes 90 days or more overdue and may 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 upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

**Reporting**

We will issue a written report upon completion of our audit of Sheridan Station West Metropolitan District's financial statements. Our report will be addressed to those charged with governance of Sheridan Station West Metropolitan District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We certify that we will comply with the provisions of C.R.S. §8-17.5-101, *et seq*. We will not knowingly employ or contract with Workers without Authorization to perform work under this contract. We represent, warrant, and agree that we have verified that we do not employ any Workers without Authorization, through participation in the Electronic Employment Verification Program administered by the Social Security Administration and the Department of Homeland Security. We have not used the Electronic Employment Verification Program to undertake pre-employment screening of job applicants. We shall use no subcontractor in the performance of our services under this engagement letter. We will comply with any reasonable request by the Colorado Department of Labor and Employment made in the course of an investigation the department is undertaking pursuant to the law. If we violate any provision of C.R.S. §8-17.5-101, *et seq*. the District may terminate this contract for breach of contract, and we shall be liable for actual and consequential damages to the District.

We appreciate the opportunity to be of service to Sheridan Station West Metropolitan District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below, and return this letter to us.

Very truly yours,

Simmons & Wheeler P.C.

Simmons & Wheeler, P.C.

RESPONSE

This letter correctly sets forth the understanding of Sheridan Station West Metropolitan District:

By _____

Title _____

Date _____

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2021

with

Independent Auditors' Report

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SIMMONS & WHEELER, P.C. Certified Public Accountants
304 Inverness Way South, Suite 490, Englewood, CO 80112 (303) 689-0833

# Independent Auditors' Report

Board of Directors
Sheridan Station West Metropolitan District
Jefferson County, Colorado

## Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund, of the Sheridan Station West Metropolitan District (the "District") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Sheridan Station West Metropolitan District as of December 31, 2021, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinions

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

## Responsibilities of Management for the Financial Statements

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

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

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

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

In performing an audit in accordance with GAAS, we:

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

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

**Other Matters**

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

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Simmons & Wheeler P.C.

Englewood, CO
September 1, 2022

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2021

| | General | Debt Service | Capital Projects | Total | Adjustments | Statement of Net Position |
|---|---|---|---|---|---|---|
| ASSETS | | | | | | |
| Cash and investments | $ 19,153 | $ - | $ - | $ 19,153 | $ - | $ 19,153 |
| Cash and investments - restricted | 8,898 | 481,614 | 41,617 | 532,129 | - | 532,129 |
| Receivable - County Treasurer | 363 | 731 | - | 1,094 | - | 1,094 |
| Property taxes receivable | 110,682 | 222,484 | - | 333,166 | - | 333,166 |
| Accounts receivable - operating fees | 23,032 | - | - | 23,032 | - | 23,032 |
| Prepaid expenses | 3,258 | - | - | 3,258 | - | 3,258 |
| Capital assets not being depreciated | - | - | - | - | 2,646,440 | 2,646,440 |
| Total Assets | $ 165,386 | $ 704,829 | $ 41,617 | $ 911,832 | 2,646,440 | 3,558,272 |
| LIABILITIES | | | | | | |
| Accounts payable | $ 18,201 | $ - | $ 41,617 | $ 59,818 | - | 59,818 |
| Accrued interest on bonds | - | - | - | - | 18,125 | 18,125 |
| Long-term liabilities: | | | | | | |
| Due within one year | - | - | - | - | 35,000 | 35,000 |
| Due in more than one year | - | - | - | - | 4,242,458 | 4,242,458 |
| Total Liabilities | 18,201 | - | 41,617 | 59,818 | 4,295,583 | 4,355,401 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Deferred property taxes | 110,682 | 222,484 | - | 333,166 | - | 333,166 |
| Total Deferred Inflows of Resources | 110,682 | 222,484 | - | 333,166 | - | 333,166 |
| FUND BALANCES/NET POSITION | | | | | | |
| Fund Balances: | | | | | | |
| Nonspendable: | | | | | | |
| Prepaids | 3,258 | - | - | 3,258 | (3,258) | - |
| Restricted: | | | | | | |
| Emergencies | 8,898 | - | - | 8,898 | (8,898) | - |
| Debt service | - | 482,345 | - | 482,345 | (482,345) | - |
| Unassigned | 24,347 | - | - | 24,347 | (24,347) | - |
| Total Fund Balances | 36,503 | 482,345 | - | 518,848 | (518,848) | - |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | $ 165,386 | $ 704,829 | $ 41,617 | $ 911,832 | | |
| Net Position: | | | | | | |
| Restricted for: | | | | | | |
| Emergencies | | | | | 8,898 | 8,898 |
| Debt service | | | | | 464,220 | 464,220 |
| Unrestricted | | | | | (1,603,413) | (1,603,413) |
| Total Net Position | | | | | $(1,130,295) | $(1,130,295) |

The notes to the financial statements are an integral part of these statements.

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

| | General | Debt Service | Capital Projects | Total | Adjustments | Statement of Activities |
|---|---|---|---|---|---|---|
| EXPENDITURES | | | | | | |
| Accounting | $ 15,498 | $ - | $ - | $ 15,498 | $ - | $ 15,498 |
| Audit | 4,300 | - | - | 4,300 | - | 4,300 |
| Covenant control | 11,375 | - | - | 11,375 | - | 11,375 |
| Insurance | 3,252 | - | - | 3,252 | - | 3,252 |
| Legal | 23,559 | - | - | 23,559 | - | 23,559 |
| Management fees | 29,134 | - | - | 29,134 | - | 29,134 |
| Miscellaneous expenses | 8,305 | - | - | 8,305 | - | 8,305 |
| Treasurer's fees | 1,139 | 2,289 | - | 3,428 | - | 3,428 |
| Utilities | 45,524 | - | - | 45,524 | - | 45,524 |
| Snow removal | 43,757 | - | - | 43,757 | - | 43,757 |
| Billing and meter reading | 13,037 | - | - | 13,037 | - | 13,037 |
| Landscape maintenance/enhancements | 21,367 | - | - | 21,367 | - | 21,367 |
| Repair and maintenance | 5,806 | - | - | 5,806 | - | 5,806 |
| Interest Expense | - | 217,500 | - | 217,500 | 38,711 | 256,211 |
| Paying agent fees | - | 3,555 | - | 3,555 | - | 3,555 |
| Capital improvements | - | - | 41,617 | 41,617 | (41,617) | - |
| Total Expenditures | 226,053 | 223,344 | 41,617 | 491,014 | (2,906) | 488,108 |
| PROGRAM REVENUES | | | | | | |
| Operations and maintenance fees | 66,855 | - | - | 66,855 | - | 66,855 |
| Metered services - water | 50,659 | - | - | 50,659 | - | 50,659 |
| Other billings and fees | 16,134 | - | - | 16,134 | - | 16,134 |
| Total Program Revenues | 133,648 | - | - | 133,648 | - | 133,648 |
| Net Program Income (Expenses) | (92,405) | (223,344) | (41,617) | (357,366) | 2,906 | (354,460) |
| GENERAL REVENUES | | | | | | |
| Property taxes | 75,896 | 152,578 | - | 228,474 | - | 228,474 |
| Specific ownership taxes | 5,830 | 11,718 | - | 17,548 | - | 17,548 |
| Interest income | 58 | 263 | - | 321 | - | 321 |
| Total General Revenues | 81,784 | 164,559 | - | 246,343 | - | 246,343 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (10,621) | (58,785) | (41,617) | (111,023) | 2,906 | (108,117) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Developer advances | 75,860 | - | - | 75,860 | (75,860) | - |
| Transfers in | - | 6,356 | 23,363 | 29,719 | (29,719) | - |
| Transfers out | (29,719) | - | - | (29,719) | 29,719 | - |
| Total Other Financing Sources (Uses) | 46,141 | 6,356 | 23,363 | 75,860 | (75,860) | - |
| NET CHANGES IN FUND BALANCES | 35,520 | (52,429) | (18,254) | (35,163) | 35,163 | |
| CHANGE IN NET POSITION | | | | | (108,117) | (108,117) |
| FUND BALANCES/NET POSITION: | | | | | | |
| BEGINNING OF YEAR | 983 | 534,774 | 18,254 | 554,011 | (1,576,189) | (1,022,178) |
| END OF YEAR | $ 36,503 | $ 482,345 | $ - | $ 518,848 | $ (1,649,143) | $ (1,130,295) |

The notes to the financial statements are an integral part of these statements.

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|---|---|---|---|
| REVENUES | | | | |
| Property taxes | $ 76,195 | $ 76,195 | $ 75,896 | $ (299) |
| Specific ownership taxes | 4,572 | 4,572 | 5,830 | 1,258 |
| Interest income | - | - | 58 | 58 |
| Operations and maintenance fees | 40,000 | 61,000 | 66,855 | 5,855 |
| Metered services - water | 39,000 | 51,000 | 50,659 | (341) |
| Other billings and fees | - | 10,000 | 16,134 | 6,134 |
| Total Revenues | 159,767 | 202,767 | 215,432 | 12,665 |
| EXPENDITURES | | | | |
| Accounting | 9,000 | 9,000 | 15,498 | (6,498) |
| Audit | 7,500 | 4,300 | 4,300 | - |
| Covenant control | 13,200 | 11,400 | 11,375 | 25 |
| Insurance | 4,600 | 3,500 | 3,252 | 248 |
| Legal | 15,000 | 17,107 | 23,559 | (6,452) |
| Management fees | 12,000 | 29,000 | 29,134 | (134) |
| Miscellaneous expenses | 1,000 | 8,300 | 8,305 | (5) |
| Treasurer's fees | 1,143 | 1,200 | 1,139 | 61 |
| Utilities | 44,000 | 46,000 | 45,524 | 476 |
| Snow removal | 35,000 | 44,000 | 43,757 | 243 |
| Billing and meter reading | 10,000 | 13,000 | 13,037 | (37) |
| Landscape maintenance/enhancements | 16,000 | 21,500 | 21,367 | 133 |
| Repair and maintenance | 4,000 | 6,000 | 5,806 | 194 |
| Contingency | 10,000 | - | - | - |
| Emergency reserve | 5,693 | 5,693 | - | 5,693 |
| Total Expenditures | 188,136 | 220,000 | 226,053 | (6,053) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (28,369) | (17,233) | (10,621) | 6,612 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Developer advances | 30,000 | 46,250 | 75,860 | 29,610 |
| Transfers out | - | (30,000) | (29,719) | 281 |
| Total Other Financing Sources (Uses) | 30,000 | 16,250 | 46,141 | 29,891 |
| NET CHANGE IN FUND BALANCE | 1,631 | (983) | 35,520 | 36,503 |
| FUND BALANCE: | | | | |
| BEGINNING OF YEAR | 6,108 | 983 | 983 | - |
| END OF YEAR | $ 7,739 | $ - | $ 36,503 | $ 36,503 |

The notes to the financial statements are an integral part of these statements.

## Note 1: Summary of Significant Accounting Policies

The accounting policies of the Sheridan Station West Metropolitan District, (the "District"), located in Jefferson County, Colorado, conform to the accounting principles generally accepted in the United States of America ("GAAP") as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

### Definition of Reporting Entity

The District was organized on December 6, 2016, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to "finance and construct certain public infrastructure improvements that benefit the citizens of the District". The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB, Statement No. 61, *The Financial Reporting Entity: Omnibus, which amended* GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units,* which provides guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

### Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

*General Fund* - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

*Debt Service Fund* – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

*Capital Projects Fund* – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

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

On December 10, 2021, the District amended its total appropriations in the General Fund from $188,136 to $250,000 primarily due to higher legal, accounting, and management expenses and in the Capital Projects Fund from $0 to $20,000 primarily due to unexpected capital improvement costs.

Total expenditures in the District's General and Capital Projects Funds exceeded appropriations by $5,772 and $21,617, respectively, which may be a violation of State Budget Law. The District's counsel has advised that a board meeting is being scheduled at which time the District's total appropriations in the General Fund will be amended from $250,000 to $256,000 and the Capital Projects Fund will be amended from $20,000 to $42,000.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position:

Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2021, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and investments are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

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

Interfund Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the Statement of Net Position.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. No depreciation expense was recognized during 2021.

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 taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

The nonspendable fund balance in the General Fund in the amount of $3,258 represents prepaid expenditures.

Restricted Fund Balance
The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of $8,898 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of $482,345 is restricted for the payment of the debt service costs associated with the General Obligation Bonds Series 2017 (see Note 4).

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

Assigned Fund Balance
Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance
Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all other funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

Net Position
Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position, as follows:

*Net investment in capital assets* – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets.

*Restricted net position* – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

*Unrestricted net position* – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

## Note 2: Cash and Investments

As of December 31, 2021, cash and investments are classified in the accompanying financial statements as follows:

| | |
|---|---|
| Statement of Net Position: | |
| Cash and investments | $ 19,153 |
| Cash and investments - Restricted | 532,129 |
| Total | $ 551,282 |

Cash and investments as of December 31, 2021 consist of the following:

| | |
|---|---|
| Deposits with financial institutions | $ 54,668 |
| Investments - COLOTRUST | 496,614 |
| | $ 551,282 |

Deposits:

Custodial Credit Risk

The Colorado Public Deposit Protection Act, ("PDPA") requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District follows state statutes for deposits. None of the District's deposits were exposed to custodial credit risk.

Investments:

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investment is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value method (NAV) per share.

As of December 31, 2021, the District had the following investments:

COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST"), is rated AAAm by Standard & Poor's with a weighted average maturity of under 60 days. COLOTRUST is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST using the net asset value method. COLOTRUST operates similarly to a money market fund with each share maintaining a value of $1.00. The COLOTRUST offers shares in three portfolios, one of which is COLOTRUST PLUS+. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of $1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian's internal records identify the investments owned by participating governments. There are no unfunded commitments and there is no redemption notice period. On December 31, 2021, the District had $496,614 invested in COLOTRUST Plus+.

Credit Risk

The District has not adopted a formal investment policy; however the District follows state statutes regarding investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk
Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Note 3: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2021 follows:

| Governmental Type Activities: | Balance 1/1/2021 | Additions | Deletions | Balance 12/31/2021 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Construction in progress | $2,604,823 | $ 41,617 | $ - | $ 2,646,440 |
| Total capital assets | $2,604,823 | $ 41,617 | $ - | $ 2,646,440 |

Upon completion and acceptance, most of the fixed assets will be conveyed by the District to other local governments. The District will not be responsible for maintenance of capital assets conveyed to other entities.

Note 4: Long Term Debt

A description of the long-term obligations as of December 31, 2021, is as follows:

*General Obligation Limited Tax (Convertible to Unlimited Tax) Bonds, Series 2017* - On November 9, 2017 the District issued $3,625,000 of General Obligation Limited Tax Bonds, Series 2017, (the "Series 2017 Bonds"), dated November 2, 2017. The Series 2017 Bonds will be used for the purposes of: (a) funding and reimbursing the costs of the public improvements for the District; (b) funding the initial interest to accrue on the Series 2017 Bonds; (c) funding a debt service reserve for the Series 2017 Bonds; (d) partially funding a surplus fund for the Series 2017 Bonds; and (e) paying the costs of issuing the Series 2017 Bonds. The Series 2017 Bonds mature December 1, 2047 and bear interest at 6.00%, payable semiannually on each June 1 and December 1, commencing on June 1, 2018.

The Series 2017 Bonds are subject to mandatory sinking fund redemption, in part, by lot, on December 1, 2022, and on each December 1 thereafter prior to maturity, upon payment of par and accrued interest, without redemption premium.

The Series 2017 Bonds are also subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiplies of $1,000 on December 1, 2022, and any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

| Redemption Date | Redemption Premium |
|---|---|
| December 1, 2022 to November 30, 2023 | 3.00% |
| December 1, 2023 to November 30, 2024 | 2.00% |
| December 1, 2024 to November 30, 2025 | 1.00% |
| December 1, 2025, and thereafter | 0.00% |

The Series 2017 Bonds are secured by and payable from the pledged revenue, consisting of the moneys derived from a required mill levy not to exceed 50.000 mills (adjusted for changes occurring after the issuance of such bonds in the ratio of assessed values to market values), and any other legally available moneys of the District credited to the Bond Fund.

The Series 2017 Bonds are also secured by amounts held by the Trustee in the reserve fund of $155,000 and, amounts accumulated in the surplus fund to a maximum amount of $543,750. The Reserve Fund shall be maintained by the Trustee until the bonds are matured and the Surplus Fund . The Series 2017 Bonds will convert to unlimited tax general obligations and the Surplus Fund shall be terminated when the Debt to Assessed Ratio is less than 50%.

The following is a summary of the annual long-term debt principal and interest requirements.

| | **Principal** | **Interest** | **Total** |
|---|---|---|---|
| 2022 | 35,000 | 217,500 | 252,500 |
| 2023 | 35,000 | 215,400 | 250,400 |
| 2024 | 45,000 | 213,300 | 258,300 |
| 2025 | 45,000 | 210,600 | 255,600 |
| 2026 | 55,000 | 207,900 | 262,900 |
| 2027 - 2031 | 360,000 | 983,700 | 1,343,700 |
| 2031 - 2036 | 565,000 | 853,200 | 1,418,200 |
| 2037 - 2041 | 830,000 | 653,400 | 1,483,400 |
| 2042 - 2046 | 1,205,000 | 362,400 | 1,567,400 |
| 2047 | 450,000 | 27,000 | 477,000 |
| | $ 3,625,000 | $ 3,944,400 | $ 7,569,400 |

The following is an analysis of changes in long-term debt for the period ending December 31, 2021:

| | Balance 1/1/2021 | Additions | Deletions | Balance 12/31/2021 | Current Portion |
|---|---|---|---|---|---|
| General Obligation Bonds | | | | | |
| General Obligation Bonds - Series 2017 | $ 3,625,000 | $ - | $ - | $ 3,625,000 | $ 35,000 |
| Total General Obligation Bonds | 3,625,000 | - | - | 3,625,000 | 35,000 |
| Other - Developer Advances | | | | | |
| Developer advances - Operations | 172,502 | 75,860 | - | 248,362 | - |
| Accrued interest - Operations | 24,048 | 16,140 | - | 40,188 | - |
| Developer advances - Capital Projects | 282,133 | - | - | 282,133 | - |
| Accrued interest - Capital Projects | 59,204 | 22,571 | - | 81,775 | - |
| Total Other - Developer Advances | 537,887 | 114,571 | - | 652,458 | - |
| Total | $ 4,162,887 | $ 114,571 | $ - | $ 4,277,458 | $ 35,000 |

Debt Authorization

As of December 31, 2021, the District had remaining voted debt authorization of approximately $76,125,000. The District has not budgeted to issue any new debt during 2022. Per the District's Service Plan, the District cannot issue debt in excess of $7,250,000.

Note 5: Agreements

*Facilities Funding and Acquisition Agreement dated December 8, 2016, and effective November 11, 2016.* On December 8, 2016, effective November 11, 2016, the District entered into a Facilities Funding and Acquisition Agreement ("FFAA") with Sheridan Station Transit Village, LLC ("the Developer"). The Developer has agreed to advance funds to the District to design, construct and complete the infrastructure improvements within the District outlined in the Service Plan. In lieu of advancing funds to the District, the Developer may complete such improvements subject to future acceptance and acquisition by the District. On November 14, 2019 (effective November 11, 2016), the District entered into the First Amendment to Facilities Funding and Acquisition Agreement whereby the advance amount was increased to $1,400,000 and the time period was adjusted to the fiscal years 2016 through 2020. Any advances made under the FFAA will earn interest at 8% per annum. The obligation of the District to reimburse the Developer under the FFAA expires on December 31, 2050. As of December 31, 2021, the principal outstanding is $282,133 and the accrued interest is $81,775.

*Operation Funding Agreement dated December 8, 2016, and effective November 11, 2016.* On December 8, 2016 (effective November 11, 2016), the District entered into the Operation Funding Agreement ("OFA") with the Developer, whereby the Developer agreed to advance up to $50,000 to the District for operations and maintenance expenses incurred in fiscal years 2016 and 2017. On November 14, 2019 (effective November 11, 2016), the District entered into the First Amendment to Operation Funding Agreement whereby the advance amount was increased to $170,000 and the time period was adjusted to the fiscal years 2016 through 2020. Such advances will accrue simple interest from the date of deposit into the District's account at the rate of 8% per annum. The District agreed to reimburse the Developer for amounts advanced under the OFA, subject to annual budget and appropriation. The obligation of the District to reimburse the Developer under the OFA expires on December 31, 2051. As of December 31, 2021, the Developer has advanced the District $248,362 and accrued interest was $40,188.

*Imposition of District Fees for Operations and Maintenance.* On August 24, 2018, the District imposed Operations and Maintenance Fees, (the "Fees"), on its inhabitants and taxpayers within the District to help provide operation, maintenance and construction of facilities pursuant to the Service Plan, as well as design, review and covenant enforcement services. The fee imposed prior to December 2021 was $31.60 per month per resident and taxpayer and in December 2021 the fee was increased to $50.00 per month per resident and taxpayer. In 2021, the District collected $66,855 in fees.

*Impositions of Potable Water Fees.* On August 24, 2018, the District imposed Potable Water Fees, ("Water Fees"). The District is authorized, per the Service Plan, to provide water services to the residential units within the District. The Water Fees are set as the then-current rate set by Consolidated Mutual Water Company, the service provider, and are subject to change. In 2021, the District collected $50,659 in fees.

Note 6: Related Party

All of the Board of Directors are employees, owners or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Note 7: Intergovernmental Agreements

*Intergovernmental Inclusion, Service and Construction Agreement.* On June 20, 2017, the District, East Lakewood Sanitation District ("ELSD") and Sheridan Station Transit Village LLC ("SSTV") entered into an Intergovernmental Inclusion, Service and Construction Agreement ("Service IGA"). Under the Service IGA, certain properties within the District will be included in ELSD's service area, and SSTV will reimburse ELSD for the costs associated with including such properties within ELSD's service area, up to $10,000. Either the District or SSTV will construct sanitation improvements pursuant to the FFAA (see Note 5) and will transfer the sanitation improvements to ELSD upon approval and acceptance. ELSD will operate and maintain the sanitation improvements to provide sanitation services to those properties in the District that are within ELSD's service area.

Note 8: Tax, Spending and Debt Limitations

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

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

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

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

On November 8, 2016, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

Note 9: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool ("Pool") which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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

Note 10: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The *Governmental Funds Balance Sheet/Statement of Net Position* includes an adjustments column. The adjustments may have the following elements:

1) Capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and

2) long-term liabilities such as bonds payable and accrued bond interest payable are not due and payable in the current period and, therefore, are not in the funds.

The *Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities* includes an adjustments column. The adjustments may have the following elements:

1) Governmental funds report capital outlays as expenditures, however, in the statement of activities, the costs of those assets are held as construction in process pending transfer to other governmental entities or depreciated over their useful lives;

2) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities;

3) governmental funds report developer advances and/or bond proceeds as revenue; and,

4) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

Note 11: Subsequent Events

On March 22, 2022, the District issued the Limited Tax (Convertible to Unlimited Tax) General Obligation Taxable (Convertible to Tax-Exempt) Refunding Loan, Series 2022A-1 ("Series 2022A-1 Loan") in the principal amount of $3,580,000 and the Limited Tax (Convertible to Unlimited Tax) General Obligation Loan Series 2022A-2 ("Series 2022A-2 Loan") in the principal amount of $650,000. The proceeds from the Series 2022A-1 Loan were used to refund the Series 2017 Bonds and the proceeds from the Series 2022A-2 Loan were used to fund a project fund for the purpose of funding and reimbursing a portion of the costs of acquiring, constructing and installing certain public improvements.

SUPPLEMENTAL INFORMATION

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
DEBT SERVICE FUND
For the Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|---|---|---|
| REVENUES | | | |
| Property taxes | $ 153,161 | $ 152,578 | $ (583) |
| Specific ownership taxes | 7,500 | 11,718 | 4,218 |
| Interest income | 2,500 | 263 | (2,237) |
| Total Revenues | 163,161 | 164,559 | 1,398 |
| EXPENDITURES | | | |
| Interest Expense | 217,500 | 217,500 | - |
| Paying agent fees | 4,000 | 3,555 | 445 |
| Treasurer's fees | 2,297 | 2,289 | 8 |
| Total Expenditures | 223,797 | 223,344 | 453 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (60,636) | (58,785) | 1,851 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | - | 6,356 | 6,356 |
| Total Other Financing Sources (Uses) | - | 6,356 | 6,356 |
| NET CHANGE IN FUND BALANCE | (60,636) | (52,429) | 8,207 |
| FUND BALANCE: | | | |
| BEGINNING OF YEAR | 536,112 | 534,774 | (1,338) |
| END OF YEAR | $ 475,476 | $ 482,345 | $ 6,869 |

The notes to the financial statements are an integral part of these statements.

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND
For the Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|---|---|---|---|
| REVENUES | | | | |
| Interest income | $ - | $ - | $ - | $ - |
| Total Revenues | - | - | - | - |
| EXPENDITURES | | | | |
| Capital improvements | - | 20,000 | 41,617 | (21,617) |
| Total Expenditures | - | 20,000 | 41,617 | (21,617) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | (20,000) | (41,617) | (21,617) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 1,746 | 23,363 | 21,617 |
| Total Other Financing Sources (Uses) | - | 1,746 | 23,363 | 21,617 |
| NET CHANGE IN FUND BALANCE | - | (18,254) | (18,254) | - |
| FUND BALANCE: | | | | |
| BEGINNING OF YEAR | - | 18,254 | 18,254 | - |
| END OF YEAR | $ - | $ - | $ - | $ - |

The notes to the financial statements are an integral part of these statements.

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED
December 31, 2021
(Unaudited)

| Year Ended December 31, | Prior Year Assessed Valuation for Current Year Property Tax Levy | Mills Levied | | Total Property Tax | | Percent Collected to Levied |
|---|---|---|---|---|---|---|
| | | General Fund | Debt Service | Levied | Collected | |
| 2017 | $ 147,971 | 60.000 | 0.000 | $ 8,878 | $ 8,878 | 100.00% |
| 2018 | $ 139,057 | 22.000 | 44.222 | $ 9,208 | $ 10,108 | 109.78% |
| 2019 | $ 938,862 | 22.000 | 44.222 | $ 62,172 | $ 62,173 | 100.00% |
| 2020 | $ 2,828,389 | 22.154 | 44.532 | $ 188,614 | $ 188,615 | 100.00% |
| 2021 | $ 3,439,343 | 22.154 | 44.532 | $ 229,356 | $ 228,474 | 99.62% |
| Estimated for year ending December 31, 2022 | $ 4,996,041 | 22.154 | 44.532 | $ 333,166 | | |

**NOTE:**

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

**RESOLUTION TO AMEND 2022 BUDGET**

**COMES NOW**, Douglas Elenowitz, the President of the Sheridan Station West Metropolitan District (the "District"), and certifies that at a regular meeting of the Board of Directors of the District held, Friday, the 9th day of December 2022, at 10:00 A.M., via video conference at https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09 and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors, to-wit:

WHEREAS, the Board of Directors of the District appropriated funds for the fiscal year 2022 as follows:

| | |
|---|---|
| General Fund | $ _____ |
| Debt Service Fund | $ _____ |
| Capital Projects Fund | $ |

and;

**WHEREAS**, the necessity has arisen for additional expenditures and transfers 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 the fiscal year 2022; and

**WHEREAS**, funds are available for such an expenditure and transfer from surplus revenue funds of the District; and

**WHEREAS**, due and proper notice was published on Thursday, December 1, 2022, in *The HUB for Lakewood*, indicating (i) the date and time of the hearing at which the adoption of the proposed 2022 budget amendment will be considered; (ii) that the proposed budget amendment is available for inspection by the public at a designated place; and (iii) that any interested persons may file any objections to the proposed budget amendment at any time prior to the final adoption of the budget by the District, as shown on the publisher's Affidavit of Publication attached hereto as Exhibit A and incorporated herein by this reference; and

**WHEREAS**, the proposed budget amendment was open for inspection by the public at a designated place; and

**WHEREAS**, a public hearing was held on Friday, December 9, 202, and interested persons were given the opportunity to file or register any objections to said proposed budget amendment and any such objections were considered by the Board of Directors; and

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors of the District shall and hereby does amend the budget for the fiscal year 2022 as follows:

| | |
|---|---|
| General Fund | $ _____ |
| Debt Service Fund | $ _____ |
| Capital Projects Fund | $ |

**BE IT FURTHER RESOLVED**, that such sums are hereby appropriated from the revenues of the District to the General Fund, Debt Service Fund and Capital Projects Fund for the purpose stated, and that any ending fund balances shall be reserved for purposes of Article X, Section 20 of the Colorado Constitution.

Whereupon, a motion was made by Director _____ and seconded by Director _____, and upon a unanimous vote this Resolution was approved by the Board of Directors.

**APPROVED AND ADOPTED** THIS 9TH DAY OF DECEMBER, 2022.

SHERIDAN STATION WEST METROPOLITAN DISTRICT

_____
By: Douglas Elenowitz, President

ATTEST:

_____
By: Paul Malone, Assistant Secretary

**EXHIBIT A**

Notice of Regular Meeting
Affidavit of Publication
Notice as to Proposed 2022 Budget Amendment

The Denver Post, LLC

PUBLISHER'S AFFIDAVIT

City and County of Denver )
State of Colorado )
)

The undersigned **Nicole Maestas**
being first duly sworn under oath, states
and affirms as follows:
1. He/she is the legal Advertising Reviewer
of The Denver Post, LLC, publisher
of The Denver Post and Your Hub.
2. The Denver Post and Your Hub are
newspapers of general circulation that
have been published continuously and
without interruption for at least
fifty-two weeks in Denver County
and meet the legal requisites for a legal
newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto
is a true copy, published in Your Hub
for West Jeffco (including the counties
of Jefferson, Arapahoe, Arvada, Denver, Lakewood, Gilpin,
Clear Creek, and Westminster) on the following date(s):

December 1, 2022

Signature

Subscribed and sworn to before me this
2 day of ___December__, 2022.

Notary Public

ROSANN R WUNSCH
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20024002315
MY COMMISSION EXPIRES FEBRUARY 26, 2026

(SEAL)

**REVISED NOTICE AS TO PROPOSED AMENDED 2022 BUDGET AND HEARING**
**SHERIDAN STATION WEST METROPOLITAN DISTRICT**

**NOTICE IS HEREBY GIVEN** that a proposed amended budget will be submitted to the SHERIDAN STATION WEST METROPOLITAN DISTRICT for the year of 2022. A copy of such proposed amended budget has been filed in the office of Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado. Such proposed amended budget will be considered at a hearing at the regular meeting of the Sheridan Station West Metropolitan District to be held at 10:00 A.M., on Friday, December 9, 2022. The meeting will be held via video conference at **https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09** and via telephone conference at Dial-in: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572. Any interested elector within Sheridan Station West Metropolitan District may inspect the proposed amended budget and file or register any objections at any time prior to the final adoption of the amended 2022 budget.

BY ORDER OF THE BOARD OF DIRECTORS:
SHERIDAN STATION WEST
METROPOLITAN DISTRICT

By: /s/ ICENOGLE | SEAVER | POGUE
A Professional Corporation

Publish In: The HUB for Lakewood
Publish On: Thursday, December 1, 2022

**REVISED NOTICE AS TO PROPOSED AMENDED 2022 BUDGET AND HEARING**
**SHERIDAN STATION WEST METROPOLITAN DISTRICT**

**REVISED NOTICE IS HEREBY GIVEN** that a proposed amended budget will be submitted to the **SHERIDAN STATION WEST METROPOLITAN DISTRICT** for the year of 2022. A copy of such proposed amended budget has been filed in the office of Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado. Such proposed amended budget will be considered at a hearing at the regular meeting of the Sheridan Station West Metropolitan District to be held at 10:00 A.M., on Friday, December 9, 2022. The meeting will be held via video conference at https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09 and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572. Any interested elector within Sheridan Station West Metropolitan District may inspect the proposed amended budget and file or register any objections at any time prior to the final adoption of the amended 2022 budget.

BY ORDER OF THE BOARD OF DIRECTORS:
SHERIDAN STATION WEST METROPOLITAN DISTRICT

By: /s/ ICENOGLE | SEAVER | POGUE
A Professional Corporation

Publish In: *The HUB for Lakewood*
Publish On: Thursday, December 1, 2022

**SCOT KERSGAARD**

Assessor

OFFICE OF THE ASSESSOR
100 Jefferson County Parkway
Golden, CO 80419-2500
Phone: 303-271-8600
Fax:303-271-8616
*Website: http://assessor.jeffco.us*
*E-mail Address: assessor@jeffco.us*

August 25, 2022

SHERIDAN STATION WEST METRO
SPECIAL DISTRICT MANAGEMENT
SERVICES, DAVID SOLIN
141 UNION BLVD 150
LAKEWOOD CO 80215

Code # 4809

# CERTIFICATION OF VALUATION

The Jefferson County Assessor reports a taxable assessed valuation for your taxing entity for 2022 of:

$5,361,067

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

SCOT KERSGAARD
Jefferson County Assessor

enc

4809 County Tax Entity Code

# CERTIFICATION OF VALUATION BY JEFFERSON COUNTY ASSESSOR

New Tax Entity ☒ YES ☐ NO Date: August 25, 2022

**NAME OF TAX ENTITY:** SHERIDAN STATION WEST METRO

## USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

| | | | | |
|---|---|---|---|---|
| 1. | PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 1. | $ | 4,996,041 |
| 2. | CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡ | 2. | $ | 5,361,067 |
| 3. | LESS TOTAL TIF AREA INCREMENTS, IF ANY: | 3. | $ | 0 |
| 4. | CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 4. | $ | 5,361,067 |
| 5. | NEW CONSTRUCTION: * | 5. | $ | 889,818 |
| 6. | INCREASED PRODUCTION OF PRODUCING MINE: ≈ | 6. | $ | 0 |
| 7. | ANNEXATIONS/INCLUSIONS: | 7. | $ | 0 |
| 8. | PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈ | 8. | $ | 0 |
| 9. | NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ | 9. | $ | 0 |
| 10. | TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified: | 10. | $ | 0 |
| 11. | TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.): | 11. | $ | 0 |

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authroized by Art. X, Sec 20(8)(b), Colo. Constituion
* New construction is defined as: Taxable real property structures and the personal property connected with the structure.
≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treaed as growth in the limit calculation; use Forms DLG 52 & 52A.
Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

## USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

| | | | | |
|---|---|---|---|---|
| 1. | CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶ | 1. | $ | 75,849,553 |
| | ***ADDITIONS*** TO TAXABLE REAL PROPERTY | | | |
| 2. | CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | 2. | $ | 12,803,069 |
| 3. | ANNEXATIONS/INCLUSIONS: | 3. | $ | 0 |
| 4. | INCREASED MINING PRODUCTION: § | 4. | $ | 0 |
| 5. | PREVIOUSLY EXEMPT PROPERTY: | 5. | $ | 0 |
| 6. | OIL OR GAS PRODUCTION FROM A NEW WELL: | 6. | $ | 0 |
| 7. | TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.): | 7. | $ | 0 |
| | ***DELETIONS*** FROM TAXABLE REAL PROPERTY | | | |
| 8. | DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | 8. | $ | 0 |
| 9. | DISCONNECTIONS/EXCLUSIONS: | 9. | $ | 0 |
| 10. | PREVIOUSLY TAXABLE PROPERTY: | 10. | $ | 0 |

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
* Construction is defined as newly constructed taxable real property structures.
§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

| | | | | |
|---|---|---|---|---|
| 1. | TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY | 1. | $ | 76,109,601 |

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** $ 0

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

JEFFERSON COUNTY COLORADO

**Certifications will only be accepted via e-mail:**
**MillLevyCertify@jeffco.us**

***TO ALL TAXING JURISDICTIONS:***

Pursuant to section 39-5-128, you are hereby notified that, as the clerk of a municipality or secretary of a special district, you must officially certify your agency's 2023 mill levy with Jefferson County. To ensure your agency meets the statutory deadline of December 16th, **your agency's certification must be submitted via email to MillLevyCertify@jeffco.us on or before Friday, December 9th, 2022.** Submissions will not be accepted in-person or via postal delivery.

Please remember that prior to submitting your agency's mill levy for certification, you are required by statute to formally adopt your annual budget. The necessary forms, along with instructions as to completion, are provided by the Colorado Division of Local Government (DOLA) and can be found on their website (www.dola.state.co.us). Using these forms will expedite the process to ensure that your agency's mill levy is certified in time for the billing of property taxes in 2023 by the Jefferson County Treasurer's office. **As an added safeguard to ensure accurate mill levies are certified, resolution(s) authorizing mill levy amounts must be included with your submission.**

Each taxing authority is responsible for ensuring that the mill levy submitted for certification complies with all applicable state statutes. You are encouraged to utilize the resources made available by DOLA to gain a thorough understanding of the statutes that apply to your agency.

The statutory "5.5% Property Tax Revenue Limit," also known as the "Annual Levy Law" (Section 29-1-301, et seq., C.R.S.), applies to most statutory local governments that levy property taxes, and it restricts the amount of property tax revenue that may be collected each year. This does not apply to home-rule entities unless their charters specify this limit. The local government's limit is calculated by using the information on the Certification of Valuation (CV) sent by the County Assessor each year.

Your agency may also be subject to the provisions specified under Article X, Section 20 of the Colorado State Constitution (Taxpayer's Bill of Rights Amendment). Each agency will be mailed a worksheet prepared by DOLA that shows their calculation for the agency's "5.5% limit." For other worksheets and additional guidance, please refer to DOLA's website or contact their staff at any time for assistance.

The county is required by law to certify the mill levies for all taxing authorities located within its boundaries. We ask for your help in ensuring that your mill levy information is both accurate and timely so that we can efficiently begin compiling the mill levy information.

If your district will not levy property taxes, we ask that you notify the county in writing of this intent. Failure to submit the required information by the established statutory deadline may result in a delay in the billing of your entity's property taxes.

Please submit your mill levy certification and resolution no later than December 9th, 2022 via e-mail to MillLevyCertify@jeffco.us. To ensure reliable and timely delivery and processing of certifications, **submissions will not be accepted in-person or via postal delivery**.

Please contact the Jefferson County Assessor's Office at 303-271-8628 for valuation or district information questions, or the Strategy, Planning & Analysis Division at 303-271-8507 for submission procedure questions.

**SHERIDAN STATION WEST METROPOLITAN DISTRICT**
**Assessed Value, Property Tax and Mill Levy Information**

| | 2021 Actual | 2022 Adopted Budget | 2023 Preliminary Budget |
|---|---|---|---|
| **Assessed Valuation** | $ 3,439,343 | $ 4,996,041 | $ 5,361,067 |
| **Mill Levy** | | | |
| General Fund | 22.154 | 22.154 | 22.154 |
| Debt Service Fund | 44.532 | 44.532 | 44.532 |
| Temporary Mill Levy Reduction | 0.000 | 0.000 | 0.000 |
| Refunds and Abatements | 0.000 | 0.000 | 0.000 |
| **Total Mill Levy** | 66.686 | 66.686 | 66.686 |
| **Property Taxes** | | | |
| General Fund | $ 76,195 | $ 110,682 | $ 118,769 |
| Debt Service Fund | 153,161 | 222,484 | 238,739 |
| Temporary Mill Levy Reduction | - | - | - |
| Refunds and Abatements | - | - | - |
| **Actual/Budgeted Property Taxes** | **$ 229,356** | **$ 333,166** | **$ 357,508** |

## SHERIDAN STATION WEST METROPOLITAN DISTRICT

### GENERAL FUND
### 2023 Preliminary Budget
### with 2021 Actual, 2022 Adopted Budget and 2022 Estimated

| | 2021 Actual | 01/22-09/22 YTD Actual | 2022 Adopted Budget | 2022 Estimated | 2023 Preliminary Budget |
|---|---|---|---|---|---|
| **BEGINNING FUND BALANCE** | $ 983 | #NAME? | $ - | #NAME? | #NAME? |
| **REVENUE** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | 110,682 | 118,769 |
| #NAME? | #NAME? | #NAME? | #NAME? | 6,600 | 7,126 |
| #NAME? | #NAME? | #NAME? | #NAME? | 200 | 2,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 109,200 | 109,200 |
| #NAME? | #NAME? | #NAME? | #NAME? | 75,000 | 75,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 13,300 | 13,300 |
| #NAME? | #NAME? | #NAME? | #NAME? | 500 | 1,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 3,000 | 4,000 |
| **Total Revenue** | #NAME? | #NAME? | #NAME? | 318,482 | 330,395 |
| **Total Funds Available** | #NAME? | #NAME? | #NAME? | #NAME? | #NAME? |
| **EXPENDITURES** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | 4,300 | 4,750 |
| #NAME? | #NAME? | #NAME? | #NAME? | 1,095 | 1,200 |
| #NAME? | #NAME? | #NAME? | #NAME? | 15,000 | 20,000 |
| Landscape Maintenance | #NAME? | #NAME? | #NAME? | 16,153 | 16,500 |
| Landscape Enhancements | #NAME? | #NAME? | #NAME? | 15,000 | 15,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 60,000 | 60,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 4,018 | 4,500 |
| #NAME? | #NAME? | #NAME? | #NAME? | 26,000 | 26,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 22,000 | 19,500 |
| #NAME? | #NAME? | #NAME? | #NAME? | 8,000 | 5,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 14,000 | 15,200 |
| #NAME? | #NAME? | #NAME? | #NAME? | 13,200 | 14,300 |
| #NAME? | #NAME? | #NAME? | #NAME? | 1,660 | 1,782 |
| #NAME? | #NAME? | #NAME? | #NAME? | 12,000 | 13,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 58,000 | 58,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | - | 30,000 |
| **Total Expenditures** | #NAME? | #NAME? | #NAME? | 270,426 | 304,732 |
| **Transfers and Other Sources (Uses)** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | - | (9,912) |
| **Total Expenditures Requiring Appropriation** | #NAME? | #NAME? | #NAME? | 270,426 | 314,643 |
| **ENDING FUND BALANCE** | #NAME? | #NAME? | #NAME? | #NAME? | #NAME? |

## SHERIDAN STATION WEST METROPOLITAN DISTRICT

**DEBT SERVICE**
**2023 Preliminary Budget**
**with 2021 Actual, 2022 Adopted Budget and 2022 Estimated**

| | 2021 Actual | 01/22-09/22 YTD Actual | 2022 Adopted Budget | 2022 Estimated | 2023 Preliminary Budget |
|---|---|---|---|---|---|
| BEGINNING FUND BALANCE | $ 534,774 | #NAME? | #NAME? | #NAME? | #NAME? |
| **REVENUE** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | 222,484 | 238,739 |
| #NAME? | #NAME? | #NAME? | #NAME? | 12,500 | 14,324 |
| #NAME? | #NAME? | #NAME? | #NAME? | 500 | 2,500 |
| **Total Revenue** | #NAME? | #NAME? | #NAME? | 235,484 | 255,563 |
| **Total Funds Available** | #NAME? | #NAME? | #NAME? | #NAME? | #NAME? |
| **EXPENDITURES** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | 217,500 | 215,400 |
| #NAME? | #NAME? | #NAME? | #NAME? | 35,000 | 35,000 |
| #NAME? | #NAME? | #NAME? | #NAME? | 274,945 | - |
| #NAME? | #NAME? | #NAME? | #NAME? | 3,337 | 3,581 |
| #NAME? | #NAME? | #NAME? | #NAME? | 6,750 | 6,750 |
| #NAME? | #NAME? | #NAME? | #NAME? | - | 5,000 |
| **Total Expenditures** | #NAME? | #NAME? | #NAME? | 537,532 | 265,731 |
| **Transfers and Other Sources (Uses)** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | 5,844,000 | - |
| #NAME? | #NAME? | #NAME? | - | (650,000) | - |
| #NAME? | #NAME? | #NAME? | - | (1,480,305) | - |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| **Total Expenditures Requiring Appropriation** | #NAME? | #NAME? | #NAME? | 2,667,837 | 265,731 |
| **ENDING FUND BALANCE** | #NAME? | #NAME? | #NAME? | #NAME? | #NAME? |

## SHERIDAN STATION WEST METROPOLITAN DISTRICT

**CAPITAL PROJECTS FUND**
**2023 Preliminary Budget**
**with 2021 Actual, 2022 Adopted Budget and 2022 Estimated**

| | 2021 Actual | 01/22-09/22 YTD Actual | 2022 Adopted Budget | 2022 Estimated | 2023 Preliminary Budget |
|---|---|---|---|---|---|
| BEGINNING FUND BALANCE | $ 18,254 | #NAME? | #NAME? | #NAME? | $ - |
| **REVENUE** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| **Total Revenue** | #NAME? | #NAME? | #NAME? | - | - |
| **Total Funds Available** | #NAME? | #NAME? | #NAME? | #NAME? | - |
| **EXPENDITURES** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | 1,480,305 | - |
| #NAME? | #NAME? | #NAME? | #NAME? | 4,455 | - |
| **Total Expenditures** | #NAME? | #NAME? | #NAME? | 1,484,760 | - |
| **Transfers and Other Sources (Uses)** | | | | | |
| #NAME? | #NAME? | #NAME? | #NAME? | - | - |
| #NAME? | #NAME? | #NAME? | #NAME? | 1,480,305 | - |
| **Total Expenditures Requiring Appropriation** | #NAME? | #NAME? | #NAME? | 1,484,760 | - |
| **ENDING FUND BALANCE** | #NAME? | #NAME? | #NAME? | $ - | $ - |

STATE OF COLORADO
COUNTY OF JEFFERSON
SHERIDAN STATION WEST METROPOLITAN DISTRICT
2023 BUDGET RESOLUTION

The Board of Directors of the Sheridan Station West Metropolitan District, Jefferson County, Colorado held a regular meeting on Friday, December 9, 2022, at the hour of 10:00 A.M., via video conference at https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09 and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572.

The following members of the Board of Directors were present:

President:
Treasurer:
Secretary:
Assistant Secretary:
Assistant Secretary:

Also present were:

Ms. Ripko reported that proper notice was made to allow the Board of Directors of the Sheridan Station West Metropolitan District to conduct a public hearing on the 2023 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a regular meeting of the Board of Directors of the District and that a notice of regular meeting was posted on a public website of the District, http://sheridanstationwestmd.colorado.gov/, no less than twenty-four hours prior to the holding of the meeting, and to the best of her knowledge, remains posted to the date of this meeting.

Thereupon, Director _____ introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE SHERIDAN STATION WEST METROPOLITAN DISTRICT, JEFFERSON COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023.

WHEREAS, the Board of Directors (the "Board") of the Sheridan Station West Metropolitan District (the "District") has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2022; and

WHEREAS, the proposed budget is more than fifty thousand dollars ($50,000.00), due and proper notice was published on Thursday, December 1, 2022 in *The HUB for Lakewood*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District's increased property tax revenues resulting from a request to the Division of Local Government pursuant to Section 29-1-302(1), C.R.S.; and an original publisher's Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Friday, December 9, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Section 29-1-301, C.R.S., and Article X, Section 20 of the Colorado Constitution; and

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

WHEREAS, pursuant to Section 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to Section 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT, JEFFERSON COUNTY, COLORADO:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2023. In the event the final assessed valuation provided by the Jefferson County Assessor's Office differs from the assessed valuation used in the proposed budget, the District's accountant is hereby directed to modify and/or adjust the budget and mill levy certification as needed to reflect the final assessed valuation without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 4. Budget Certification. That the budget shall be certified by Paul Malone, Assistant Secretary of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

Section 5. 2023 Levy of General Property Taxes. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is $118,769 and that the 2022 valuation for assessment, as certified by the Jefferson County Assessor, is $5,361,067. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 22.154 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 6. 2023 Levy of Debt Retirement Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is $238,739 and that the 2022 valuation for assessment, as certified by the Jefferson County Assessor, is $5,361,067. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 44.532 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 7. 2023 Mill Levy Adjustment. The Board may adjust the mill levy, as specifically set forth in the District's Service Plan (the "Adjusted Mill Levy"). The Board hereby determines in good faith to establish the Adjusted Mill Levy as set forth in the mill levy certification attached hereto as Exhibit C pursuant to the authority granted by its Service Plan to ensure that the District's revenues shall be neither diminished nor enhanced as a result of the changes effecting the mill levy. Subject to adjustment and finalization by the District's accountant in accordance with Section 2 hereof, the Board further authorizes that the Adjusted Mill Levy be reflected in the District's Certification of Tax Levies to be submitted to the Board of County Commissioners of Jefferson County on or before December 15, 2022, for collection in 2023.

Section 8. Certification to County Commissioners. That the Board Secretary and/or District's accountant are hereby authorized and directed to immediately certify to the Board of County Commissioners of Jefferson County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

**[The remainder of this page is intentionally left blank.]**

The foregoing Resolution was seconded by Director _____.

RESOLUTION APPROVED AND ADOPTED THIS 9TH DAY OF DECEMBER 2022.

SHERIDAN STATION WEST METROPOLITAN DISTRICT

By: Douglas Elenowitz
Its: President

ATTEST:

By: Paul Malone
Its: Assistant Secretary

STATE OF COLORADO
COUNTY OF JEFFERSON
SHERIDAN STATION WEST METROPOLITAN DISTRICT

I, Paul Malone, hereby certify that I am a director and the duly elected and qualified Assistant Secretary of the Sheridan Station West Metropolitan District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a regular meeting of the Board of Directors of the Sheridan Station West Metropolitan District held on Friday, December 9, 2022, via video conference at https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09 and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 9th day of December 2022.

_____
Paul Malone, Assistant Secretary

[SEAL]

**EXHIBIT A**

Affidavit
Notice as to Proposed 2023 Budget

The Denver Post, LLC

PUBLISHER'S AFFIDAVIT

City and County of Denver )
State of Colorado )
)

The undersigned **Nicole Maestas**
being first duly sworn under oath, states
and affirms as follows:
1. He/she is the legal Advertising Reviewer
of The Denver Post, LLC, publisher
of The Denver Post and Your Hub.
2. The Denver Post and Your Hub are
newspapers of general circulation that
have been published continuously and
without interruption for at least
fifty-two weeks in Denver County
and meet the legal requisites for a legal
newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto
is a true copy, published in Your Hub
for West Jeffco (including the counties
of Jefferson, Arapahoe, Arvada, Denver, Lakewood, Gilpin,
Clear Creek, and Westminster) on the following date(s):

___ December 1, 2022 _____

Nicole Maestas
Signature

Subscribed and sworn to before me this
2 day of ___December__ , 2022.

Rosann R Wunsch
Notary Public

(SEAL)

ROSANN R WUNSCH
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20024002315
MY COMMISSION EXPIRES FEBRUARY 26, 2026

**REVISED NOTICE AS TO PROPOSED 2023 BUDGET AND HEARING**
**SHERIDAN STATION WEST METROPOLITAN DISTRICT**

**NOTICE IS HEREBY GIVEN** that a proposed budget has been submitted to the SHERIDAN STATION WEST METROPOLITAN DISTRICT for the ensuing year of 2023. A copy of such proposed budget has been filed in the office of Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado, where same is open for public inspection. Such proposed budget will be considered at a hearing at the regular meeting of the Sheridan Station West Metropolitan District to be held at 10:00 A.M., on Friday, December 9, 2022. The meeting will be held via video conference at **https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09** and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572. Any interested elector within the Sheridan Station West Metropolitan District may inspect the proposed budget and file or register any objections at any time prior to the final adoption of the 2023 budget.

BY ORDER OF THE BOARD OF DIRECTORS:
SHERIDAN STATION WEST
METROPOLITAN DISTRICT

By: /s/ ICENOGLE | SEAVER | POGUE
A Professional Corporation

Publish In: The HUB for Lakewood
Publish On: Thursday, December 1, 2022

**REVISED NOTICE AS TO PROPOSED 2023 BUDGET AND HEARING**
**SHERIDAN STATION WEST METROPOLITAN DISTRICT**

**REVISED NOTICE IS HEREBY GIVEN** that a proposed budget has been submitted to the **SHERIDAN STATION WEST METROPOLITAN DISTRICT** for the ensuing year of 2023. A copy of such proposed budget has been filed in the office of Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado, where same is open for public inspection. Such proposed budget will be considered at a hearing at the regular meeting of the Sheridan Station West Metropolitan District to be held at 10:00 A.M., on Friday, December 9, 2022. The meeting will be held via video conference at https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09 and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572. Any interested elector within the Sheridan Station West Metropolitan District may inspect the proposed budget and file or register any objections at any time prior to the final adoption of the 2023 budget.

BY ORDER OF THE BOARD OF DIRECTORS:
SHERIDAN STATION WEST METROPOLITAN DISTRICT

By: /s/ ICENOGLE | SEAVER | POGUE
A Professional Corporation

Publish In: *The HUB for Lakewood*
Publish On: Thursday, December 1, 2022

**EXHIBIT B**

Budget Document
Budget Message

**SHERIDAN STATION WEST METROPOLITAN DISTRICT**
**Assessed Value, Property Tax and Mill Levy Information**

| | 2021 Actual | 2022 Adopted Budget | 2023 Preliminary Budget |
|---|---|---|---|
| **Assessed Valuation** | $ 3,439,343 | $ 4,996,041 | $ 5,361,067 |
| **Mill Levy** | | | |
| General Fund | 22.154 | 22.154 | 22.154 |
| Debt Service Fund | 44.532 | 44.532 | 44.532 |
| Temporary Mill Levy Reduction | 0.000 | 0.000 | 0.000 |
| Refunds and Abatements | 0.000 | 0.000 | 0.000 |
| **Total Mill Levy** | 66.686 | 66.686 | 66.686 |
| **Property Taxes** | | | |
| General Fund | $ 76,195 | $ 110,682 | $ 118,769 |
| Debt Service Fund | 153,161 | 222,484 | 238,739 |
| Temporary Mill Levy Reduction | - | - | - |
| Refunds and Abatements | - | - | - |
| **Actual/Budgeted Property Taxes** | **$ 229,356** | **$ 333,166** | **$ 357,508** |

## SHERIDAN STATION WEST METROPOLITAN DISTRICT

### GENERAL FUND
### 2023 Preliminary Budget
### with 2021 Actual, 2022 Adopted Budget and 2022 Estimated

| | 2021 Actual | 01/22-07/22 YTD Actual | 2022 Adopted Budget | 2022 Estimated | 2023 Preliminary Budget |
|---|---|---|---|---|---|
| **BEGINNING FUND BALANCE** | $ 983 | $ 36,503 | $ - | $ 36,503 | $ 79,172 |
| **REVENUE** | | | | | |
| Property Tax Revenue | 75,896 | 110,021 | 110,682 | 110,682 | 118,769 |
| Specific Ownership Taxes | 5,830 | 3,712 | 6,600 | 6,600 | 7,126 |
| Interest Income | 58 | 63 | - | 200 | 2,000 |
| Operations and Maintenance Fee | 66,855 | 89,033 | 109,200 | 109,200 | 109,200 |
| Metered Services - Water | 50,659 | 15,682 | 54,000 | 54,000 | 54,000 |
| Non-metered services | 12,384 | 3,300 | - | 5,700 | 5,700 |
| Miscellaneous Income | - | 50 | 3,000 | 3,000 | 3,000 |
| Other Billing & Service Fees | 3,750 | 530 | 13,104 | 7,404 | 7,400 |
| **Total Revenue** | 215,432 | 222,390 | 296,586 | 296,786 | 307,195 |
| **Total Funds Available** | 216,415 | 258,893 | 296,586 | 333,289 | 386,367 |
| **EXPENDITURES** | | | | | |
| Audit | 4,300 | - | 4,750 | 4,300 | 4,750 |
| Election | - | 1,036 | 18,000 | 1,036 | 1,200 |
| Repair and Maintenance | 5,806 | 9,991 | 6,000 | 12,000 | 6,000 |
| Landscape Maintenance | 9,133 | 2,465 | 16,153 | 16,153 | 16,500 |
| Landscape Enhancements | 12,234 | - | 15,000 | 15,000 | 15,000 |
| Snow Removal | 43,758 | 40,118 | 60,000 | 60,000 | 60,000 |
| Insurance/SDA Dues | 3,252 | 3,768 | 4,500 | 3,768 | 4,500 |
| Legal | 23,559 | 17,909 | 20,000 | 20,000 | 20,000 |
| Management | 29,134 | 13,394 | 18,000 | 18,000 | 19,500 |
| Miscellaneous | 8,305 | 4,643 | 3,000 | 5,000 | 5,000 |
| Accounting | 15,498 | 9,115 | 14,000 | 14,000 | 15,200 |
| Covenant Control | 11,375 | 9,530 | 13,200 | 13,200 | 14,300 |
| Treasurer's Fees | 1,139 | 1,651 | 1,660 | 1,660 | 1,782 |
| Billing and Meter Reading | 13,037 | 6,712 | 12,000 | 12,000 | 13,000 |
| Utilities | 45,524 | 28,317 | 58,000 | 58,000 | 58,000 |
| Contingency | - | - | 10,000 | - | 10,000 |
| **Total Expenditures** | 226,052 | 148,648 | 274,263 | 254,117 | 264,732 |
| **Transfers and Other Sources (Uses)** | | | | | |
| Developer Advance | 75,860 | - | - | - | - |
| Transfer to Capital Projects | (23,363) | - | - | - | - |
| Transfer to Debt Service Fund | (6,356) | - | - | - | - |
| Emergency Reserve | - | - | (8,898) | - | (9,216) |
| **Total Expenditures Requiring Appropriation** | 255,772 | 148,648 | 283,161 | 254,117 | 273,947 |
| **ENDING FUND BALANCE** | $ 36,503 | $ 110,246 | $ 13,425 | $ 79,172 | $ 112,420 |

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

## DEBT SERVICE
## 2023 Preliminary Budget
## with 2021 Actual, 2022 Adopted Budget and 2022 Estimated

| | 2021 Actual | 01/22-07/22 YTD Actual | 2022 Adopted Budget | 2022 Estimated | 2023 Preliminary Budget |
|---|---|---|---|---|---|
| BEGINNING FUND BALANCE | $ 534,774 | $ 482,345 | $ 474,938 | $ 482,345 | $ 3,898,492 |
| **REVENUE** | | | | | |
| Property Tax Revenue | 152,578 | 221,154 | 222,484 | 222,484 | 238,739 |
| Specific Ownership Tax | 11,718 | 7,461 | 7,500 | 12,500 | 14,324 |
| Interest Income | 263 | 186 | 2,500 | 5,000 | 2,500 |
| **Total Revenue** | 164,559 | 228,802 | 232,484 | 239,984 | 255,563 |
| **Total Funds Available** | 699,333 | 711,147 | 707,422 | 722,329 | 4,154,055 |
| **EXPENDITURES** | | | | | |
| Bond Interest | 217,500 | 139,204 | 217,500 | 217,500 | 215,400 |
| Bond Principal | - | - | 35,000 | 35,000 | 35,000 |
| Bond Issuance Costs | - | 274,945 | - | 274,945 | - |
| Treasurer's Fees | 2,289 | 3,318 | 3,337 | 3,337 | 3,581 |
| Paying Agent Fees | 3,555 | 6,750 | 4,000 | 6,750 | 6,750 |
| Miscellaneous | - | - | 5,000 | - | 5,000 |
| **Total Expenditures** | 223,344 | 424,217 | 264,837 | 537,532 | 265,731 |
| **Transfers and Other Sources (Uses)** | | | | | |
| Bond Proceeds | - | 5,844,000 | - | 5,844,000 | - |
| Developer Advance Reimb. | - | (650,000) | - | (650,000) | - |
| Transfer to Capital Projects | - | (1,480,305) | - | (1,480,305) | - |
| Transfer from General Fund | 6,356 | - | - | - | - |
| **Total Expenditures Requiring Appropriation** | 223,344 | 2,554,522 | 264,837 | 2,667,837 | 265,731 |
| **ENDING FUND BALANCE** | $ 482,345 | $ 4,000,625 | $ 442,585 | $ 3,898,492 | $ 3,888,324 |

## SHERIDAN STATION WEST METROPOLITAN DISTRICT

**CAPITAL PROJECTS FUND**
**2023 Preliminary Budget**
**with 2021 Actual, 2022 Adopted Budget and 2022 Estimated**

| | 2021 Actual | 01/22-07/22 YTD Actual | 2022 Adopted Budget | 2022 Estimated | 2023 Preliminary Budget |
|---|---|---|---|---|---|
| BEGINNING FUND BALANCE | $ 18,254 | $ (0) | $ - | $ (0) | $ - |
| **REVENUE** | | | | | |
| Interest Income | - | - | - | - | - |
| Bond Proceeds | - | - | - | - | - |
| **Total Revenue** | - | - | - | - | - |
| **Total Funds Available** | 18,254 | (0) | - | (0) | - |
| **EXPENDITURES** | | | | | |
| Legal | - | - | - | - | - |
| Management | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - |
| Accounting | - | - | - | - | - |
| Construction-General | - | 1,480,305 | - | 1,480,305 | - |
| Engineering | 41,617 | 4,455 | - | 4,455 | - |
| **Total Expenditures** | 41,617 | 1,484,760 | - | 1,484,760 | - |
| **Transfers and Other Sources (Uses)** | | | | | |
| Transfer From General Fund | 23,363 | - | - | - | - |
| Transfer from Debt Service | - | 1,480,305 | - | 1,480,305 | - |
| **Total Expenditures Requiring Appropriation** | 41,617 | 1,484,760 | - | 1,484,760 | - |
| **ENDING FUND BALANCE** | $ (0) | $ (4,455) | $ - | $ - | $ - |

**EXHIBIT C**

Certification of Tax Levy

County Tax Entity Code _____ DOLA LGID/SID _____

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners[1] of _____, Colorado.

**On** behalf of the _____,
(taxing entity)[A]

the _____
(governing body)[B]

of the _____
(local government)[C]

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

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

**Submitted:** _____ for budget/fiscal year _____.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

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

Contact person: (print) _____ Daytime phone: ( ) _____

Signed: _____ Title: _____

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

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

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

## BONDS[J]:

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

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

## CONTRACTS[K]:

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

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Sheridan Station West Metropolitan District of Jefferson County, Colorado on this 9th day of December 2022.

_____

Paul Malone, Assistant Secretary

S E A L

**RESOLUTION OF**
**THE BOARD OF DIRECTORS OF**
**SHERIDAN STATION WEST METROPOLITAN DISTRICT**
**2023 REGULAR SPECIAL DISTRICT ELECTION RESOLUTION**

At a regular meeting of the Board of Directors of the Sheridan Station West Metropolitan District, Jefferson County, Colorado, held at 10:00 A.M., on Friday, December 9, 2022, via video conference at https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUlZZc1VMWTJFZjFHdz09 and via telephone conference at Dial-In: 1-719-359-4580, Meeting ID: 862 6755 0643, Passcode: 987572, at which a quorum was present, the following resolution (the "Resolution") was adopted:

**WHEREAS**, Sheridan Station West Metropolitan District (the "District") was organized pursuant to the Special District Act, Article 1 of Title 32, C.R.S. (the "Act"), after approval of the eligible electors of the District, by order of the District Court in and for Jefferson County, Colorado, dated November 23, 2016; and

**WHEREAS**, elections may be held pursuant to the Act; the Uniform Election Code of 1992, Articles 1 to 13 of Title 1, C.R.S. (the "Uniform Code"); and the Colorado Local Government Election Code, Article 13.5 of Title 1, C.R.S. (the "Local Government Election Code") (the Act, Uniform Code, and Local Government Election Code are collectively referred to herein as the "Election Laws") for the purpose of 1) electing members of the Board and 2) presenting certain ballot questions to the eligible electors of the District; and

**WHEREAS**, pursuant to Section 32-1-305.5(3)(a), C.R.S., the term of office of members of the Board of Directors for the District (the "Board") elected in a regular special district election is four (4) years; and

**WHEREAS**, the Board currently includes five (5) members elected to serve on the Board, zero (0) members appointed to fill vacancies on the Board, and zero (0) vacancies; and

**WHEREAS**, the term of office for three (3) members of the Board for the District shall expire after their successors are elected at the next regular election for the District scheduled to be held on the Tuesday succeeding the first Monday of May in accordance with Section 1-13.5-111(1), C.R.S.: May 2, 2023; and

**WHEREAS**, in accordance with the Election Laws, an election must be conducted to elect to the Board of the District three (3) Directors to serve for terms of four years and zero (0) Directors to serve terms of two years; and

**WHEREAS**, the number of Directors to be elected to the Board of the District may increase following the adoption of this Resolution should a Director's office be deemed vacant in accordance with Section 32-1-905, C.R.S. prior to the election; and

**WHEREAS**, pursuant to Section 32-1-804(1), C.R.S., the Board shall govern the conduct of the election and shall render all interpretations and make all decisions as to controversies or other matters arising in the conduct of the election; and

**WHEREAS**, Sections 1-1-111(2), 1-13.5-108, and 32-1-804(2), C.R.S. provide that all powers and authority granted to the Board for the conduct of regular and special elections, including making all initial decisions as to controversies or other matters arising in the operation of the Local Government Election Code, may be exercised by a "Designated Election Official" designated by the Board; and

**WHEREAS,** Sections 1-13.5-501(1) & -(1.7), C.R.S., require that, between seventy-five (75) and one hundred (100) days before a regular election, the Designated Election Official shall provide public notice of a call for nominations for the election by two methods: (1) by emailing the notice to each active registered elector of the District as specified in the registration list provided by the county clerk and recorder as of the date that is one hundred fifty (150) days prior to the election or, if no email address is on file, by mail as provided in Section 1-13.5-501(1.7), C.R.S., and (2) by any one of the following means: publication, as defined in Section 1-13.5-501(2), C.R.S.; including the notice as a prominent part of an informational mailing sent by the District to the eligible electors of the District; posting the information on the official website of the District; or, if permitted under Section 1-13.5-501(1.7)(b)(IV), C.R.S., posting the notice in at least three public places within the boundaries of the District and, in addition, in the office of the Clerk and Recorder of Jefferson County; and

**WHEREAS**, Section 1-13.5-1104(2), C.R.S. requires the Designated Election Official to supervise the distributing, handling, and counting of ballots and the survey of returns, and to take the necessary steps to protect the confidentiality of the ballots cast and the integrity of the election; and

**WHEREAS**, Section 1-7.5-107(4)(b)(II), C.R.S. specifies that the Designated Election Official shall designate a secure drop-off location that is under his or her supervision, and Section 1-5-102(1), C.R.S. requires that the Designated Election Official divide the jurisdiction into as many election precincts as he or she deems expedient for the convenience of eligible electors of the jurisdiction and designate the polling place for each precinct; and

**WHEREAS**, Section 1-13.5-1004(1), C.R.S. provides that the Designated Election Official shall keep a list of names of eligible electors who have applied for absentee voters' ballots and those permanent absentee voters placed on the list pursuant to Section 1-13.5-1003(2), C.R.S., which list must contain certain other information as set out by statute; and

**WHEREAS**, Section 1-13.5-513(1), C.R.S. provides that if the only matter before the electors in an election is the election of persons to office and if, at the close of business day on the sixty-third (63rd) day before the election or at any time thereafter, there are not more candidates than offices to be filled at the election, the Designated Election Official shall cancel the election and declare the candidates elected if so instructed by resolution of the governing body; and

**WHEREAS**, Section 1-11-103(3), C.R.S. provides that if an election is cancelled pursuant to Section 1-13.5-513(1), C.R.S., the District shall file notice and a copy of the resolution of such cancellation with the Colorado Division of Local Government (the "Division"); and

**WHEREAS**, Sections 1-11-103(3) & 32-1-104(1), C.R.S. require the District to certify to the Division the results of any elections held by the District and include the District's business address, telephone number, and contact person; and

**WHEREAS**, the Board desires to call an election and set forth herein the procedures for conducting such election as authorized by the Election Laws.

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT THAT:

1. The Board hereby calls a regular election of the eligible electors of the District to be held between the hours of 7:00 A.M. and 7:00 P.M. on the Tuesday succeeding the first Monday of May pursuant to and in accordance with Section 1-13.5-111(1), C.R.S., the Election Laws, and other applicable laws (May 2, 2023), for the purpose of electing three (3) Directors to serve a four-year term and zero (0) Directors to serve a two-year term on the Board (the "Election"), as such numbers may change due to one or more vacancies arising on the Board after the adoption of this Resolution and prior to the Election. The Election shall be conducted as an independent mail ballot election, pursuant to Part 11 of the Local Government Election Code.

2. Pursuant to Section 32-1-804(2), C.R.S., the Board hereby names Peggy Ripko of Special District Management Services, Inc., as the Designated Election Official for the Election. The Board hereby authorizes the Designated Election Official to take all other action necessary for the proper conduct thereof. The Designated Election Official shall act as the primary contact with the Clerk and Recorder of Jefferson County, Colorado (the "County") and shall be primarily responsible for ensuring the proper conduct of the Election, including, but not limited to, distributing, handling, and counting of ballots and the survey of returns, taking the necessary steps to protect the confidentiality of the ballots cast and the integrity of the Election, appointing election judges as necessary, appointing the board of canvassers, arranging for the required notices of the Election and printing of ballots, maintaining a permanent absentee voter list, and directing that all other appropriate actions be accomplished.

3. The Board hereby directs the Designated Election Official to provide public notice of a call for nominations for the Election in accordance with the requirements of Section 1-13.5-501, C.R.S., which shall include information regarding 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. The notice shall be emailed to each active registered elector of the District as specified in the registration list provided by the Jefferson County Clerk and Recorder as of the date that is one hundred fifty (150) days prior to the date of the Election or, if no email address is on file, by mail as provided in Section 1-13.5-501(1.7), C.R.S. In addition, public notice shall be provided by posting the information on the official website of the District.

4. The Board deems it expedient for the convenience of the electors that it shall establish a polling place & drop-off location for all regular and special elections of the District. There shall be one (1) polling place & drop-off location for the elections. This polling place & drop-off location shall be used for any regular or special elections to be held in 2023 and in each year thereafter until such polling place & drop-off location is changed by duly adopted resolution of the Board. Such polling place & drop-off location shall be located at 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228. All voters for the District, including handicapped and nonresident voters unless otherwise permitted by law, shall return their ballots to the designated polling place & drop-off location by mail or delivery. All eligible electors may also obtain a replacement ballot from the polling place & drop-off location until 7:00 P.M. on election day in accordance with Section 1-13.5-1105(4), C.R.S. A map showing the District's boundaries is on file at the offices of Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228and is available for examination by all interested persons.

5. Applications for an absentee voter's ballot or for permanent absentee voter status may be filed with the Designated Election Official, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).

6. Pursuant to Section 1-13.5-303, C.R.S., all candidates must file a self-nomination and acceptance form or letter signed by the candidate and by an eligible elector of the District as a witness to the signature of the candidate with the Designated Election Official no later than 5:00 P.M. on the day that is sixty-seven (67) days prior to the Election (February 24, 2023). Self-nomination and acceptance forms are available at the Designated Election Official's office located at the above address.

7. Pursuant to Section 1-13.5-513, C.R.S., the Board hereby authorizes and directs the Designated Election Official to cancel the Election and declare the candidates elected if, at or after the close of business on the sixty-third (63rd) day before the Election (February 28, 2023), 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 matter before the electors is the election of persons to office. Under these circumstances, the Board further authorizes and directs the Designated Election Official to provide notice of the cancellation by publication in accordance with Section 1-13.5-501, C.R.S. and to post notice of the cancellation at each polling location, the office of the Designated Election Official, the Jefferson County Clerk and Recorder's Office, and with the Division. The Designated Election Official shall also file notice and a copy of this Resolution authorizing the cancellation of the Election with the Division pursuant to Section 1-11-103(3), C.R.S. The Designated Election Official shall also notify the candidates that the Election was canceled and they were elected by acclamation.

8. In accordance with Sections 1-11-103(3) & 32-1-104(1), C.R.S., the District directs the Designated Election Official to notify the Division of the results of any elections held by the District, including the District's business address, telephone number, and contact person within thirty (30) days after the Election (June 1, 2023).

9. The Designated Election Official and the officers, agents, consultants, and employees, if any, of the District are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

10. All actions not inconsistent with the provisions of this Resolution heretofore taken by the members of the Board, the Designated Election Official, and the officers, agents, consultants, and employees, if any, of the District, and directed toward holding the Election for the purposes stated herein are hereby ratified, approved, and confirmed.

11. All prior acts, orders, or resolutions, or parts thereof, by the District in conflict with this Resolution are hereby repealed, except that this repealer shall not be construed to revive any act, order, or resolution, or part thereof, heretofore repealed.

12. If any section, paragraph, clause, or provision of this Resolution shall be adjudged to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining sections, paragraphs, clauses or provisions of this Resolution, it being the intention that the various parts hereof are severable.

13. The District shall be responsible for the payment of any and all costs associated with the conduct of the Election, including its cancellation, if necessary, and those costs incurred pursuant to the terms and conditions of an election agreement with the County, if any.

14. This Resolution shall take effect on the date and at the time of its adoption.

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

Whereupon, a motion was made and seconded, and upon a majority vote, this Resolution was approved by the Board.

**ADOPTED AND APPROVED** THIS 9TH DAY OF DECEMBER, 2022.

**SHERIDAN STATION WEST METROPOLITAN DISTRICT**

_____
Douglas Elenowitz, President

ATTEST:

_____
Paul Malone, Assistant Secretary

ICENOGLE SEAVER POGUE

# MEMORANDUM

**TO:** **Board of Directors, Managers, and other District Representatives**

**FROM:** **Icenogle Seaver Pogue, P.C.**

**DATE:** **July 22, 2022**

**RE:** **Summary of 2022 Legislation**

---

## INTRODUCTION

The Second Regular Session of the Seventy-Third General Assembly of the State of Colorado (the "General Assembly") convened on January 12, 2022 and adjourned on May 11, 2022. This memorandum summarizes certain bills enacted into law in 2022 that may impact special districts, either directly or indirectly. The Colorado Revised Statutes ("C.R.S.") should be consulted for the complete statutory requirements of the legislation discussed herein.

## SPECIAL DISTRICTS

### Concerning Special District Director Retirement Benefits — HB 22-1087

House Bill ("HB") 22-1087 excludes a special district director who began his or her service on or after July 1, 2022 from becoming eligible for membership in the Public Employees' Retirement Association due to the director's service as a director. HB 22-1087 took effect on March 24, 2022.

### Dissolution of Special Districts — HB 22-1097

Current law allows for municipalities and regional service authorities to file an application for dissolution with a special district's board of directors. HB 22-1079 expands current law to allow for the board of county commissioners to file with a special district's board of directors an application for dissolution of the special district if the special district is wholly located in the boundaries of one county. If the special district is located within two or more counties, the board of county commissioners of each county may jointly file the application. After receiving the application, the board of directors are to promptly and in good faith, take the necessary steps to dissolve the district. In addition, HB 22-1079 allows for a board of county commissioners and a special district that is wholly within the county's boundaries and that has no financial obligations or outstanding debt to mutually consent to dissolution of the special district via court order dissolving the special district without an election. Finally, if more than eighty-five percent (85%) of the special district lies within one or more municipalities, the governing bodies of all such

municipalities also must consent to dissolution via court order without an election. HB 22-1097 will take effect on August 9, 2022, assuming no referendum petition is filed.

## TAXATION

### Correction Property Tax Disclosure Info — SB 22-164

Senate Bill 22-164 corrects an incorrect statutory reference in the current law by substituting county assessor with county treasurer as the entity that issues property tax certificates. No other changes were made other than correcting the proper entity. Senate Bill 22-164 took effect on May 6, 2022.

### 2023 and 2024 Property Tax — SB 22-238

Senate Bill ("SB") 22-238 reduces certain property tax assessment rates and taxable valuations for the 2023 and 2024 tax years and requires that the state government reimburse local governments for a portion of the resulting property tax revenue reductions. The impact of SB 22-238 on a special district will depend on (i) the type of special district, (ii) the district's existing authority to adjust its mill levy to account for the changes set forth in SB 22-238, and (iii) the county where the special district is located. Below is an illustration of the changes set forth in SB 22-238:

Defined Terms For Purposes of this Illustration:

- Adjusted Actual Value =
  - Non-residential = Actual Value – (lesser of $30,000 OR amount necessary to reduce assessed valuation to $1,000)[1]
  - Residential = Actual Value – (lesser of $15,000 OR amount necessary to reduce assessed valuation to $1,000)
- Assessed Valuation = Assessment rate * Actual Value (or Adjusted Actual Value, if applicable)
- Additional State Revenue = lesser of $240M or total amount of state revenues exceeding TABOR limits which must be refunded to taxpayers (including projected refunding amounts for state fiscal year commencing July 1, 2022 and then for property tax year commencing January 1, 2023)

| Taxable Category | Tax Year 2022 | SB 22-238 Rate | Tax Year |
|---|---|---|---|
| Nonresidential (Lodging) | 29% | 27.9% of Non-Residential Adjusted Actual Value<br><br>29% of the Actual Value | 2023<br><br>2024 and thereafter |

[1] The bill directs assessors to apply assessment rates to the actual value of residential property, less $15,000, and to the actual value of certain nonresidential property, less $30,000, so long as these subtractions do not cause the valuation for assessment of the property to fall below $1,000.

| | | | |
|---|---|---|---|
| Nonresidential (Agriculture or Renewable Energy) | 26.4%[2] | 26.4% of Actual Value<br><br>29% of Actual Value | 2022, 2023, and 2024<br><br>2025 and thereafter |
| Nonresidential (Improved Commercial) | N/A (this is a new taxable category) | 27.9% of Nonresidential Adjusted Actual Value<br><br>29% of Actual Value | 2023<br><br>2024 and thereafter |
| Nonresidential – Other (non-specified[3]) | 29% | 27.9% of Actual Value<br><br>29% of Actual Value | 2023<br><br>2024 and thereafter |
| Residential (Multifamily) | 6.8%[4] | 6.765% of Residential Adjusted Actual Value[5]<br><br>6.8% of Actual Value<br>7.15 of Actual Value | 2023<br><br>2024<br><br>2025 and thereafter |
| Residential (Other) | 6.95% | 6.765% of Residential Adjusted Actual Value[6]<br>% calculated per Section 39-1-104.4 (% necessary to equal local government property tax reductions of $700M in 2023 and 2024)[7]<br><br>7.15% of Actual Value | 2023<br><br>2024<br><br>2025 |

The following excerpts are from the SB 22-238 Revised Fiscal Note, dated May 5, 2022 ("Fiscal Note"):

- The bill requires each county treasurer calculate the 2023 property tax revenue reduction to local governments in their county, other than school districts, as a result of the changes to property tax assessment in the bill. Calculations are submitted to the property tax administrator, who may request additional information to verify their accuracy. Upon receipt of the correct amount for each county, the state treasurer will reimburse local governments as follows:

    - For municipalities, water districts, fire protection districts, sanitation districts, and library districts in counties with over 300,000 people:
        - for jurisdictions where total assessed values for property taxation grew

[2] This rate was historically 29% but was decreased to 26.4% by SB 21-293.
[3] Applies to all other nonresidential property not specified in §§ 39-1-104(1), (1.8)(a), and (1.8)(b)(I), C.R.S. (*i.e.*, all nonresidential other than lodging, agriculture or renewable energy, and improved commercial)
[4] This rate was 7.15% but was decreased to 6.8% for tax year 2022 by SB 21-293.
[5] §39-1-104.3, C.R.S.
[6] §39-1-104.3, C.R.S.
[7] On or before March 31, 2024, the State Property Tax Administrator must provide a report to the legislature with the required calculation equaling $700M.

by at least 10 percent between 2022 and 2023, 90 percent of the revenue reduction; and

- for jurisdictions where total assessed values for property taxation grew by less than 10 percent between 2022 and 2023, 100 percent of the revenue reduction; and

- For county government and special districts other than water districts, fire protection districts, sanitation districts, and library districts in counties with over 300,000 people, 65 percent of the revenue reduction.

- Nine counties are projected to have populations over 300,000, including: Adams; Arapahoe; Boulder; Denver; Douglas; El Paso; Jefferson; Larimer; and Weld.

This bill took effect on May 16, 2022.

**Modifications to Severance Tax** **HB 22-1391**

The State imposes a severance tax on nonrenewable natural resources that are removed from land including metallic minerals, molybdenum, oil, gas, and coal. The majority of all severance tax collections is from oil and gas production. Current law allows a credit against the severance tax on oil and gas equal to 87.5% of all ad valorem taxes paid to local governments, including special districts, on oil and gas leaseholds and lands, except those imposed on equipment and facilities used for production, transportation, and storage and those paid on stripper wells. Because the credit is a function of property taxes paid, there is generally at least a one-year lag between when production actually occurs and the when the credit is claimed. To address this issue, HB 22-1391 modifies the ad valorem credit allowed on the State's severance tax on oil and gas. Effective January 1, 2025, the ad valorem tax credit will be calculated on a per-well basis using the following formula:

0.7656 x Gross Income[8] x Total Mill Levy[9]

In 2021, the Governor signed SB 21-281 into law which requires new metropolitan districts organized on or after July 1, 2021, to pay the State an amount equivalent to the total oil and gas severance tax credits associated with property taxes collected from oil and gas. The impact of the revised severance tax credit calculation on metropolitan districts required to pay the State for oil and gas severance tax credits is still being evaluated.

In addition, HB 22-1391 established a working group consisting of several directors of different departments (including the Office of State Planning and Budgeting, Department of Revenue, Natural Resources, Education and Local Affairs) to develop an implementation plan concerning additional changes to the state severance tax through July 1, 2024. HB 22-1391 takes effect on August 9, 2022, assuming no referendum petition is filed.

[8] Gross income attributable to the well for the current taxable year.

[9] Total of all mill levies, fixed not later than December 22 of the preceding calendar year pursuant to Section 39-1-111, C.R.S., by all local governments for property at the well's location.

## ELECTIONS

### Ballot Measure Campaign Finance — SB 22-237

SB 22-237 makes changes to the laws governing issue committees and contribution limits under the Fair Campaign Practices Act ("FCPA"). More specifically, SB 22-237 modifies the definition of "major purpose" which is used to determine if an organization has acted as an issue committee and made financial contributions in support or opposition of a ballot issue. SB 22-237 further amends the FCPA by expanding the definition of "earmark" to include an independent expenditure that supports or opposes a candidate, is used for electioneering communication, or is an expenditure greater than $1,000. Finally, SB 22-237 requires individuals who contribute over $5,000 in support or opposition of ballot issues to disclose the amount and purpose of the expenditure to the Secretary of State within 48 hours. SB 22-237 took effect on June 7, 2022.

### The Vote Without Fear Act — HB 22-1086

Subject to certain exceptions, HB 22-1086 makes it illegal for any person to openly carry a firearm within a polling location, within 100 feet of a drop box, or within 100 feet of any building in which a polling location is located. This prohibition applies to the day of an election, as well as during the time when voting is permitted for any election. Additionally, HB 22-1086 requires that the designated election official visibly place a sign notifying persons of the 100 foot no open carry zone for firearms. HB 22-1086 also extends this prohibition to a central count facility during any ongoing election administration activity. Finally, HB 22-1086 makes clear that a person who violates the prohibition is guilty of a misdemeanor and upon conviction is subject to a fine, imprisonment in county jail, or both. HB 22-1086 took effect on March 30, 2022.

### Public Official Reporting Requirements Modification — HB 22-1156

HB 22-1156 modifies the deadline for political candidates to file a campaign expenditure report to 35 days instead of the current 30-day deadline. In addition, HB 22-1156 also exempts candidates seeking reelection from filing an additional disclosure statement if the incumbent has filed an annual report as required by Section 24-6-202(2), C.R.S. HB 22-1156 will take effect on August 9, 2022, provided no referendum petition is filed.

## EMPLOYMENT

### Workers' Compensation Injury Notices — HB 22-1112

HB 22-1112 extends the timeframe for an employee to notify their employer about an on-the-job injury from 4 days to 10 days and updates the public signage regarding workers' compensation that must be displayed. HB 22-1112 will take effect on August 9, 2022, provided no referendum petition is filed.

## MISCELLANEOUS

### Resources for Volunteer Firefighters — SB 22-002

SB 22-002 allows for the economic support of local fire departments, including fire protection districts and metropolitan districts that provides fire protection, through reimbursements, a grant program, and a health benefit trust. The funds provided are to be used for wildland fire suppression activity reimbursements, including replacement equipment costs and volunteer firefighter compensation, as well as to fund the replacement or disposal of equipment and a behavioral benefits trust for firefighters. SB 22-002 took effect on June 3, 2022.

### State Entity Authority for Public-Private Partnerships — SB 22-130

SB 22-130 allows certain state public entities[10] to enter into public-private partnerships with private partners to develop or operate a "public project"[11] subject to oversight and approval by the Department of Personnel and Administration. "Private partners" as defined in SB 22-130 includes "local governments" but does not further define this term.[12] Various other sections of Title 24 include special districts within the definition of "local governments." Therefore, it is arguable that special districts fall within the scope of the definition "local governments" as used in SB 22-1130. This may allow for greater coordination between special districts and state public entities but will also add additional administrative barriers and state oversight to coordinated public projects. This bill took effect on May 26, 2022.

### Municipal Bond Supervision Advisory Board — SB 22-142

In 1991, the Colorado Municipal Bond Supervision Advisory Board was created to provide expertise and advice to the State's Securities Commissioner regarding the State's regulation and oversight of municipal bonds issuance. SB 22-142 repeals the Municipal Bond Supervision Advisory Board, effective August 9, 2022, assuming no referendum petition is filed.

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[10] "State public entity" means any department, agency, or subdivision of the executive branch of state government; except that state public entity does not include certain state entities that already have specific statutory authority to enter into public private partnerships. *See* C.R.S. § 24-94-102(10).

[11] "Public project" means any construction, alteration, repair, demolition, or improvement of any *state-owned* land, building, structure, facility, asset, or other public improvement suitable for and intended for use in the promotion of the public health, welfare, or safety, and any maintenance programs for the upkeep of such projects. The definition specifically includes but is not limited to a project to civic, child care, utility, telecommunication, cultural, recreational, or educational facilities or services. C.R.S. § 24-94-102(9) (emphasis added).

[12] "Private Partner" means any natural person, corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, nonprofit entity, *local government*, other private business entity, or any combination thereof. C.R.S. § 24-94-102(6) (emphasis added).

**Sensitive Species Data and Public Records** **SB 22-169**

SB 22-169 permits the custodian of public records to deny inspection of records containing data or information that reveals the specific location or could be used to determine the specific location of (i) a plant species as a Colorado plant of greatest conservation need in Colorado's state wildlife action plan; (ii) an individual animal or a group of animals; or an individual animal's or group of animal's breeding or nesting habitat. SB 22-169 will take effect on August 9, 2022, assuming no referendum petition is filed.

**Homeowners Associations Prohibited from Regulating Use of Public Rights-of-way HB 22-1139**

Section 38-33.3-106.5 of the Colorado Common Interest Ownership Act ("CCIOA") prohibits homeowners' associations from adopting certain rules and regulations that are contrary to public policy. HB 22-1139 amends this section of CCIOA and provides that an association shall not prohibit the use of a public right-of-way in accordance with a local government's ordinance, resolution, rule, franchise, license, or charter regarding use of the public right-of-way. HB 22-1139 also prohibits an association from requiring that a public right-of-way be used in a certain manner. Because many metropolitan districts provide covenant enforcement services for associations, covenants should be reviewed for any provisions that may violate HB22-1139. HB 22-1139 will take effect on August 9, 2022, assuming no referendum petition is filed.

**Local Firefighter Safety Resources** **HB 22-1194**

HB 22-1194 makes a transfer of $5 million to the Local Firefighter Safety and Disease Prevention Fund. The transfer allows the department to purchase protective equipment, fund training, and reimburse local governments, including fire protection districts and metropolitan districts that provides fire protection, and volunteer firefighters for the cost of protective equipment and training. There is no requirement for a grant application nor a peer review process for funds to be distributed. In the event that the Department of Public Safety ("DPS") is unable to spend all of the funds, the department may use funds for any currently authorized purpose of the firefighter safety grant program. HB 22-1194 took effect on March 1, 2022.

**State Grants Investments Local Affordable Housing** **HB 22-1304**

HB 22-1304 creates two housing-related grant programs in the Department of Local Affairs ("DOLA"): the Local Investments in Transformational Affordable Housing Grant Program ("LITAH") and Infrastructure and Strong Communities Grant Program ("ISC").

The LITAH program provides grants to certain governmental entities (including special districts) or nonprofit organizations for affordable housing initiatives. These initiatives include the development and integration of infrastructure tied to an affordance housing development inclusive of funding for capital constructive and infrastructure design. DOLA must establish policies and procedures for the LITAH program by September 1, 2022.

The ISC program requires that the Division of Local Government within DOLA, the Colorado Energy Office, and the Department of Transportation develop a list of sustainable land use practices and provide grants to local governments for investments in infill infrastructure projects that support affordable housing. HB 22-1304 took effect on June 1, 2022.

**Towing Carrier Nonconsensual Tows** **HB 22-1314**

HB 22-1314 generally imposes limitations and obligations on towing companies and owners of private property that must be followed prior to the nonconsensual towing of a vehicle from private property. Because HB 22-1314 applies to private property there is likely no impact on most special districts. However, private property is not defined for purposes of HB 22-1314 and some special districts may be providing covenant enforcement on property that is privately owned, as such, special districts that are or may in the future engage in towing are encouraged to discuss this bill and other legal considerations related to towing with legal counsel. HB 22-1314 goes into effect on August 9, 2022, assuming no referendum petition is filed.

SDMS | Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898
303-987-0835 ● Fax: 303-987-2032

# MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski
Executive Vice-President

DATE: September 2, 2022

RE: Notice of 2023 Rate Increase

In accordance with the Management Agreement ("Agreement") between the District and Special District Management Services, Inc. ("SDMS"), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by the CPI (8.5%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.

ICENOGLE SEAVER POGUE

## 2023 BILLING RATES

| | | |
|---|---|---|
| T. Edward Icenogle | Of Counsel | $360.00 per hour |
| Tamara K. Seaver | Shareholder | $460.00 per hour |
| Alan D. Pogue | Shareholder | $460.00 per hour |
| Deborah A. Early | Shareholder | $385.00 per hour |
| Jennifer L. Ivey | Shareholder | $385.00 per hour |
| Anna C. Wool | Shareholder | $290.00 per hour |
| Shannon Smith Johnson | Shareholder | $290.00 per hour |
| Alicia J. Corley | Associate | $280.00 per hour |
| Karlie R. Ogden | Associate | $250.00 per hour |
| Alexandra L. Moore | Associate | $235.00 per hour |
| Kayla M. Enriquez | Associate | $235.00 per hour |
| Stacie L. Pacheco | Paralegal | $195.00 per hour |
| Donette B. Hunter | Paralegal | $195.00 per hour |
| Megan Liesmaki | Paralegal | $190.00 per hour |
| Kimberly L. Vernon | Legal Administrator | $ 50.00 per hour |
| Daniel T. Shed | Legal Administrator | $ 50.00 per hour |