

# SHERIDAN STATION WEST METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: 303-987-0835 • 800-741-3254  
Fax: 303-987-2032

## NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Douglas Elenowitz	President	2020/May 2020
Jordan Scharg	Treasurer	2022/May 2022
Scott M. Watkins	Assistant Secretary	2020/May 2020
Paul Malone	Assistant Secretary	2020/May 2020
Michael Martines	Assistant Secretary	2022/May 2022
David Solin	Secretary	

DATE: June 13, 2019 (Thursday)

TIME: 10:00 a.m.

PLACE: McGeady Becher P.C.  
450 E. 17<sup>th</sup> Ave., Suite 400  
Denver, CO 80203

### I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

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B. Approve Agenda, confirm location of meeting and posting of notices and designate 24-hour posting location.

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C. Review and approve Minutes of the November 8, 2018 Regular Meeting (enclosure).

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### II. FINANCIAL MATTERS

A. Review and ratify the approval of the payment of claims as follows (enclosures):

Fund	Period Ending Nov. 8, 2018	Period Ending Dec. 14, 2018	Period Ending Jan. 14, 2019	Period Ending Feb. 20, 2019
General	\$ 5,303.53	\$ 7,314.55	\$ 4,044.67	\$ 11,246.00
Debt	\$ -0-	\$ 3,500.00	\$ -0-	\$ -0-
Capital	\$ 3,644.04	\$ 2,985.47	\$ 1,212.54	\$ 1,571.40
<b>Total</b>	<b>\$ 8,947.57</b>	<b>\$ 13,800.02</b>	<b>\$ 5,257.21</b>	<b>\$ 12,817.40</b>

Fund	Period Ending March 27, 2019	Period Ending April 26, 2019	Period Ending May 23, 2019
General	\$ 14,814.83	\$ 12,282.04	\$ 15,193.80
Debt	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 2,234.40	\$ 2,005.80	\$ 1,801.90
<b>Total</b>	<b>\$ 17,049.23</b>	<b>\$ 14,287.84</b>	<b>\$ 16,995.70</b>

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- B. Review and accept unaudited financial statements through the period ending March 31, 2019, and the schedule of cash position statement dated March 31, 2019 (to be distributed).
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- C. Conduct Public Hearing to consider Amendment to 2018 Budget and consider adoption of Resolution to Amend the 2018 Budget (enclosure).
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- D. Review and consider approval of the 2018 Audit (enclosure) and authorize execution of the Representations Letter.
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- E. Discuss preparation of 2020 Budget. Set date for public hearing to adopt the 2020 Budget.
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III. LEGAL MATTERS

- A. Discuss status of Water Service from Consolidated Mutual Water Co. Authorize necessary actions in connection therewith.
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- B. Review Rules and Regulations, Policies and Procedures of the District:
    1. Review and consider adoption of Resolution No. 2019-06-\_\_ regarding Sewer Fees (to be distributed).

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    2. Authorize any actions required in connection with the District’s Rules and Regulations or Policies and Procedures.

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3. Consider authorizing a District Transfer Fee.
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- C. Approval of assignment of License Agreement between Xcel Energy and Sheridan Station Transit Village to the District.
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- D. Ratify approval of First Amendment to Operation Funding Agreement between the District and Sheridan Station Transit Village LLC (enclosure).
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- E. Ratify approval of and First Amendment to Facilities Funding and Acquisition Agreement between the District and Sheridan Station Transit Village LLC (enclosure).
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IV. CONSTRUCTION MATTERS

- A. Report on status of construction.
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- B. Discuss backflow issues and check valve installation
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V. OTHER BUSINESS

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

- VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR  
SEPTEMBER 12, 2019**

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT HELD NOVEMBER 8, 2018

A Regular Meeting of the Board of Directors of the Sheridan Station West Metropolitan District (referred to hereafter as the "Board") was convened on Thursday, November 8, 2018, at 10:00 a.m., at the offices of McGeady Becher P.C., 450 E. 17<sup>th</sup> Avenue, Suite 400, Denver, Colorado 80203. The meeting was open to the public.

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**Directors In Attendance Were:**

Douglas Elenowitz  
Jordan Scharg  
Scott M. Watkins

Following discussion, upon motion duly made by Director Elenowitz, seconded by Director Scharg and, upon vote, unanimously carried, the absences of Director Malone and Director Martines were excused.

**Also In Attendance Was:**

David Solin and Peggy Ripko; Special District Management Services, Inc.

Megan Becher, Esq.; McGeady Becher P.C.

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**DISCLOSURE OF  
POTENTIAL  
CONFLICTS OF  
INTEREST**

**Disclosure of Potential Conflicts of Interest:** The Board noted 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. Attorney Becher requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Becher 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. It was noted that disclosure statements had been filed for all Directors.

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**ADMINISTRATIVE  
MATTERS**

**Agenda:** Mr. Solin distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

## RECORD OF PROCEEDINGS

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

**Approval of Meeting Location:** The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director Elenowitz, seconded by Director Scharg and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries, or within 20 miles of the District's boundaries or within the county in which the District is located to conduct this meeting, the meeting should be conducted at the above-stated location. The Board further noted that notice of the date, time and location of meeting was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

**Minutes:** The Board reviewed the Minutes of the August 24, 2018 Special Meeting.

Following discussion, upon motion duly made by Director Watkins, seconded by Director Elenowitz and, upon vote, unanimously carried, the Minutes of the August 24, 2018 Special Meeting were approved, as presented.

**Resolution No. 2018-11-01; Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices:** The Board discussed Resolution No. 2018-11-01; Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72 Hour and 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2019 to meet the statutory compliance requirements. The Board determined to meet on the second Thursday of March, June, September and November 2019, at 10:00 a.m., at the offices of McGeady Becher, 450 E. 17<sup>th</sup> Avenue, Ste. 400, Denver, Colorado 80203.

Following discussion, upon a motion duly made by Director Scharg, seconded by Director Watkins and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-11-01; Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices.

**§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2019:** The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2019.

## RECORD OF PROCEEDINGS

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Following discussion, upon motion duly made and, upon vote, unanimously carried, the Board determined to post the required Transparency Notice on the Special District Association's website.

### **FINANCIAL MATTERS**

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

Fund	Period Ending Sep. 13, 2018	Period Ending Oct. 15, 2018
General	\$ 7,888.73	\$ 3,762.81
Debt	\$ -0-	\$ -0-
Capital	\$ 3,488.01	\$ 3,836.64
<b>Total</b>	<b>\$ 11,376.74</b>	<b>\$ 7,599.45</b>

Following discussion, upon motion duly made by Director Elenowitz, seconded by Director Scharg and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

**Unaudited Financial Statements:** The Board reviewed the unaudited financial statements for the period ending September 30, 2018 and statement of cash position, updated as of September 30, 2018.

Following review, upon motion duly made by Director Scharg, seconded by Director Watkins and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2018 and statement of cash position, updated as of September 30, 2018.

**2018 Audit:** The Board reviewed the engagement letter from Simmons & Wheeler, P.C. to perform the 2018 Audit.

Following discussion, upon motion duly made by Director Scharg, seconded by Director Elenowitz and, upon vote, unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. to perform the 2018 Audit, for an amount not to exceed \$4000.

**2018 Budget Amendment:** The Board determined to defer discussion on the need for a 2018 Budget Amendment.

**2019 Budget Hearing:** The President opened the public hearing to consider the proposed 2019 Budget and discuss related issues.

## RECORD OF PROCEEDINGS

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

It was noted that the Notice stating that the Board would consider adoption of the 2019 Budget and the date, time and place of the public hearing was posted in three locations within the boundaries of the District. No written objections were received prior to this public hearing.

No public comments were received and the public hearing was closed.

Mr. Solin reviewed the estimated 2018 expenditures and the proposed 2019 expenditures.

Following discussion, the Board considered the adoption of the Resolutions to Adopt the 2019 Budget and Appropriate Sums of Money and the Resolution to Set Mill Levies (for the General Fund at 22.000 mills and the Debt Service Fund at 44.222 mills, for a total mill levy of 66.222 mills). Upon motion duly made by Director Watkins, seconded by Director Scharg and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2018. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Jefferson County, not later than December 15, 2018. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2019. Copies of the adopted Resolutions are attached to these Minutes and incorporated herein by this reference.

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

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

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## RECORD OF PROCEEDINGS

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### LEGAL MATTERS

**Water Services from Consolidated Mutual Water Company:** There was no action needed at this time.

**Rules and Regulations, Policies and Procedures of the District:**

*Resolution Regarding Sewer Fees:* The Board deferred discussion.

*Resolution Adopting Amended Rules and Regulations relating to West Line Village:* The Board reviewed Resolution No. 2018-08-05, Adopting Amended Rules and Regulations relating to West Line Village.

Following discussion, upon motion duly made by Director Elenowitz seconded by Director Scharg and, upon vote, unanimously carried, the Board ratified Adoption of Resolution No. 2018-08-05, Adopting Amended Rules and Regulations relating to West Line Village.

*Authorize any other Actions Required in Connection with the District's Rules and Regulations or Policies and Procedures:* The Board determined that no additional action was required at this time.

**Service Agreement between the District and Waste Management of Colorado, Inc. for Trash and Recycling Service:** The Board reviewed the Service Agreement between the District and Waste Management of Colorado, Inc. for trash and recycling service, subject to negotiations to indemnification clause.

Following discussion, upon motion duly made by Director Watkins seconded by Director Elenowitz and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement between the District and Waste Management of Colorado, Inc. for trash and recycling service, subject to negotiations to indemnification clause.

**Assignment of License Agreement between Xcel Energy and Sheridan Station Transit Village, LLC:** The Board deferred discussion. No action taken at this time.

**Boundary Map Modifications:** The Board deferred discussion. No action taken at this time.



## RECORD OF PROCEEDINGS

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**Amendment to Operation Funding Agreement (“OFA”) and Facilities Funding and Acquisition Agreement (“FFAA”)**: Attorney Becher discussed with the Board the need to Amend the OFA and the FFAA. She noted that draft Amendments were prepared but would need to be updated.

Following discussion, the Board approved the Amendments, subject to dating and finalization by District Counsel.

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### **CONSTRUCTION MATTERS**

**Status of Construction:** The Board discussed the status of construction. The Development is proceeding at the scheduled pace.

**Recordation of the Partial Releases of Deeds of Trust per the Plat Amendment:** The Board acknowledged the recordation of the Partial Releases of Deeds of Trust per the plat amendment.

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### **OTHER BUSINESS**

**Homeowner Request:** The Board discussed a homeowner’s request for a security system. The matter was deferred. No action was taken 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, and upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

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

**RECORD OF PROCEEDINGS**

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THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 8, 2018 MEETING MINUTES OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

\_\_\_\_\_  
Douglas Elenowitz

\_\_\_\_\_  
Jordan Scharg

\_\_\_\_\_  
Scott M. Watkins

\_\_\_\_\_  
Paul Malone

\_\_\_\_\_  
Michael Martines

**RESOLUTION NO. 2018-11-1**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
SHERIDAN STATION WEST METROPOLITAN DISTRICT  
ESTABLISHING REGULAR MEETING DATES, TIME AND LOCATION, AND  
DESIGNATING LOCATIONS FOR POSTING OF 72-HOUR AND 24-HOUR NOTICES**

- A. Pursuant to Section 32-1-903, C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.
- B. Pursuant to Section 24-6-402(2)(c), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.
- C. Pursuant to Section 32-1-903, C.R.S., special districts are required to post notices of regular and special meetings at three (3) public places within the district and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting.
- D. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.
- E. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sheridan Station West Metropolitan District of the County of Jefferson, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.
2. That the Board of Directors (the "**District Board**") has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be inconvenient and costly for the Directors and consultants of the District in that they live and/or work outside the twenty (20) mile radius requirement.
3. That regular meetings of the District Board of the Sheridan Station West Metropolitan District for the year 2019 shall be held on the second Thursday of March, June, September and November at 10:00 a.m., at the offices of McGeady Becher P.C., 450 E. 17<sup>th</sup> Avenue, #400, Denver, Colorado in the City and County of Denver, Colorado.
4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each Director.

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

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

7. Notice of Meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

(a) On a post within the boundaries of the District

8. Notices of regular and special meetings required to be posted at three (3) public places within the District and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting shall be made pursuant to Section 32-1-903, C.R.S., at the following locations:

(a) On a post within the boundaries of the District

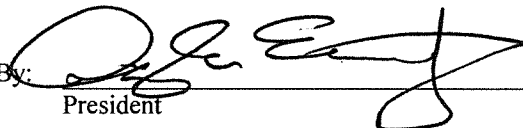
(b) On a post within the boundaries of the District

(c) On a post within the boundaries of the District

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

RESOLUTION APPROVED AND ADOPTED on November 8, 2018.

SHERIDAN STATION WEST METROPOLITAN DISTRICT

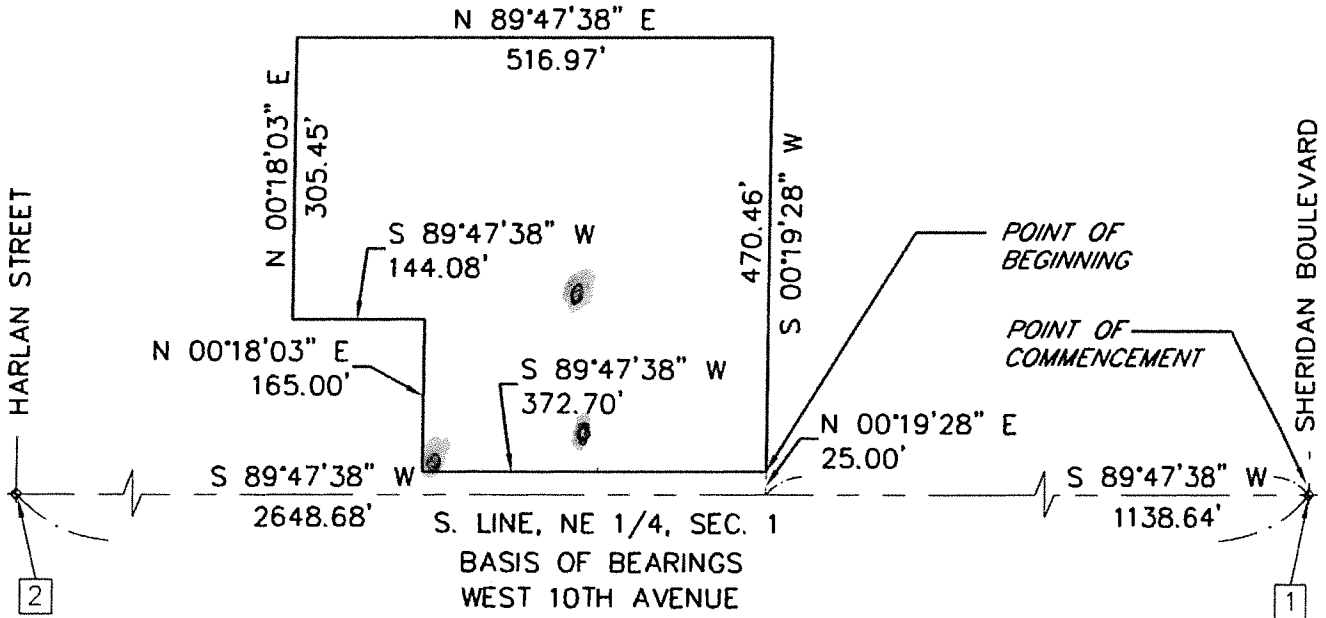
By:   
President

Attest:

  
Secretary

# EXHIBIT C-1 INITIAL DISTRICT BOUNDARY MAP

A PORTION OF THE S1/2 OF THE S1/2 OF THE NE1/4 , SECTION 1, T.4S., R.69W., 6TH P.M.  
CITY OF LAKEWOOD, JEFFERSON COUNTY, COLORADO



- 1 E 1/4 COR., SEC. 1, T.4S., R.68W., 6TH P.M.  
FOUND 3 1/4" BRASS CAP IN RANGE BOX (ILLEGIBLE)
- 2 S 1/4 COR., SEC. 1, T.4S., R.68W., 6TH P.M.  
FOUND 3 1/4" BRASS CAP IN RANGE BOX (ILLEGIBLE)



SCALE: 1"=200'

**NOTE**

THIS DRAWING IS MEANT TO DEPICT THE ATTACHED LEGAL DESCRIPTION AND IS FOR INFORMATIONAL PURPOSES ONLY. IT DOES NOT REPRESENT A MONUMENTED LAND SURVEY.

PARCEL CONTAINS 219,384 SQ. FT. OR 5.036 ACRES

<b>INITIAL DISTRICT BOUNDARY MAP</b>			<b>R&amp;R ENGINEERS-SURVEYORS, INC.</b>	
			710 WEST COLFAX AVENUE	
			DENVER, COLORADO 80204	
			PH: 303-753-6730 - FAX: 303-753-6568	
		<a href="http://WWW.RRENGINEERS.COM">WWW.RRENGINEERS.COM</a>		

RESOLUTION NO. 2018 - 11 - 02

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT  
TO ADOPT THE 2019 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Sheridan Station West Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2019 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2018, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 8, 2018, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sheridan Station West Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Sheridan Station West Metropolitan District for the 2019 fiscal year.

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

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

ADOPTED this 8th day of November, 2018.




  
\_\_\_\_\_  
Secretary

EXHIBIT A  
(Budget)



# SHERIDAN STATION WEST METROPOLITAN DISTRICT

## 2019 Budget Message

### **Introduction**

The District was formed in 2016 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements including water, streets, sanitary sewer, and park and recreation. These improvements will be dedicated to the City of Lakewood, Jefferson County, or such other entities as appropriate for the use and benefit of the District taxpayers and service users.

The 2019 budget was prepared in accordance with the Local Government Budget Law of Colorado. The budget reflects the projected spending plan for the 2019 fiscal year based on available revenues.

The Board of Directors authorized adjustment of the District mill levy in accordance with the Colorado Constitution, Article X, Section 3 (the “Gallagher Adjustment”). The Gallagher Adjustment and the District’s Service Plan authorize an adjustment of the Maximum Debt Mill Levy in the event that the method of calculating assessed valuation is changed after January 1, 2004, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut, or abatement. The adjustment to the Maximum Debt Mill Levy is determined by the Board so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. The Colorado General Assembly passed House Bill 17-1349 setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96%) for property taxes commencing on and after January 1, 2017, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property. The Gallagher Adjustment for the District allows for a total mill levy imposition, as noted in the following paragraph, so the District’s revenue is neither diminished nor enhanced.

The District’s assessed value is \$938,862. The District certified 66.222 mills for taxes collected in the 2019 fiscal year with 22.000 mills dedicated to the General Fund and 44.222 mills dedicated to the Debt Service Fund.

### **Budgetary Basis of Accounting**

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District’s funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within 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.

Expenditures, other than the interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid.

**Fund Summaries**

The **General Fund** is used to account for resources traditionally associated with government such as property taxes, specific ownership tax and expenditures which include district administration, legal services, and other expenses related to statutory operations of a local government.

The **Debt Service Fund** is used to account for property taxes and other revenues dedicated to pay the fiscal year's debt expense which includes principal payments, interest payments, and administrative costs associated with debt obligations. The District issued debt in 2017 and below is a summary of the District's \$3,625,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds:

Sheridan Station West Metropolitan District

Bonds Principal and Interest Maturing in the Year Ending December 31,	\$3,625,000 Series 2017 Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds		
	Principal	Interest	Total
2019	-	217,500	217,500
2020	-	217,500	217,500
2021	-	217,500	217,500
2022	35,000	217,500	252,500
2023-2027	240,000	1,051,800	1,291,800
2028-2032	395,000	962,100	1,357,100
2033-2037	610,000	819,300	1,429,300
2038-2042	900,000	603,600	1,503,600
2043-2047	1,445,000	290,100	1,735,100
	<u>\$ 3,625,000</u>	<u>\$ 4,596,900</u>	<u>\$ 8,221,900</u>

The **Capital Projects Fund** is used to account for revenues and expenditures to complete capital projects such as new improvements and upgrades to existing infrastructure.

**Emergency Reserve**

As required by the TABOR amendment to the Colorado Constitution, the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year expenditures in the General Fund.

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

	<b>2017</b>		<b>2018</b>		<b>2019</b>
	<b>Actual</b>		<b>Adopted Budget</b>		<b>Adopted Budget</b>
<b>Assessed Valuation</b>	\$ 147,971	\$	139,057	\$	938,862
<b>Mill Levy</b>					
General Fund	60.000		22.000		22.000
Debt Service Fund	0.000		44.222		44.222
Temporary Mill Levy Reduction	0.000		0.000		0.000
Refunds and Abatements	0.000		0.000		0.000
<b>Total Mill Levy</b>	<u>60.000</u>		<u>66.222</u>		<u>66.222</u>
<b>Property Taxes</b>					
General Fund	\$ 8,878	\$	3,059	\$	20,655
Debt Service Fund	-		6,149		41,518
Temporary Mill Levy Reduction	-		-		-
Refunds and Abatements	-		-		-
<b>Actual/Budgeted Property Taxes</b>	<u>\$ 8,878</u>	\$	<u>9,208</u>	\$	<u>62,173</u>

**SHERIDAN STATION WEST METROPOLITAN DISTRICT**

**GENERAL FUND**

**2019 Preliminary Budget**

with 2017 Actual, 2018 Adopted Budget and 2018 Estimated

	2017 Actual	2018 Adopted Budget	2018 Estimated	2019 Adopted Budget
<b>BEGINNING FUND BALANCE</b>	-	-	\$ 4,116	\$ -
<b>REVENUE</b>				
Property Tax Revenue	8,878	3,059	3,358	20,655
Specific Ownership Taxes	867	184	200	1,239
Developer Advance	26,867	114,664	28,221	67,061
Interest Income	1	-	-	-
Miscellaneous Income	579	-	372	-
Operations and Maintenance Fee	-	1,400	500	26,714
<b>Total Revenue</b>	37,192	119,307	32,651	115,669
<b>Total Funds Available</b>	37,192	119,307	36,767	115,669
<b>EXPENDITURES</b>				
Audit	-	-	4,000	4,000
Election	-	1,500	980	-
Insurance/SDA Dues	3,192	3,500	3,095	3,500
Legal	11,866	14,280	8,000	12,000
Management	7,342	7,548	7,485	9,000
Miscellaneous	1,082	1,000	877	1,000
Accounting	6,972	5,304	7,750	7,000
Covenant Control	2,489	5,800	3,551	9,490
Treasurer's Fees	133	150	50	310
Transfer to Capital Projects	-	27,600	-	-
Meter Installation	-	7,335	-	-
Billing and Meter Reading	-	6,000	-	6,000
Snow Removal	-	15,000	-	15,000
Repair and Maintenance	-	1,000	-	25,000
O&M Reserve	-	2,222	-	7,861
Utilities	-	7,700	-	10,000
Contingency	-	8,979	-	2,139
<b>Total Expenditures</b>	33,076	114,918	35,788	112,300
<b>Transfers and Other Uses</b>				
Emergency Reserve	-	2,620	980	3,369
<b>Total Expenditures Requiring Appropriation</b>	33,076	117,538	36,768	115,669
<b>ENDING FUND BALANCE</b>	\$ 4,116	\$ 1,769	\$ -	\$ -

**SHERIDAN STATION WEST METROPOLITAN DISTRICT**

**DEBT SERVICE**

**2019 Preliminary Budget**

with 2017 Actual, 2018 Adopted Budget and 2018 Estimated

	2017 Actual	2018 Adopted Budget	2018 Estimated	2019 Adopted Budget
BEGINNING FUND BALANCE	\$ -	\$ 962,500	\$ 963,803	\$ 779,658
<b>REVENUE</b>				
Transfer from Capital Projects	962,500	-	25,087	-
Property Tax Revenue	-	6,149	6,750	41,518
Specific Ownership Tax	-	369	402	2,491
Interest Income	1,303	-	14,500	14,000
Bond Proceeds	-	-	-	-
<b>Total Revenue</b>	<b>963,803</b>	<b>6,518</b>	<b>46,739</b>	<b>58,009</b>
<b>Total Funds Available</b>	<b>963,803</b>	<b>969,018</b>	<b>1,010,542</b>	<b>837,667</b>
<b>EXPENDITURES</b>				
Bond Interest	-	230,792	230,792	217,500
Bond Principal	-	-	-	-
Treasurer's Fees	-	92	92	623
Paying Agent Fees	-	-	-	3,000
Transfer to Capital Projects	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>230,884</b>	<b>230,884</b>	<b>221,123</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>-</b>	<b>230,884</b>	<b>230,884</b>	<b>221,123</b>
ENDING FUND BALANCE	\$ 963,803	\$ 738,134	\$ 779,658	\$ 616,544

**SHERIDAN STATION WEST METROPOLITAN DISTRICT**


**CAPITAL PROJECTS FUND**

2019 Preliminary Budget

with 2017 Actual, 2018 Adopted Budget and 2018 Estimated

	2017 Actual	2018 Adopted Budget	2018 Estimated	2019 Adopted Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 1,866,750	\$ 1,859,972
<b>REVENUE</b>				
Developer Advance	54,973	13,405	18,727	-
Interest Income	2,554	-	15,500	7,000
Transfer From General Fund	-	27,600	-	-
Transfer from Debt Service	-	-	-	-
Bond Proceeds	3,625,000	-	-	-
<b>Total Revenue</b>	<b>3,682,528</b>	<b>41,005</b>	<b>34,227</b>	<b>7,000</b>
<b>Total Funds Available</b>	<b>3,682,528</b>	<b>41,005</b>	<b>1,900,977</b>	<b>1,866,972</b>
<b>EXPENDITURES</b>				
Legal	37,854	29,580	29,580	-
Management	10,871	11,425	11,425	-
Bond Issuance Costs	155,138	-	-	-
Underwriter's Discount	72,500	-	-	-
Transfer to Debt Service	962,500	-	-	-
Engineering	5,645	-	-	-
Developer Reimbursement	571,270	-	-	770,072
<b>Total Expenditures</b>	<b>1,815,778</b>	<b>41,005</b>	<b>41,005</b>	<b>770,072</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>1,815,778</b>	<b>41,005</b>	<b>41,005</b>	<b>770,072</b>
ENDING FUND BALANCE	\$ 1,866,750	\$ -	\$ 1,859,972	\$ 1,096,900

I, David Solin, hereby certify that I am the duly appointed Secretary of the Sheridan Station West Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2019, duly adopted at a meeting of the Board of Directors of the Sheridan Station West Metropolitan District held on November 8, 2018.

By:   
Secretary

RESOLUTION NO. 2018 - 11 - 03

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SHERIDAN STATION WEST METROPOLITAN DISTRICT  
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Sheridan Station West Metropolitan District ("District") has adopted the 2019 annual budget in accordance with the Local Government Budget Law on November 8, 2018; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2019 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

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

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

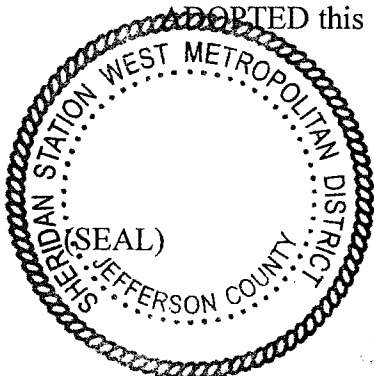
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sheridan Station West Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2019 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2019 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

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

ADOPTED this 8th day of November, 2018.



  
Secretary



**EXHIBIT A**  
(Certification of Tax Levies)

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**

**TO:** County Commissioners<sup>1</sup> of JEFFERSON COUNTY, Colorado.

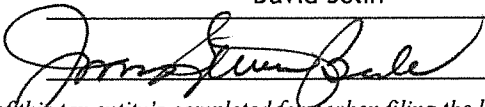
On behalf of the SHERIDAN STATION WEST METROPOLITAN DISTRICT,  
 (taxing entity)<sup>A</sup>  
 the BOARD OF DIRECTORS,  
 (governing body)<sup>B</sup>  
 of the SHERIDAN STATION WEST METROPOLITAN DISTRICT,  
 (local government)<sup>C</sup>

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 938,862 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> 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: \$ 938,862 (NET<sup>G</sup> 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:** 12/15/2018 for budget/fiscal year 2019.  
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>22.000</u> mills	\$ <u>20,655</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< <u>0.000</u> > mills	\$ < <u>0</u> >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<b><u>22.000</u> mills</b>	<b>\$ <u>20,655</u></b>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>44.222</u> mills	\$ <u>41,518</u>
4. Contractual Obligations <sup>K</sup>	<u>0.000</u> mills	\$ <u>0</u>
5. Capital Expenditures <sup>L</sup>	<u>0.000</u> mills	\$ <u>0</u>
6. Refunds/Abatements <sup>M</sup>	<u>0.000</u> mills	\$ <u>0</u>
7. Other <sup>N</sup> (specify): _____	<u>0.000</u> mills	\$ <u>0</u>
	<u>0.000</u> mills	\$ <u>0</u>
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b><u>66.222</u> mills</b>	<b>\$ <u>62,173</u></b>

Contact person: (print) David Solin Daytime phone: (303) 987-0835  
 Signed:  Title: District Accountant

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.

<sup>1</sup> 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.  
<sup>2</sup> Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

**CERTIFICATION OF TAX LEVIES, continued**

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

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

**CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

1.	Purpose of Issue:	<b>Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds</b>	
	Series:	2017	
	Date of Issue:	November 9, 2017	
	Coupon Rate:	6.00%	
	Maturity Date:	December 1, 2047	
	Levy:	44.222	
	Revenue:	\$41,518	
2.	Purpose of Issue:		
	Series:		
	Date of Issue:		
	Coupon Rate:		
	Maturity Date:		
	Levy:		
	Revenue:		

**CONTRACTS<sup>K</sup>:**

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.

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1055						
11/08/2018	McGeady Becher P.C.	1314B 10/18	Legal	1-675	1,296.00	1,296.00
11/08/2018	McGeady Becher P.C.	1314B 10/18	Legal	3-675	1,944.00	1,944.00
Total 1055:						<u>3,240.00</u>
1056						
11/08/2018	Special Dist Management Srvs	40601	Management	1-680	1,133.36	1,133.36
11/08/2018	Special Dist Management Srvs	40601	Management	3-680	1,700.04	1,700.04
11/08/2018	Special Dist Management Srvs	40601	Accounting	1-690	1,698.80	1,698.80
11/08/2018	Special Dist Management Srvs	40601	Covenant Control	1-695	931.00	931.00
11/08/2018	Special Dist Management Srvs	40601	Miscellaneous	1-685	244.37	244.37
Total 1056:						<u>5,707.57</u>
Grand Totals:						<u><u>8,947.57</u></u>

Sheridan Station West Metropolitan District  
November-18

	General	Debt	Capital	Totals
Disbursements	\$ 5,303.53	\$ -	\$ 3,644.04	\$ 8,947.57
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$ 5,303.53</b>	<b>\$ -</b>	<b>\$ 3,644.04</b>	<b>\$ 8,947.57</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1057						
12/14/2018	Advanced Concepts Inc	2228	Snow Removal	1-672	466.00	466.00
Total 1057:						466.00
1058						
12/14/2018	Colorado Special Districts P&L	32C61576-1837	Prepaid Expenses	1-143	2,134.66	2,134.66
Total 1058:						2,134.66
1059						
12/14/2018	McGeady Becher P.C.	1314B 11/18	Legal	1-675	1,190.31	1,190.31
12/14/2018	McGeady Becher P.C.	1314B 11/18	Legal	3-675	1,785.47	1,785.47
Total 1059:						2,975.78
1060						
12/14/2018	Special Dist Management Svcs	42504	Management	1-680	800.00	800.00
12/14/2018	Special Dist Management Svcs	42504	Management	3-680	1,200.00	1,200.00
12/14/2018	Special Dist Management Svcs	42504	Accounting	1-690	1,233.00	1,233.00
12/14/2018	Special Dist Management Svcs	42504	Covenant Control	1-695	693.50	693.50
12/14/2018	Special Dist Management Svcs	42504	Miscellaneous	1-685	279.52	279.52
Total 1060:						4,206.02
1061						
12/14/2018	T. Charles Wilson Insurance Serv	6728	Prepaid Expenses	1-143	495.00	495.00
Total 1061:						495.00
1062						
12/14/2018	UMB Bank N.A.	605373	Paying Agent Fees	2-668	3,500.00	3,500.00
Total 1062:						3,500.00
1063						
12/14/2018	Waste Management of Denver	5632556-2514-4	Utilities	1-710	22.56	22.56
Total 1063:						22.56
Grand Totals:						13,800.02

Sheridan Station West Metropolitan District  
December-18

	General	Debt	Capital	Totals
Disbursements	\$ 7,314.55	\$ 3,500.00	\$ 2,985.47	\$ 13,800.02
		\$ -		\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$ 7,314.55</b>	<b>\$ 3,500.00</b>	<b>\$ 2,985.47</b>	<b>\$ 13,800.02</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1064						
01/14/2019	Advanced Concepts Inc	2308	Snow Removal	1-672	376.00	376.00
Total 1064:						376.00
1065						
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	43.75	43.75
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	120.00	120.00
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	53.25	53.25
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	105.75	105.75
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	48.50	48.50
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	124.75	124.75
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	39.00	39.00
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	124.75	124.75
01/14/2019	Consolidated Mutual Water	12/18	Utilities	1-710	172.00	172.00
Total 1065:						831.75
1066						
01/14/2019	Special Dist Management Srvs	DECEMBER 2018	Management	1-680	808.36	808.36
01/14/2019	Special Dist Management Srvs	DECEMBER 2018	Management	3-680	1,212.54	1,212.54
01/14/2019	Special Dist Management Srvs	DECEMBER 2018	Accounting	1-690	671.30	671.30
01/14/2019	Special Dist Management Srvs	DECEMBER 2018	Covenant Control	1-695	532.00	532.00
01/14/2019	Special Dist Management Srvs	DECEMBER 2018	Miscellaneous	1-685	85.85	85.85
Total 1066:						3,310.05
1067						
01/14/2019	Xcel Energy	620479288	Utilities	1-710	28.80	28.80
01/14/2019	Xcel Energy	621019553	Utilities	1-710	94.11	94.11
Total 1067:						122.91
Grand Totals:						4,640.71



Sheridan Station West Metropolitan District  
January-19

	General	Debt	Capital	Totals
Disbursements	\$ 3,428.17	\$ -	\$ 1,212.54	\$ 4,640.71
December 2018 - Consolidated Mutal Wt	\$ 325.50			\$ 325.50
December 2018 - Xcel	\$ 291.00	\$ -		\$ 291.00
<b>Total Disbursements from Checking Acct</b>	<b>\$ 4,044.67</b>	<b>\$ -</b>	<b>\$ 1,212.54</b>	<b>\$ 5,257.21</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1068						
02/20/2019	Advanced Concepts Inc	2359	Snow Removal	1-672	609.00	609.00
02/20/2019	Advanced Concepts Inc	2389	Snow Removal	1-672	766.50	766.50
02/20/2019	Advanced Concepts Inc	2403	Snow Removal	1-672	1,337.00	1,337.00
02/20/2019	Advanced Concepts Inc	2432	Snow Removal	1-672	1,014.00	1,014.00
Total 1068:						3,726.50
1069						
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	268.50	268.50
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	230.00	230.00
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	249.50	249.50
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	87.50	87.50
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	101.75	101.75
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	235.25	235.25
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	101.75	101.75
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	82.75	82.75
02/20/2019	Consolidated Mutual Water	JAN 2019	Utilities	1-710	278.00	278.00
Total 1069:						1,635.00
1070						
02/20/2019	McGeady Becher P.C.	1314B 12/18	Legal	1-675	305.00	305.00
02/20/2019	McGeady Becher P.C.	1314B 12/18	Legal	3-675	457.50	457.50
Total 1070:						762.50
1071						
02/20/2019	Special Dist Management Srvs	JAN 2019	Management	1-680	1,047.60	1,047.60
02/20/2019	Special Dist Management Srvs	JAN 2019	Management	3-680	1,571.40	1,571.40
02/20/2019	Special Dist Management Srvs	JAN 2019	Accounting	1-690	2,156.00	2,156.00
02/20/2019	Special Dist Management Srvs	JAN 2019	Audit	1-615	14.00	14.00
02/20/2019	Special Dist Management Srvs	JAN 2019	Miscellaneous	1-685	129.47	129.47
02/20/2019	Special Dist Management Srvs	JAN 2019	Covenant Control	1-695	940.50	940.50
Total 1071:						5,858.97
1072						
02/20/2019	Special District Association	DUES 2019	Insurance/SDA Dues	1-670	361.56	361.56
Total 1072:						361.56
1073						
02/20/2019	Xcel Energy	62445632	Utilities	1-710	43.91	43.91
02/20/2019	Xcel Energy	624784616	Utilities	1-710	49.46	49.46
Total 1073:						93.37
1074						
02/20/2019	Pet Scoop	217541	Repair and Maintenance	1-650	65.70	65.70
Total 1074:						65.70
201903						
02/20/2019	Xpress Bill Pay, Inc	38301	Billing and Meter Readin	1-721	313.80	313.80
Total 201903:						313.80

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Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
Grand Totals:						<u>12,817.40</u>

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Sheridan Station West Metropolitan District  
February-19

	General	Debt	Capital	Totals
<b>Disbursements</b>	\$ 11,246.00	\$ -	\$ 1,571.40	\$ 12,817.40
		\$ -		\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$ 11,246.00</b>	<b>\$ -</b>	<b>\$ 1,571.40</b>	<b>\$ 12,817.40</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	A
1075							
03/22/2019	Advanced Concepts Inc	2431	Snow Removal	1-672	1,067.00	1,067.00	
03/22/2019	Advanced Concepts Inc	2433	Snow Removal	1-672	441.50	441.50	
03/22/2019	Advanced Concepts Inc	2434	Snow Removal	1-672	464.00	464.00	
03/22/2019	Advanced Concepts Inc	2435	Snow Removal	1-672	1,048.50	1,048.50	
03/22/2019	Advanced Concepts Inc	2464	Snow Removal	1-672	613.75	613.75	
03/22/2019	Advanced Concepts Inc	2485	Snow Removal	1-672	2,335.00	2,335.00	
03/22/2019	Advanced Concepts Inc	2511	Snow Removal	1-672	2,562.00	2,562.00	
Total 1075:						8,531.75	
1076							
03/22/2019	Consolidated Mutual Wat	MARCH 2019	Utilities	1-710	2,832.25	2,832.25	
03/27/2019	Consolidated Mutual Wat	MARCH 2019	Utilities	1-710	2,832.25-	2,832.25-	V
Total 1076:						.00	
1077							
03/22/2019	McGeady Becher P.C.	1314B 1/19	Legal	1-675	131.80	131.80	
03/22/2019	McGeady Becher P.C.	1314B 1/19	Legal	3-675	197.70	197.70	
Total 1077:						329.50	
1078							
03/22/2019	Pet Scoop	221250	Repair and Maintenance	1-650	131.40	131.40	
Total 1078:						131.40	
1079							
03/22/2019	Special Dist Management	FEB 2019	Management	1-680	1,357.80	1,357.80	
03/22/2019	Special Dist Management	FEB 2019	Management	3-680	2,036.70	2,036.70	
03/22/2019	Special Dist Management	FEB 2019	Accounting	1-690	1,092.00	1,092.00	
03/22/2019	Special Dist Management	FEB 2019	Covenant Control	1-695	1,529.50	1,529.50	
03/22/2019	Special Dist Management	FEB 2019	Miscellaneous	1-685	133.31	133.31	
Total 1079:						6,149.31	
1080							
03/22/2019	Xcel Energy	62866506	Utilities	1-710	46.67	46.67	
Total 1080:						46.67	
201904							
03/22/2019	Xpress Bill Pay, Inc	38882	Billing and Meter Readin	1-721	23.60	23.60	M
Total 201904:						23.60	
201905							
03/27/2019	Consolidated Mutual Wat	3/2019	Utilities	1-710	1,837.00	1,837.00	M
Total 201905:						1,837.00	
Grand Totals:						17,049.23	

Sheridan Station West Metropolitan District  
March-19

	General	Debt	Capital	Totals
Disbursements	\$ 14,814.83	\$ -	\$ 2,234.40	\$ 17,049.23
		\$ -		\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$ 14,814.83</b>	<b>\$ -</b>	<b>\$ 2,234.40</b>	<b>\$ 17,049.23</b>

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	A
1081							
04/26/2019	Advanced Concepts Inc	2529	Snow Removal	1-672	3,664.00	3,664.00	
Total 1081:						3,664.00	
1082							
04/26/2019	Consolidated Mutual Wat	APRIL 2019	Utilities	1-710	1,292.00	1,292.00	
Total 1082:						1,292.00	
1083							
04/26/2019	Dodge Sign Company	D7365	Repair and Maintenance	1-650	174.00	174.00	
Total 1083:						174.00	
1084							
04/26/2019	McGeady Becher P.C.	1314B 2/19	Legal	1-675	727.80	727.80	
04/26/2019	McGeady Becher P.C.	1314B 2/19	Legal	3-675	1,091.70	1,091.70	
Total 1084:						1,819.50	
1085							
04/26/2019	Pet Scoop	224815	Repair and Maintenance	1-650	131.40	131.40	
Total 1085:						131.40	
1086							
04/26/2019	Special Dist Management	MARCH 2019	Management	1-680	609.40	609.40	
04/26/2019	Special Dist Management	MARCH 2019	Management	3-680	914.10	914.10	
04/26/2019	Special Dist Management	MARCH 2019	Accounting	1-690	3,612.00	3,612.00	
04/26/2019	Special Dist Management	MARCH 2019	Covenant Control	1-695	1,501.00	1,501.00	
04/26/2019	Special Dist Management	MARCH 2019	Miscellaneous	1-685	229.55	229.55	
Total 1086:						6,866.05	
1087							
04/26/2019	Xcel Energy	632502499	Utilities	1-710	46.74	46.74	
Total 1087:						46.74	
201906							
04/26/2019	Xpress Bill Pay, Inc	39463	Billing and Meter Readin	1-721	294.15	294.15	M
Total 201906:						294.15	
Grand Totals:						14,287.84	

Sheridan Station West Metropolitan District  
April-19

	General	Debt	Capital	Totals
Disbursements	\$ 12,282.04	\$ -	\$ 2,005.80	\$ 14,287.84
		\$ -		\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$ 12,282.04</b>	<b>\$ -</b>	<b>\$ 2,005.80</b>	<b>\$ 14,287.84</b>



Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	A
1088							
05/23/2019	Advanced Concepts Inc	2530	Snow Removal	1-672	1,529.50	1,529.50	
05/23/2019	Advanced Concepts Inc	2578	Snow Removal	1-672	1,858.00	1,858.00	
Total 1088:						3,387.50	
1089							
05/23/2019	Consolidated Mutual Wat	MAY 2019	Utilities	1-710	1,620.25	1,620.25	
Total 1089:						1,620.25	
1090							
05/23/2019	McGeady Becher P.C.	1314B 4/19	Legal	1-675	393.66	393.66	
05/23/2019	McGeady Becher P.C.	1314B 4/19	Legal	3-675	590.50	590.50	
Total 1090:						984.16	
1091							
05/23/2019	Metco Landscape, Inc	SM166155	Repair and Maintenance	1-650	1,295.00	1,295.00	
05/23/2019	Metco Landscape, Inc	SM167311	Repair and Maintenance	1-650	1,295.00	1,295.00	
Total 1091:						2,590.00	
1092							
05/23/2019	Pet Scoop	229942	Repair and Maintenance	1-650	131.40	131.40	
Total 1092:						131.40	
1093							
05/23/2019	Special Dist Management	APRIL 2019	Management	1-680	807.60	807.60	
05/23/2019	Special Dist Management	APRIL 2019	Management	3-680	1,211.40	1,211.40	
05/23/2019	Special Dist Management	APRIL 2019	Accounting	1-690	3,416.00	3,416.00	
05/23/2019	Special Dist Management	APRIL 2019	Covenant Control	1-695	2,584.00	2,584.00	
05/23/2019	Special Dist Management	APRIL 2019	Miscellaneous	1-685	185.37	185.37	
Total 1093:						8,204.37	
1094							
05/23/2019	Xcel Energy	636039722	Utilities	1-710	9.67	9.67	
05/23/2019	Xcel Energy	636396041	Utilities	1-710	37.25	37.25	
Total 1094:						46.92	
201907							
05/23/2019	Xpress Bill Pay, Inc	40048	Billing and Meter Readin	1-721	31.10	31.10	M
Total 201907:						31.10	
Grand Totals:						16,995.70	

Sheridan Station West Metropolitan District  
May-19

	General	Debt	Capital	Totals
Disbursements	\$ 15,193.80	\$ -	\$ 1,801.90	\$ 16,995.70
		\$ -		\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$ 15,193.80</b>	<b>\$ -</b>	<b>\$ 1,801.90</b>	<b>\$ 16,995.70</b>

RESOLUTION TO AMEND 2018 BUDGET  
SHERIDAN STATION WEST METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Sheridan Station West Metropolitan District budgeted and appropriated funds for the fiscal year 2018 as follows:

General Fund	\$	117,538
Debt Service Fund	\$	230,884
Capital Projects Fund	\$	41,005

WHEREAS, the necessity has arisen for additional expenditures in the Debt Service Fund and Capital Projects Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2018; and

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

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from beginning fund balance and,

WHEREAS, funds are available for such expenditures in the Debt Service Fund from interest income.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Sheridan Station West Metropolitan District shall and hereby does amend the adopted Budget for the fiscal year 2018 and adopts a supplemental budget and appropriation for the Capital Projects Fund and Debt Service Fund for the fiscal year 2018, as follows:

Debt Service Fund	\$	250,000
Capital Projects Fund	\$	2,365,507

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

DATED this 13th day of June, 2019.

SHERIDAN                      STATION                      WEST  
METROPOLITAN DISTRICT

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

# 6-6-2019 Draft

SHERIDAN STATION WEST METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2018

with

Independent Auditors' Report

# 6-6-2019 Draft

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

## Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Sheridan Station West Metropolitan District, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Sheridan Station West Metropolitan District as of December 31, 2018, 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.

# 6-6-2019 Draft

## *Other-Matters*

### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sheridan Station West Metropolitan District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 basic financial statements or to the basic 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 basic financial statements as a whole.

Englewood, CO

June 13, 2019

# 6-6-2019 Draft

## SHERIDAN STATION WEST METROPOLITAN DISTRICT

### BALANCE SHEET/STATEMENT OF NET POSITION GOVERNMENTAL FUNDS December 31, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>ASSETS</b>						
Cash and investments	\$ 2,206	\$ -	\$ 3,756	\$ 5,962	\$ -	\$ 5,962
Cash and investments - restricted	3,369	780,237	774,785	1,558,391	-	1,558,391
Receivable - County Treasurer	28	58	-	86	-	86
Property taxes receivable	20,654	41,518	-	62,172	-	62,172
Accounts receivable - operating fees	3,156	-	-	3,156	-	3,156
Prepaid expenses	2,980	-	-	2,980	-	2,980
Capital assets not being depreciated	-	-	-	-	1,805,357	1,805,357
<b>Total Assets</b>	<b><u>\$ 32,393</u></b>	<b><u>\$ 821,813</u></b>	<b><u>\$ 778,541</u></b>	<b><u>\$ 1,632,747</u></b>	<b><u>1,805,357</u></b>	<b><u>3,438,104</u></b>
<b>LIABILITIES</b>						
Accounts payable	\$ 3,733	\$ -	\$ 1,670	\$ 5,403	-	5,403
Accrued interest on bonds	-	-	-	-	18,125	18,125
Long-term liabilities:						
Due in more than one year	-	-	-	-	3,938,101	3,938,101
<b>Total Liabilities</b>	<b><u>3,733</u></b>	<b><u>-</u></b>	<b><u>1,670</u></b>	<b><u>5,403</u></b>	<b><u>3,956,226</u></b>	<b><u>3,961,629</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred property taxes	20,654	41,518	-	62,172	-	62,172
<b>Total Deferred Inflows of Resources</b>	<b><u>20,654</u></b>	<b><u>41,518</u></b>	<b><u>-</u></b>	<b><u>62,172</u></b>	<b><u>-</u></b>	<b><u>62,172</u></b>
<b>FUND BALANCES/NET POSITION</b>						
<b>Fund Balances:</b>						
<b>Nonspendable:</b>						
Prepays	2,980	-	-	2,980	(2,980)	-
<b>Restricted:</b>						
Emergencies	3,369	-	-	3,369	(3,369)	-
Debt service	-	780,295	-	780,295	(780,295)	-
Capital projects	-	-	776,871	776,871	(776,871)	-
Unassigned	1,657	-	-	1,657	(1,657)	-
<b>Total Fund Balances</b>	<b><u>8,006</u></b>	<b><u>780,295</u></b>	<b><u>776,871</u></b>	<b><u>1,565,172</u></b>	<b><u>(1,565,172)</u></b>	<b><u>-</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 32,393</u></b>	<b><u>\$ 821,813</u></b>	<b><u>\$ 778,541</u></b>	<b><u>\$ 1,632,747</u></b>		
<b>Net Position:</b>						
<b>Restricted for:</b>						
Emergencies					3,369	3,369
Debt service					762,170	762,170
Capital projects					776,871	776,871
<b>Unrestricted</b>					<b><u>(2,128,107)</u></b>	<b><u>(2,128,107)</u></b>
<b>Total Net Position</b>					<b><u>\$ (585,697)</u></b>	<b><u>\$ (585,697)</u></b>

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



# 6-6-2019 Draft

## 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, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>EXPENDITURES</b>						
Accounting and audit	\$ 14,930	\$ -	\$ -	\$ 14,930	\$ -	\$ 14,930
Covenant control	4,550	-	-	4,550	-	4,550
Insurance	3,095	-	-	3,095	-	3,095
Election expense	980	-	-	980	-	980
Legal	9,521	-	14,621	24,142	-	24,142
Management fees	6,834	-	10,250	17,084	-	17,084
Miscellaneous expenses	1,687	499	436	2,622	-	2,622
Treasurer's fees	50	101	-	151	-	151
Utilities	1,612	-	-	1,612	-	1,612
Snow removal	842	-	-	842	-	842
Interest Expense	-	230,792	-	230,792	19,318	250,110
Paying agent fees	-	3,500	-	3,500	-	3,500
Capital improvements	-	-	1,228,442	1,228,442	(1,228,442)	-
Repay developer advances	-	-	1,084,978	1,084,978	(1,084,978)	-
Total Expenditures	44,101	234,892	2,338,727	2,617,720	(2,294,102)	323,618
<b>PROGRAM REVENUES</b>						
Homeowner assessments	6,433	-	-	6,433	-	6,433
Total Program Revenues	6,433	-	-	6,433	-	6,433
Net Program Income (Expenses)	(37,668)	(234,892)	(2,338,727)	(2,611,287)	2,294,102	(317,185)
<b>GENERAL REVENUES</b>						
Property taxes	3,358	6,750	-	10,108	-	10,108
Specific ownership taxes	311	625	-	936	-	936
Interest income	-	18,922	19,141	38,063	-	38,063
Miscellaneous income	372	-	-	372	-	372
Total General Revenues	4,041	26,297	19,141	49,479	-	49,479
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>						
	(33,627)	(208,595)	(2,319,586)	(2,561,808)	2,294,102	(267,706)
<b>OTHER FINANCING SOURCES (USES)</b>						
Developer advances	37,517	-	1,254,794	1,292,311	(1,292,311)	-
Transfers in	-	25,087	-	25,087	(25,087)	-
Transfers out	-	-	(25,087)	(25,087)	25,087	-
Total Other Financing Sources (Uses)	37,517	25,087	1,229,707	1,292,311	(1,292,311)	-
<b>NET CHANGES IN FUND BALANCES</b>						
	3,890	(183,508)	(1,089,879)	(1,269,497)	1,269,497	
<b>CHANGE IN NET POSITION</b>						
					(267,706)	(267,706)
<b>FUND BALANCES/NET POSITION:</b>						
BEGINNING OF YEAR	4,116	963,803	1,866,750	2,834,669	(3,152,660)	(317,991)
END OF YEAR	\$ 8,006	\$ 780,295	\$ 776,871	\$ 1,565,172	\$ (2,150,869)	\$ (585,697)

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

# 6-6-2019 Draft

## 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, 2018

	Original and <u>Final Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 3,059	\$ 3,358	\$ 299
Specific ownership taxes	184	311	127
Operations and maintenance fees	1,400	6,433	5,033
Miscellaneous income	-	372	372
Total Revenues	<u>4,643</u>	<u>10,474</u>	<u>5,831</u>
EXPENDITURES			
Accounting and audit	5,304	14,930	(9,626)
Covenant control	5,800	4,550	1,250
Insurance	3,500	3,095	405
Election expense	1,500	980	520
Legal	14,280	9,521	4,759
Management fees	7,548	6,834	714
Miscellaneous expenses	1,000	1,687	(687)
Treasurer's fees	150	50	100
Utilities	7,700	1,612	6,088
Snow removal	15,000	842	14,158
Billing and meter reading	6,000	-	6,000
Meter installation	7,335	-	7,335
Repair and maintenance	1,000	-	1,000
O&M reserve	2,222	-	2,222
Contingency	8,979	-	8,979
Emergency reserve	2,620	-	2,620
Total Expenditures	<u>89,938</u>	<u>44,101</u>	<u>45,837</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(85,295)	(33,627)	51,668
OTHER FINANCING SOURCES (USES)			
Developer advances	114,664	37,517	(77,147)
Transfers out	<u>(27,600)</u>	<u>-</u>	<u>27,600</u>
Total Other Financing Sources (Uses)	<u>87,064</u>	<u>37,517</u>	<u>(49,547)</u>
NET CHANGE IN FUND BALANCE	1,769	3,890	2,121
FUND BALANCE:			
BEGINNING OF YEAR	<u>-</u>	<u>4,116</u>	<u>4,116</u>
END OF YEAR	<u>\$ 1,769</u>	<u>\$ 8,006</u>	<u>\$ 6,237</u>

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

# 6-6-2019 Draft

## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

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.

# 6-6-2019 Draft

## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

#### 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.

# 6-6-2019 Draft

## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

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.

Subsequent to year-end, the District amended its total appropriations in the Capital Fund from \$41,005 to \$2,365,507 primarily due the acceptance of capital improvements and the subsequent repayment of developer advances and in the Debt Service Fund from \$230,884 to \$250,000 primarily due to the unbudgeted trustee fees on the Series 2017 Bonds (See Note 4).

#### Assets, Liabilities, Deferred Inflows/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, 2018, 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 cash equivalents 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.

# 6-6-2019 Draft

## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

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 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 and a deferred gain on refunding that is reported in the government-wide statement of net position.

#### 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 fair value at the date of donation.

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

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 2018.

#### 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.

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

The nonspendable fund balance in the General Fund in the amount of \$2,980 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 \$3,369 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 \$780,295 is restricted for the payment of the debt service costs associated with the General Obligation Bonds Series 2017 (see Note 4).

The restricted fund balance in the Capital Projects Fund in the amount of \$776,871 is restricted for the payment of the costs for capital improvements within the District.

#### 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.



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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

#### 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, 2018, cash and investments are classified in the accompanying financial statements as follows:

##### Statement of Net Position:

Cash and investments	\$ 5,962
Cash and investments - Restricted	<u>1,558,391</u>
Total	<u>\$ 1,564,353</u>

Cash and investments as of December 31, 2018 consist of the following:

Deposits with financial institutions	\$ 13,047
Investments - COLOTRUST	<u>1,551,306</u>
	<u>\$ 1,564,353</u>

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

#### 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, 2018, 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 ventures 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. The trusts operate similarly to a money market fund with each share maintaining a value of \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies.

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

Designated custodian banks provide safekeeping and depository services to the trusts. Substantially all securities owned by the trusts are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. At December 31, 2018, the District had \$1,551,306 invested in COLOTRUST.

#### 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, 2018 follows:

<u>Governmental Type Activities:</u>	<u>Balance</u> <u>1/1/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2018</u>
<u>Capital assets not being depreciated:</u>				
Construction in progress	<u>\$576,915</u>	<u>\$1,228,442</u>	<u>\$ -</u>	<u>\$ 1,805,357</u>
Total capital assets	<u>\$576,915</u>	<u>\$1,228,442</u>	<u>\$ -</u>	<u>\$ 1,805,357</u>

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

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

Note 4: Long Term Debt

A description of the long-term obligations as of December 31, 2018, 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 mandatory excess funds redemption, in integral multiples of \$1,000, on December 1, 2020, solely from and to the extent of any moneys held in the restricted account of the project fund on October 15, 2020. If amounts held in the restricted account of the project fund on October 15, 2020, are sufficient to redeem any Series 2017 Bonds on December 1, 2020, the trustee and the District will take action necessary to redeem as many Series 2017 Bonds as can be redeemed on December 1, 2020 at a price 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 multiples 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:

<u>Redemption Date</u>	<u>Redemption Premium</u>
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 of 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.

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

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 and the Surplus Fund shall be maintained by the Trustee until the bonds are matured. The Series 2017 Bonds will convert to unlimited tax general obligations at such time the Debt to Assessed Ratio is less than 50%.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ 217,500	217,500
2020	-	217,500	217,500
2021	-	217,500	217,500
2022	35,000	217,500	252,500
2023	35,000	215,400	250,400
2024 - 2028	270,000	1,037,400	1,307,400
2029 - 2033	430,000	938,400	1,368,400
2034 - 2038	665,000	782,700	1,447,700
2039 - 2043	965,000	549,600	1,514,600
2044 - 2047	1,225,000	203,400	1,428,400
	<u>\$ 3,625,000</u>	<u>\$ 4,596,900</u>	<u>\$ 8,221,900</u>

The following is an analysis of changes in long-term debt for the period ending December 31, 2018:

	<u>Balance</u> <u>1/1/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2018</u>	<u>Current</u> <u>Portion</u>
General Obligation Bonds - Series 2017	\$3,625,000	\$ -	\$ -	\$3,625,000	\$ -
Developer advances - Operations	26,867	37,517	-	64,384	-
Accrued interest - Operations	937	3,309	-	4,246	-
Developer advances - Capital Projects	54,973	1,254,794	1,084,978	224,789	-
Accrued interest - Capital Projects	1,458	18,224	-	19,682	-
Total	<u>\$3,709,235</u>	<u>\$1,313,844</u>	<u>\$1,084,978</u>	<u>\$3,938,101</u>	<u>\$ -</u>

#### Debt Authorization

As of December 31, 2018, the District had remaining voted debt authorization of approximately \$76,125,000. The District has not budgeted to issue any new debt during 2018. Per the District's Service Plan, the District can not issue debt in excess of \$7,250,000.

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

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 with the Developer (“FFAA”). 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. Any advances made under the FFAA will earn interest at 8% per annum. In 2018, the Developer advanced the District \$1,254,794 of which \$1,084,978 was repaid with the Series 2017 Bonds proceeds. As of December 31, 2018, the remaining principal is \$224,789 and the accrued interest is \$19,682.

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 - 2017. 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 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, 2046. As of December 31, 2018, the Developer has advanced the District \$64,384. Accrued interest was \$4,246.

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.

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

Note 8: Agreements

*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 is \$31.60 per month per resident and taxpayer. In 2018, the District collected \$6,434.12 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.

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.

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## Sheridan Station West Metropolitan District

### Notes to Financial Statements December 31, 2018

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: Interfund and Operating Transfers

The transfer of \$25,087 from the Capital Projects Fund to the Debt Service Fund was transferred for the purpose closing of the trustee account for the cost of issuance on the Series 2017 bonds (see Note 4).

Note 11: 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 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 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;



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## Sheridan Station West Metropolitan District

### Notes to Financial Statements

December 31, 2018

- 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.

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SUPPLEMENTAL INFORMATION

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## SHERIDAN STATION WEST METROPOLITAN DISTRICT

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND

For the Year Ended December 31, 2018

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES</b>				
Property taxes	\$ 6,149	\$ 6,149	\$ 6,750	\$ 601
Specific ownership taxes	369	369	625	256
Interest income	<u>-</u>	<u>19,116</u>	<u>18,922</u>	<u>(194)</u>
Total Revenues	<u>6,518</u>	<u>25,634</u>	<u>26,297</u>	<u>663</u>
<b>EXPENDITURES</b>				
Interest Expense	230,792	230,792	230,792	-
Paying agent fees	-	19,107	3,500	15,607
Treasurer's fees	<u>92</u>	<u>101</u>	<u>101</u>	<u>-</u>
Total Expenditures	<u>230,884</u>	<u>250,000</u>	<u>234,393</u>	<u>15,607</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	(224,366)	(224,366)	(208,096)	16,270
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>25,087</u>	<u>25,087</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>25,087</u>	<u>25,087</u>
<b>NET CHANGE IN FUND BALANCE</b>				
	(224,366)	(224,366)	(183,009)	41,357
<b>FUND BALANCE:</b>				
BEGINNING OF YEAR	<u>962,500</u>	<u>962,500</u>	<u>963,803</u>	<u>1,303</u>
END OF YEAR	<u>\$ 738,134</u>	<u>\$ 738,134</u>	<u>\$ 780,794</u>	<u>\$ 42,660</u>

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

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## SHERIDAN STATION WEST METROPOLITAN DISTRICT

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Interest income	\$ -	\$ 20,000	\$ 19,141	\$ (859)
Total Revenues	<u>-</u>	<u>20,000</u>	<u>19,141</u>	<u>(859)</u>
<b>EXPENDITURES</b>				
Legal	29,580	15,000	14,621	379
Management fees	11,425	12,000	10,250	1,750
Capital improvements	-	1,228,442	1,228,442	-
Repay developer advances	<u>-</u>	<u>1,084,978</u>	<u>1,084,978</u>	<u>-</u>
Total Expenditures	<u>41,005</u>	<u>2,340,420</u>	<u>2,338,291</u>	<u>2,129</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(41,005)	(2,320,420)	(2,319,150)	1,270
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer advances	13,405	2,345,507	1,254,794	(1,090,713)
Transfers in	27,600	-	-	-
Transfers out	<u>-</u>	<u>(25,087)</u>	<u>(25,087)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>41,005</u>	<u>2,320,420</u>	<u>1,229,707</u>	<u>(1,090,713)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(1,089,443)	(1,089,443)
<b>FUND BALANCE:</b>				
BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>1,866,750</u>	<u>1,866,750</u>
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 777,307</u>	<u>\$ 777,307</u>

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

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## SHERIDAN STATION WEST METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY  
AND PROPERTY TAXES COLLECTED  
December 31, 2018  
(Unaudited)

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property Tax Levy</u>	<u>Mills Levied</u>		<u>Total Property Tax</u>		<u>Percent Collected to Levied</u>
		<u>General Fund</u>	<u>Debt Service</u>	<u>Levied</u>	<u>Collected</u>	
2017	\$ 147,971	60.000	0.000	\$ 8,878	\$ 10,108	113.85%
2018	\$ 139,057	22.000	44.222	\$ 9,208		
Estimated for year ending December 31, 2019	\$ 938,862	22.000	44.222	\$ 62,172		

**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.

## FIRST AMENDMENT TO OPERATION FUNDING AGREEMENT

This **FIRST AMENDMENT TO OPERATION FUNDING AGREEMENT** (“**First Amendment**”) is entered into this \_\_\_\_ day of May, 2019, with an effective date of November 11, 2016, by and between **SHERIDAN STATION WEST METROPOLITAN DISTRICT**, a quasimunicipal corporation and political subdivision of the State of Colorado (the “**District**”) and **SHERIDAN STATION TRANSIT VILLAGE LLC**, a Colorado limited liability company (the “**Developer**”) (individually, each a “**Party**” and collectively the “**Parties**”).

### RECITALS

A. The District and the Developer entered into that certain Operation Funding Agreement dated December 8, 2016, with an effective date of November 11, 2016 (the “**Agreement**”).

B. Pursuant to the Agreement, the obligation of the Developer to fund the Shortfall Amount is limited to an aggregate amount not to exceed Fifty Thousand Dollars (\$50,000) for fiscal years 2016 through 2017.

C. The District anticipates that it will not have sufficient revenues to make payment of its operations and maintenance expenses through fiscal year 2019.

D. The District and the Developer desire to amend the provisions of the Agreement pertaining to the term of the Agreement and the Shortfall Amount.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

### COVENANTS AND AGREEMENTS

1. All terms which are not defined herein shall have the same meaning as set forth in the Agreement.

1. Amendment to Section 1. Section 1. of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

“1. Acknowledgement of Anticipated Shortfalls. The District anticipates a shortfall in revenues available for operations and maintenance expenses to be incurred for fiscal years 2016 through 2019 in an aggregate amount of One Hundred Thousand Dollars (\$100,000.00) (the “**Shortfall Amount**”).”

2. Amendment to Section 9. Section 9. of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

“9. Term/Repose. The term of this Agreement shall commence on the date hereof and shall expire on December 31, 2049, unless terminated earlier by the mutual agreement of the Parties. Any

obligation of Developer to advance funds will expire upon advance to the District of amounts sufficient to pay expenses incurred in fiscal years 2016 through 2019, not to exceed the Shortfall Amount. Any obligation of District to reimburse Owner shall expire on December 31, 2049. In the event the District has not reimbursed the Owner for any Owner Advance(s) made pursuant to this Agreement on or before December 31, 2049, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.”

3. All references in the Agreement to the phrase “fiscal years 2016 through 2017” shall be deleted in their entirety, and substituted in lieu thereof shall be the phrase: “fiscal years 2016 through 2019.”

4. Except as expressly set forth in this First Amendment, all provisions of the Agreement remain unchanged and in full force and effect, valid and binding on the parties thereto.

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO FIRST AMENDMENT TO  
OPERATION FUNDING AGREEMENT]**

IN WITNESS WHEREOF, the Parties have executed this First Amendment to Operation Funding Agreement as of the day and year first set forth above.

**SHERIDAN STATION WEST  
METROPOLITAN DISTRICT**, a quasi-  
municipal corporation and political subdivision of  
the State of Colorado

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

Attest:

\_\_\_\_\_  
Secretary

**SHERIDAN STATION TRANSIT VILLAGE  
LLC**, a Colorado limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



## FIRST AMENDMENT TO FACILITIES FUNDING AND ACQUISITION AGREEMENT

This **FIRST AMENDMENT TO FACILITIES FUNDING AND ACQUISITION AGREEMENT** (“**First Amendment**”) is entered into this \_\_\_\_\_ day of May, 2019, with an effective date of November 11, 2016, by and between **SHERIDAN STATION WEST METROPOLITAN DISTRICT**, a quasimunicipal corporation and political subdivision of the State of Colorado (the “**District**”) and **SHERIDAN STATION TRANSIT VILLAGE LLC**, a Colorado limited liability company (the “**Developer**”) (individually, each a “**Party**” and collectively the “**Parties**”).

### RECITALS

A. The District and the Developer entered into that certain Facilities Funding and Acquisition Agreement dated December 8, 2016, with an effective date of November 11, 2016 (the “**Agreement**”).

B. Pursuant to the Agreement, the obligation of the Developer to fund the Shortfall Amount is limited to an aggregate amount not to exceed Fifty Thousand Dollars (\$50,000) for fiscal years 2016 through 2017.

C. The District anticipates that it will not have sufficient revenues available to fund the cost of construction of the Improvements or to acquire the Improvements through fiscal year 2019.

D. The District and the Developer desire to amend the provisions of the Agreement pertaining to the term of the Agreement and the Shortfall Amount.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

### COVENANTS AND AGREEMENTS

1. All terms which are not defined herein shall have the same meaning as set forth in the Agreement.

1. Amendment to Section 2.2. Section 2.2. of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

“2.2 Acknowledgement of Anticipated Shortfall. Developer acknowledges that in connection with the construction of the Improvements, the District will incur Construction Related Expenses in reliance upon the Developer’s commitments herein to provide funding. The total estimated cost to complete construction of the Improvements, including contingencies, is One Hundred Twenty Thousand Dollars (\$120,000.00) (the “**Shortfall Amount**”).”

2. Amendment to Section 2.3. Section 2.3. of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

“2.3 Payment of Shortfall. The Developer shall advance funds necessary to fund the Construction Related Expenses incurred by the District on a periodic basis as needed for the fiscal years 2016 through 2019 of the District, up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District.”

2. Amendment to Section 5.2. Section 5.2. of the Agreement is hereby deleted in its entirety, and substituted in lieu thereof shall be the following:

“5.2 Term; Repose. Notwithstanding anything set forth in this Agreement to the contrary, the District shall not be obligated to make any payments to the Developer for Organization Expenses, Construction Related Expenses and/or Verified Costs incurred by the Developer, but not invoiced (as evidenced by the delivery of the documents described in Article 3 above) to the District within one (1) year of the date incurred. In the event the District has not paid or reimbursed the Developer for any Organization Expenses Construction Related Expenses and/or Verified Costs by December 31, 2049, whether invoiced or not invoiced by such date, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.”

3. Except as expressly set forth in this First Amendment, all provisions of the Agreement remain unchanged and in full force and effect, valid and binding on the parties thereto.

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO FIRST AMENDMENT TO  
FACILITIES FUNDING AND ACQUISITION AGREEMENT]**

IN WITNESS WHEREOF, the Parties have executed this First Amendment to Facilities Funding and Acquisition Agreement as of the day and year first set forth above.

**SHERIDAN STATION WEST  
METROPOLITAN DISTRICT**, a quasi-  
municipal corporation and political subdivision of  
the State of Colorado

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

Attest:

\_\_\_\_\_  
Secretary

**SHERIDAN STATION TRANSIT VILLAGE  
LLC**, a Colorado limited liability company

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

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

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