

BRADBURN METROPOLITAN DISTRICT NO. 2
SPECIAL MEETING

Via Teleconference
Tuesday, December 7, 2021
2:30 p.m.

Mark Falcone, President	Term to May 2023
Roger Pecsok, Vice President	Term to May 2022
Lenn Moldenhauer, Secretary	Term to May 2023
Jennifer Walker, Treasurer	Term to May 2023
VACANT	Term to May 2022

Link: <https://us06web.zoom.us/j/88120320475?pwd=TmRGb1JzSi9RUnljWUJheUhqajVUdz09>

Meeting ID: 881 2032 0475

Passcode: 948105

Call-In Number: 1-720-707-2699

NOTICE OF JOINT SPECIAL MEETING AND AGENDA

1. Call to Order
2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures
3. Approval of Agenda
4. Public Comment – Members of the public may express their views to the Board on matters that affect the District(s). Comments will be limited to three (3) minutes.
5. Consent Agenda
 - a. Approval of Board Meeting Minutes from November 16, 2020 Special Meeting **(enclosure)**
 - b. Approval of Renewal of General Liability Schedule and Limits; Workers Compensation Coverages and SDA Membership Renewal for 2022 **(enclosures)**
6. Legal Matters
 - a. Consider Adoption of the 2022 Annual Administrative Resolution **(enclosure)**
 - b. Consider Adoption of the Resolution Designating the Location of Regular Meetings of the Board of Directors **(enclosure)**
 - c. Consider Resolution Calling Elections (May 2022) **(enclosure)**
 - d. Consider Terminating the Prepaid Development Fee Agreement
 - e. Legislative Update **(enclosure)**
 - f. Discuss District Website (Heather Sosa Proposal) **(enclosure)**
7. Financial Matters
 - a. Discuss Potential Debt Issuance
 - b. Public Hearing on 2021 Budget Amendment
 - i. Consider Adoption of Resolution Amending the 2021 Budget
 - c. Public Hearing on 2022 Budget
 - i. Consider Adoption of Resolution Approving 2022 Budget **(enclosure)**
8. Other Business
 - a. Next Meeting
9. Adjourn

MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

BRADBURN METROPOLITAN DISTRICT NO. 2

Held: Monday, November 16, 2020, at 1:30 p.m. via teleconference.

Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders, issued by the Colorado Department of Health and Environment (CDPHE), and the threat posed by the COVID-19 coronavirus, the meeting was held via teleconference.

Attendance

A special meeting of the Board of Directors of Bradburn Metropolitan District No. 2 was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

Mark G. Falcon
Roger Pecsok
Lenn Moldenhauer
Jennifer Walker

Also present: George M. Rowley, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; and Jason Carroll, CliftonLarsonAllen, LLP, District Accountant.

Call to Order

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

Conflict of Interest Disclosures

Mr. Rowley advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Rowley reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Rowley inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Board determined that the participation of the

members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

Mr. Rowley presented the Board with the agenda for the meeting for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as presented.

Adoption of Resolution
Declaring Emergency
Procedures and Authorizing
Teleconferencing for
Regular and Special
Meetings

Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the Resolution Declaring Emergency Procedures and Authorizing Teleconferencing for Regular and Special Meetings

Appointment of Officer(s)

After discussion and a unanimous vote:
Director Falcone was appointed President of the Board
Director Pecsok was appointed Vice President of the Board
Director Moldenhauer was appointed Secretary of the Board
Director Walker was appointed Treasurer of the Board

Public Comment

None.

Consent Agenda

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the following:

Minutes from March 3, 2020 Regular Meeting;
Resolution Establishing Electronic Signature Policy;
Amended and Restated Public Records Request Policy; and
Approval of Special District Disclosure Pursuant to § 32-1-809, C.R.S.

Legal Matters

2021 Annual Administrative
Resolution

Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the 2021 Annual Administrative Resolution

Discuss and Consider
Approval of Property and
Liability Schedule and
Limits

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Property and Liability Schedule and Limits as presented

Discussion Regarding
Director Parcel Relocation

The Board discussed the Director Parcel Relocation, no actions were required subsequent to discussion.

Consider Terminating the Prepaid Development Fee Agreement

The Board discussed the Termination of the Prepaid Development Fee Agreement. Subsequent to discussion the Board tabled further action to the next meeting of the Board.

Financial Matters

Financial Reports and Claims Payables

Mr. Carroll presented the Board with the unaudited financial statements for the period ending September 30, 2020 and checks payable list from March 3, 2020 – November 6, 2020. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the financials and the checks from 1020 to 1028.

Conduct 2020 Budget Amendment Hearing and Consider Adoption of Resolution to Amend 2020 Budget

Director Falcone opened the public hearing on the proposed 2020 Budget Amendment and it was noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Conduct 2021 Budget Hearing and Consider Adoption of Resolution to Adopt 2021 Budget and Set Mill Levies

Director Falcone opened the public hearing on the proposed 2021 Budget, and it was noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2021 Budget, appropriating funds therefor and certifying 5.753 mills for the General fund, and 57.530 mills for the Debt Service fund.

Other Business

Next Meeting and 2021 Regular Meeting Schedule

First Tuesday of March, June, September, and December, 2020 at 1:30 p.m.

Adjournment

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

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

Secretary for the Meeting

The foregoing minutes were approved by the Board of Directors
on the _____ day of _____, 202__.

Renewal Documents and Invoice

1/1/2022 to EOD 12/31/2022

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

The following renewal documents are enclosed where applicable:

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



Renewal Notice

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

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

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

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

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

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

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

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

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

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

For billing questions, please email us at billing@csdpool.org or call us at 800-318-8870, ext. 3.

**Named Member:**

Bradburn Metropolitan District No. 2
c/o White, Bear, Ankele, Tanaka, & Waldron
2154 E. Commons Avenue, Suite 2000
Centennial, CO 80122

Broker of Record:

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

Coverage No.	Entity ID	Effective Date	Expiration Date	Invoice Date
POL-0008447	60582	1/1/2022	EOD 12/31/2022	9/26/2021

Coverage	Contribution
General Liability	\$ 520.00
Non-Owned Auto Liability	\$ 132.00
Hired Auto Physical Damage	\$ 65.00
No-Fault Water Intrusion & Sewer Backup	\$ 29.00
Public Officials Liability	\$1,163.00
Pollution	\$ 0.00
Total Contribution	\$1,909

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

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

9.41% Continuity Credit Discount

10% Direct Discount

8% Multi Program Discount for WC Program Participation

Please include a copy of the invoice with your check.

Please Remit Payment to:

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

Payment Due Upon Receipt

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



Public Entity Liability and Auto Physical Damage Certificate Holder Declaration

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

Certificate Number: POL-0008447

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

Named Member:

Bradburn Metropolitan District No. 2
c/o White, Bear, Ankele, Tanaka, & Waldron
2154 E. Commons Avenue, Suite 2000
Centennial, CO 80122

Broker of Record:

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

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

Coverage	Per Occurrence Limit	Annual Aggregate Limit	Deductible	Contribution
Public Entity Liability Coverage including:	\$2,000,000	None		
General Liability	Included	None	None	\$520
Medical Payments - Premises	\$10,000	None	None	Included
Employee Benefits Liability	Included	None	None	Included
Public Officials Liability	Included	None	\$1,000	\$1,163
Employment Practices Liability	Included	None	*\$100,000	Included
Pre Loss Legal Assistance	\$3,500	\$7,000	None	Included
No-Fault Water Intrusion & Sewer Backup	\$200,000 limited to \$10,000 Any One Premises	***\$1,000,000	\$500	\$29
Cyber	\$200,000	**\$200,000	\$1,000	Included
Fiduciary Liability	\$200,000	**\$200,000	\$1,000	Included
Excess Liability - Coverage agreements A,B,C,D	No Coverage	No Coverage	N/A	No
Auto Liability	No Coverage	No Coverage	N/A	No
Medical Payments – Auto	No Coverage	No Coverage	N/A	No
Non-Owned and Hired Auto Liability	Included	None	None	\$132
Uninsured/Underinsured Motorists Liability	No Coverage	No Coverage	N/A	No
Auto Physical Damage	No Coverage	No Coverage	N/A	No
Hired Auto Physical Damage	\$50,000	N/A	\$500/\$500	\$65
Auto Physical Damage - Employee Deductible Reimbursement	\$2,500	N/A	None	Included

Total Contribution 1,909.00

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

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

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

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

Prior Acts coverage applies to previous Claims Made Policies

Additional Endorsements applicable to Member:

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

Countersigned by:

Authorized Representative

Date: 9/26/2021

General Liability Schedule
Metropolitan District

Policy Number: POL-0008447
Named Member: Bradburn Metropolitan District No. 2

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

Code	Description	Unit	Amount	Effective Date	Expiration Date
1	1-Number of Skate Board Parks	Total	0.00	1/1/2022	12/31/2022
2	2-Number of Diving Boards	Total	0.00	1/1/2022	12/31/2022
3	3-Number of Water Slides	Total	0.00	1/1/2022	12/31/2022
4	4-Maximum Bond Issued	Dollars	5,332,000.00	1/1/2022	12/31/2022
5	5-Number of Bonds Issued	Total	2.00	1/1/2022	12/31/2022
20	20-Day Care Operations - Total Annual Payroll	Dollars	0.00	1/1/2022	12/31/2022
30	30-Number of EMT Personnel	Total	0.00	1/1/2022	12/31/2022
32	32-Paid Firefighters - (Not EMT)	Total	0.00	1/1/2022	12/31/2022
37	37-Pipe Line - Under Drain	Miles	0.00	1/1/2022	12/31/2022
39	39-Pipe Line	Miles	0.00	1/1/2022	12/31/2022
43	43-Pipe Line - Sewer / Storm Drainage Combined	Miles	0.00	1/1/2022	12/31/2022
50	50-Number of Teachers	Total	0.00	1/1/2022	12/31/2022
70	70-Number of Golf Courses	Total	0.00	1/1/2022	12/31/2022
80	80-Number of Go Cart Tracks	Total	0.00	1/1/2022	12/31/2022
98	98-Additional First Named Members	Total	0.00	1/1/2022	12/31/2022
105	105-Total Operating Expenses - Any other	Dollars	49,410.00	1/1/2022	12/31/2022
130	130-Total Operating Expenses - Park & Recreation	Dollars	0.00	1/1/2022	12/31/2022
131	131-Total Operating Expenses - Cemetery	Dollars	0.00	1/1/2022	12/31/2022
132	132-Total Operating Expenses - Soil & Water Conse	Dollars	0.00	1/1/2022	12/31/2022

133	133-Total Operating Expenses - Pest Control	Dollars	0.00	1/1/2022	12/31/2022
134	134-Total Operating Expenses - Hospital / Health	Dollars	0.00	1/1/2022	12/31/2022
135	135-Total Operating Expenses - Drainage	Dollars	0.00	1/1/2022	12/31/2022
136	136-Total Operating Expenses - Library	Dollars	0.00	1/1/2022	12/31/2022
137	137-Total Operating Expenses - Water Control	Dollars	0.00	1/1/2022	12/31/2022
138	138-Total Operating Expenses - Fire / Ambulance	Dollars	0.00	1/1/2022	12/31/2022
139	139-Total Operating Expenses - Water	Dollars	0.00	1/1/2022	12/31/2022
140	140-Total Operating Expenses - Irrigation	Dollars	0.00	1/1/2022	12/31/2022
141	141-Total Operating Expenses - Sanitation	Dollars	0.00	1/1/2022	12/31/2022
142	142-Total Operating Expenses - Transit	Dollars	0.00	1/1/2022	12/31/2022
143	143-Total Operating Expenses - Improvement	Dollars	0.00	1/1/2022	12/31/2022
151	151-Total Operating Expenses - Sanitation MW Discounted	Dollars	0.00	1/1/2022	12/31/2022
215	215-Buildings & Premises Occupied by District	Sq. Ft.	0.00	1/1/2022	12/31/2022
250	250-Number of Homes – Covenant Enforcement/Design Review Services under District Authority	Total	0.00	1/1/2022	12/31/2022
270	270-Number of Aboveground Storage Tanks (excluding water tanks)	Total	0.00	1/1/2022	12/31/2022
331	331-Number of Paid Firefighters - Full-Time	Total	0.00	1/1/2022	12/31/2022
332	332-Number of Paid Firefighters - Part-Time	Total	0.00	1/1/2022	12/31/2022
333	333-Number of Volunteer Firefighters	Total	0.00	1/1/2022	12/31/2022
334	334-Number of Paid EMT - Full-Time	Total	0.00	1/1/2022	12/31/2022
335	335-Number of Paid EMT - Part-Time	Total	0.00	1/1/2022	12/31/2022
341	341-Club/Recreation/Camp Volunteers	Total	0.00	1/1/2022	12/31/2022
342	342-Day Care Volunteers	Total	0.00	1/1/2022	12/31/2022
344	344-Event Organizer Volunteers	Total	0.00	1/1/2022	12/31/2022
345	345-General Volunteers	Total	0.00	1/1/2022	12/31/2022

348	348-Number of Board Members	Total	5.00	1/1/2022	12/31/2022
350	350-Number of Permanent Employees - Full-Time	Total	0.00	1/1/2022	12/31/2022
351	351-Number of Permanent Employees - Part-Time	Total	0.00	1/1/2022	12/31/2022
366	366-Total Payroll	Dollars	0.00	1/1/2022	12/31/2022
400	400-Class 1 Boats - Under 26'	Total	0.00	1/1/2022	12/31/2022
411	411-Total Water Delivered Annually - Millions of Gallons	MGAL	0.00	1/1/2022	12/31/2022
414	414-Playground/parks (Area)	Acres	0.00	1/1/2022	12/31/2022
415	415-Number of Grandstands/Stadiums	Total	0.00	1/1/2022	12/31/2022
420	420-Vacant Land	Acres	0.00	1/1/2022	12/31/2022
450	450-Miles of Road Maintained	Miles	0.00	1/1/2022	12/31/2022
522	522-Number of Ponds, Lakes & Reservoirs	Total	0.00	1/1/2022	12/31/2022
550	550-Fire Department Area Served	Sq Miles	0.00	1/1/2022	12/31/2022
671	671-Number of Parks	Total	0.00	1/1/2022	12/31/2022
710	710-Dams - Class 1 - Low Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2022	12/31/2022
712	712-Dams - Class 1 - Low Hazard - Number of Dams	Count	0.00	1/1/2022	12/31/2022
720	720-Dams - Class 2 - Med Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2022	12/31/2022
722	722-Dams - Class 2 - Med Hazard - Number of Dams	Count	0.00	1/1/2022	12/31/2022
730	730-Dams - Class 3 - High Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2022	12/31/2022
732	732-Dams - Class 3 - High Hazard - Number of Dams	Count	0.00	1/1/2022	12/31/2022
811	811-Number of Spillways	Total	0.00	1/1/2022	12/31/2022
900	900-Services Contracted out to Others	Dollars	47,684.00	1/1/2022	12/31/2022
924	924-Revenue from use of Swimming Pools	Dollars	0.00	1/1/2022	12/31/2022
925	925-Number of Swimming Pools	Total	0.00	1/1/2022	12/31/2022
945	945-Number of Sewage Taps	Total	0.00	1/1/2022	12/31/2022
946	946-Number of Water Mains or Connections	Total	0.00	1/1/2022	12/31/2022

947	947-Sewer and/or Sanitation Line Maintenance (budget)	Dollars	0.00	1/1/2022	12/31/2022
948	948-Water Line Maintenance (budget)	Dollars	0.00	1/1/2022	12/31/2022
997	997-Number of district sponsored Events/Fundraisers - No Alcohol Served	Total	0.00	1/1/2022	12/31/2022
998	998-Number of District sponsored Events/Fundraisers – With Alcohol Served	Total	0.00	1/1/2022	12/31/2022
999	999-Prior Acts Coverage Under a Previous “Claims Made” Policy	Premium	1,080.00	1/1/2022	12/31/2022

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

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

Bradburn Metropolitan District No. 2

Year	Contribution
2022	\$1,909.00
2021	\$1,910.00
Difference	-\$1.00
% Difference	-0.05%

General Liability	Contribution	TOE
Yr. 2022	\$520.00	\$49,410.00
Yr. 2021	\$520.00	\$49,410.00
Difference		\$0.00
% Difference		0.00%
Loss Ratio	0.00%	

Equipment Breakdown	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

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

Crime	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

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

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

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

Excess Liability	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Earthquake	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Flood	Contribution
Yr. 2022	\$0.00
Yr. 2021	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

No Fault	Contribution
Yr. 2022	\$29.00
Yr. 2021	\$30.00
Difference	-\$1.00
% Difference	-3.33%
Loss Ratio	0.00%

Excess Liability Options Proposal For 2022

This Proposal Does Not Bind Coverage

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

Named Member: Bradburn Metropolitan District No. 2

Certificate Number: POL-0008447

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

.

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

Sunday, September 26, 2021

Workers' Compensation Coverage Invoice

District: Bradburn Metropolitan District No. 2
2154 E. Commons Ave, Suite 2000
Centennial, CO 80122

Broker: T. Charles Wilson Insurance Service
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Coverage No.		Entity ID		Effective Date		Expiration Date		Invoice Date	
POL-0007071		60582		1/1/2022		EOD 12/31/2022		9/8/2021	
Class Code	Description	No. of Employees		No. of Volunteers	2022 Rate	2022 Estimated Employee Payroll	2022 Estimated Volunteer Payroll	Estimated Manual Contribution	
		FT	PT						
8811	Board Member Coverage	0	0	5	0.75		\$6,000	\$ 45.00	

Manual Contribution:		\$ 45.00
Experience Modification:	×	1.00
Modified Contribution:	=	\$ 45.00
Minimum Contribution:		\$ 450.00
Contribution Volume Credit:	-	\$ 0.00
Designated Provider Discount:	-	\$ 0.00
Cost Containment Credit:	×	1.00
Manual Adjustment:	×	
Multi-Program Discount:	×	1.00
Estimated Annual Contribution:	=	\$ 450.00
Pro Rata Factor:	×	1.00
Total Estimated Contribution:	=	\$ 450.00

Total Amount Due: **\$ 450.00**

Estimated payroll is subject to yearend audit.
Commission (9% first year and 6% thereafter) is paid to the broker reflected above.

Payment evidences "acceptance" of this coverage. The terms of the Intergovernmental Agreement (IGA) require timely payment to prevent automatic cancellation of coverage. Please return this invoice and reference the coverage number on your check to help us apply your payment correctly. Only prior notice to the board of directors of the Colorado Special Districts Property and Liability Pool and subsequent approval may extend cancellation provision.

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

Wire transfer available upon request.
Billing questions:
billing@csdpool.org
800-318-8870 ext. 3

Workers' Compensation and Employer's Liability Declarations Page

Coverage Number: POL-0007071
Coverage Period: 1/1/2022 — EOD 12/31/2022

FEIN: 84-1577921
Entity ID: 60582

Named Member:
Bradburn Metropolitan District No. 2
2154 E. Commons Ave, Suite 2000
Centennial, CO 80122

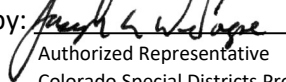
Broker of Record:
T. Charles Wilson Insurance Service
384 Inverness Parkway
Suite 170
Englewood, CO 80112

Coverage is provided for only those coverages and classifications indicated below.

State: Colorado
Limits of Liability: Coverage A Workers' Compensation Statutory
Coverage B Employer's Liability \$2,000,000
Annual Contribution: \$ 450.00

Class	Description	2022 Estimated Employee Payroll	2022 Estimated Volunteer Payroll
8811	Board Member Coverage		\$ 6,000

This Declarations page is made and is mutually accepted by the Pool and Named Member subject to all terms that are made a part of the Workers' Compensation Coverage Document. This Declarations page represents only a brief summary of coverages. Please refer to the Coverage Document at csdpool.org for actual coverages, terms, conditions, and exclusions. Named Member must be a member of the Special District Association of Colorado and must adopt the Pool's Intergovernmental Agreement.

Countersigned by: 
Authorized Representative
Colorado Special Districts Property and Liability Pool

Date: 9/8/2021



Payment Instructions

The annual contribution for this coverage has been rounded to the nearest whole dollar. The annual contribution for coverage with the Pool is due upon receipt of this invoice. To make a payment, please mail your check and a copy of your invoice to:

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

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

Colorado Special Districts Property and Liability Pool
c/o McGriff Insurance Services, Inc.
1800 SW 1st Ave, Suite 400
Portland, OR 97201

To ensure that your payment is accurately applied, please always include a copy of the invoice.

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

Finally, all members of the Pool must be members in good standing with the Special District Association of Colorado (SDA). Please visit the SDA website at sdaco.org for member information.

Please contact us at billing@csdpool.org or 800-318-8870 ext. 3 for billing questions.



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

Invoice # 9981		Page 1 of 1
Account Number		Date
BRADMET-02		10/8/2021
BALANCE DUE ON		
1/1/2022		
AMOUNT PAID		Amount Due
		\$495.00

Bradburn Metropolitan District #2
c/o White Bear Ankele Tanaka & Waldron
2154 E. Commons Ave. #2000
Centennial, CO 80122

Commercial Package	PolicyNumber: 0008447	Effective: 1/1/2022 to 1/1/2023
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Item #	Trans Eff Date	Due Date	Trans	Description	Amount
68141	1/1/2022	1/1/2022	FEEA	2022 Agency Fee	\$495.00
Total Invoice Balance:					\$495.00

2022 CSD Pool General Coverage Notes

Drones

We are seeing many Districts either purchase or entertain purchasing Drones. The CSD Pool now offers coverage. To trigger liability coverage, subject to a \$200,000 sublimit, for member owned drones, we will want to add the number of drones to the GL Schedule to account for the liability at no cost. If you would like physical damage for the Drone itself, you must add the drone to the inland marine schedule subject to a maximum limit of \$25,000. Please contact us if you have or are considering purchasing one, so that we may help you secure the appropriate Coverage.

Property Coverages:

Property Coverage applies only at the locations listed on the policy. Verify that all locations at which you have property are listed in the declarations.

If an item or location is not listed on the policy there is no coverage.

The limit of insurance is the amount you have listed on your schedule. Verify the limits of insurance for all lines of coverage (Building, Contents, Outdoor Property, EDP – Computer, and Business Income) are enough to cover a total loss to that item.

The sublimit for outdoor property was amended to include \$25,000 for Outdoor Property (permanently affixed structures or equipment) that is within 1,000 feet of a scheduled premise. Outdoor property includes exterior signs attached or detached, lighting, fencings, flagpoles, pavilions, park/playground entities, paved walkways, driveways or parking lots. The valuation for this property is **actual cash value**. To have replacement cost valuation, the outdoor property must be schedule on the property policy.

When scheduling property, keep in mind that items such as excavation, dirt work, and landscape mulch are not covered property or expenses. They are excluded under the land and land improvements exclusion.

Consider increasing property values.

Due to the recent spike in labor and material cost to the state of Colorado, we would recommend you consider increasing your property values to account for these increases and to help assure that in the event of a loss, your property is adequately covered.

Computer Coverage is provided with a \$250,000 sublimit. If you have more than \$250,000 of computer equipment, please let us know so that we can help you address the coverage. If you have less than \$250,000, you should not be scheduling the equipment as it may have a limiting effect on coverage.

Equipment Breakdown coverage is automatically included for scheduled buildings and business personal property. Coverage applies to outdoor property (NOC-not otherwise classified) only when specified on the schedule. If your outdoor property has electrical components please check the field "NOC Equipment Breakdown Applies" when updating your 2021 schedule. Please contact us if you need help with your property schedule.

Loss of Income and Extra Expense coverage is provided with a \$250,000 sublimit. If damage to one of your properties could cause you to lose in excess of \$250,000 of revenue or would increase your operating costs by over \$250,000, please let us know so that we can help you address the coverage.

Roofs and Hail

The Pool policy carries a 2% deductible for property losses caused by hail. Your deductible will be 2% of the value of the damaged property with a \$5,000 minimum and \$50,000 maximum deductible.

The Pool is offering a deductible buy down option to a flat \$5,000 hail deductible. For pricing, please let us know (last year it was about a 30% surcharge to building and not otherwise classified property premiums).

The Pool policy has a cosmetic damage waiver. The endorsement waives coverage for claims involving wind and hail damage to a roof that suffers only cosmetic damage. Cosmetic damage refers to scuffs and dents that do not affect the structural integrity of your roof and are not visible to patrons of your facility.

If the age of your District's roof exceeds the manufacturer's expected usage warranty, the Pool will assess the value of the roof on Actual Cash Value. Actual Cash Value is the cost to replace the roof less depreciation.

The Pool is adding a building vacancy provision to the property policy. The provision states losses to buildings that are vacant for more than 60 days will be valued at Actual Cash Value unless reasonable steps are taken to maintain heat in the building or the building was winterized prior to becoming vacant.

The Excess/Umbrella Liability policy does not provide coverage for damage to property owned by the District.

Flood coverage and additional flood coverage is available. Consider the Stafford Act when considering higher flood limits and whether or not to cover specific property. If you sustained flood damage, paid for by FEMA, the Act may prevent future FEMA payments should you incur damage to uninsured property for a second time.

There is a lot of development and construction in Colorado. Property in the course of construction is not automatically covered. If you have this exposure, please let us know so that we can help you obtain the appropriate coverage.

Inland Marine/Auto Coverages:

Any vehicle or piece of equipment that is licensed for use on the road needs to be scheduled on the Auto policy – in lieu of the Inland Marine policy. Please verify that all pieces of equipment such as Snowplows, ATVs, UTVs, etc. are itemized on the appropriate auto or inland marine schedule.

Auto Physical Damage Deductibles:

For Comprehensive and/or Collision claims, involving losses to more than 5 vehicles in a single occurrence, the deductible for the loss will be limited to the deductibles on the 5 vehicles with the largest deductibles.

Crime and Employee Dishonesty Coverage:

We find that many districts have elected to carry minimal limits (\$5,000 or \$10,000) of Employee Dishonesty Coverage. We are seeing a sharp increase in claims in this area and often these limits turn out to be too low. We highly recommend an increase in limits to a minimum of \$100,000.

For those with budgets in excess of \$1,000,000 we can provide you with a tool to help determine appropriate limits. Please contact us if you would like to review your Limit.

Third Party Accounting and Bookkeeping Services. Many Districts do not have employees, but instead employ a third party / independent contractor to handle their financials. As the service does not qualify as an employee, the POOLs Employee Dishonesty coverage will not cover the loss. The District needs to be sure the third party / independent contractor has their own Crime coverage in place, with Third-Party coverage for the District's protection. NOTE: There is no coverage for the entity owner, only for employees of the third party / independent contractor.

If you are dealing with a one person operation, a 'Designated Agent Addendum' is available through the POOL that can be added to the existing Crime policy, to provide protection from loss by the third party / independent contractor. The additional contribution to add the Designated Agent Addendum to the Crime policy starts at \$350 minimum. In order for the POOL to consider eligibility and provide a formal quote, they require a Designated Agent Questionnaire.

Fraudulent Impersonation Coverage sometimes referred to as Social Engineering pays for the voluntary parting of money and securities caused by fraudulent instruction. The limit for this coverage is the same as the employee dishonesty limit up to \$250,000. The deductible for this coverage is substantial at 20% of the Fraudulent Impersonation Limit.

Liability Coverages:

The Liability policy has a sublimit for Securities Claims. The annual limit is \$1,250,000 and that limit is reduced by the cost of defense.

Excess Liability – this coverage increases the limit of insurance available in any one occurrence for Liability Claims, Public Officials Liability Claims, Employment Practices Liability Claims, and Auto Liability Claims.

Employment Practices Liability – Similar to Crime Coverage, we are seeing an increase in claim activity from Employment Related Practices claims. The CSD Pool deductible is 50% of both loss and defense costs up to the point your portion reaches the deductible on your declarations page – Per Occurrence. The standard deductible is 50% up to \$100,000. We recommend consideration of lower deductible options.

No Fault Water and Sewer Back Up – Coverage includes a per residence/commercial occupancy limit of \$10,000 with a \$200,000 per occurrence aggregate limit. An all Member Pool coverage aggregate of \$1,000,000 also applies.

The CSD Pool has also contracted with ServPro to help homeowners address backups to their homes. ServPro is offering preferred pricing and expedited response services to CSD Pool customers. For information on this program, please contact us.

Pollution Liability – Water and Sewer Lines. If you want coverage for the release of pollutants from water or sewer lines, the lines must be scheduled on the property policy. **This would hold true for issues associated with lines that are located on your scheduled premises – they must be specifically schedule for coverage to apply.** We have very few lines scheduled, so it is very likely pollution coverage for your district would not apply to pollutant escape from your lines. We want you to be aware of this situation and are happy to get quotes for you to provide the coverage.

Above Ground Tanks – With the exception of water tanks, in order for **General Liability** coverage to apply to loss associated with a tank, the tanks must be noted on the liability schedule. If you have tanks (other than water), please make sure the appropriate number of tanks is listed on your General Liability schedule. For **Pollution Liability** (i.e. seepage of fuel from an above ground tank) to apply, the tanks must also be schedule on your property policy. Underground tanks are not covered and must be specifically underwritten separately, contact us for an application.

****Volunteer Accident Coverage** - If you list volunteers on your GL schedule, they will be provided accident coverage. The coverage is Excess of Health Insurance with a \$25,000 Limit and the cost is **\$1/Volunteer**. It also includes an AD&D component with limits from \$12,500-\$50,000 depending on the injury (2020 info, pending update).

****Changes for 2022**

Cyber Liability – A \$200,000 limit of liability (subject to a \$1,000,000 All Member maximum) is included in your policy. This is an automatic coverage designed to support smaller district and provide coverage for small losses for other Districts. We have numerous Districts and clients that have experienced cyber losses, such as hacking and ransomware, and we have seen claims nearing \$1,000,000. **We highly recommend considering higher limits. Please contact us to discuss.**

Sanitation Maintenance Warranty – For Districts with sanitation operations The Pool offers a discount on the general liability contribution associated with the sanitation operations. There is a requirement that you meet certain criteria at the time of loss with this program. Contact us to discuss the discount and program criteria.

Homeowners Association Functions – the CSD Pool requires that you identify the number of homes in your District for which the District is performing architectural control, design review, and/or covenant enforcement. There will be a charge for these operations.

Claims:

The timely reporting of claims is critical.

If you experience damage to your property, please make sure a claim is reported to Sedgwick prior to beginning any repair work. If you fix your property without giving the adjuster the opportunity to review the damages and the cause of damage they have the right to reject your claim. The caveat being that if the damage has the possibility of further damages, you must take steps to mitigate the further damage. Please take photos and document well. Should you have questions, please call us.

If there is the potential of a liability claim, you must notify Sedgwick of the circumstances surrounding the claim as soon as possible. If a formal written or verbal demand for damage is received, Sedgwick must be notified immediately.

Workers' Compensation Coverages:

Volunteers. The state statute prescribes coverage for certain type of volunteers, for Special Districts the only volunteer group we typically see covered by statute are Fire/EMS service providers. Those truly providing Fire and EMS services, not peripheral type services like you might see from an auxiliary (traffic assistance, food service, etc.).

If your volunteer group is not providing Fire or EMS services, they are very likely not covered.

The assumed minimum payroll for volunteer firefighters is \$2,500 per volunteer firefighter.

There has been significant discussion in how volunteer firefighter's lost wages are calculated in the event of an injury. If the volunteer does NOT receive a stipend, they would receive the State's weekly maximum wage (currently \$1023). In the event you stipend your volunteers, the CSD Pool currently basis their lost wage payment on that stipend. So, if your volunteer is stipend \$100 a month, they would receive 66% of \$25 (\$100 a month divided by 4 weeks) as their weekly wage replacement. Should the volunteer be unable to perform their other regular work, the wage replacement would be increased, up to the State's weekly maximum, to reflect lost wages from their other employment.

Out of State Operations. If any of your employees are working out of state or traveling to or through other states as part of their job – particularly to WY, WA, OH and ND – please call us to discuss additional steps necessary to make sure you are appropriately covered.

Workers' Compensation – Board Member Only Coverages :

****Board Member Only Coverage.** The annual minimum contribution for Board Member Only coverage will increase from \$400 to \$450.

Board Members. C.R.S. Section 8-40-202 (l)(B) requires coverage on board members unless an annual filing is made with the Division of Insurance 45 days ahead of the coverage term.

If a board member is injured, their wage replacement would be based on the compensation they receive for their board duties (typically \$100 a month). If they do not receive compensation for board duties, unlike a volunteer firefighter (who receive the State's weekly maximum) they would not receive any wage replacement. Should the board member be unable to perform their other regular work, the wage replacement would be increased, up to the State's weekly maximum, to reflect lost wages from their other employment.

Board Member Only coverage is designed to cover work-related injuries and illness for board members while in the course and scope of their duties as board members, which are administrative functions. Other job assignments outside of their normal administrative duties, such as occasionally working at a water or sewer plant, helping with landscape maintenance, meter reading, plowing snow, and so forth, are not considered to be duties to be performed by board members and may lead to denial of claims due to misrepresentation of a material exposure to loss. Any job functions not in the normal board member administrative scope must be reported to our agency for appropriate classification. An additional contribution will then be assessed based on assumed comparative wages to compensate for the inherent exposure of other duties being performed. Not reporting accurately may also affect prior years as the NCCI administrative rules allow for audits to be conducted and reconciled for corrected contribution payments for the prior three (3) years

****Changes for 2022**

BRADBURN METROPOLITAN DISTRICT NO. 2
ANNUAL ADMINISTRATIVE RESOLUTION
(2022)

WHEREAS, BRADBURN METROPOLITAN DISTRICT NO. 2 (the “**District**”) was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of Adams, Colorado (the “**County**”) and is located entirely within the City of Westminster, Colorado; and

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

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

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

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

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

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

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

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

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

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

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

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

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

12. The Board determines that each director shall not receive compensation for their services as directors subject to the limitations set forth in §§ 32-1-902(3)(a)(I) & (II), C.R.S.

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

Chairman/President:	Mark Falcone
Vice President:	Roger Pecsok
Treasurer:	Jennifer Walker
Secretary:	Lenn Moldenhauer
Recording Secretary:	Legal Counsel

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

be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections or deletions to said conflicts of interest disclosures.

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

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

17. The Board directs legal counsel to post notice of all regular and special meetings in accordance with § 32-1-903(2) and § 24-6-402(2)(c), C.R.S. The Board hereby designates, unless otherwise designated by the Board, intersection of Main Street and Osceola Street as the location where the District will post physical notice of meetings. If possible, the physical posting shall include specific agenda information.

18. The Board determines to hold regular meetings on the First Tuesday of June and December [Consider earlier meeting September/October], at 10:30 a.m. at 1881-16th Street, Fifth Floor, Denver, Colorado, and by telephone, electronic, or other means not including physical presence.

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

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

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

21. Pursuant to the authority set forth in § 1-1-111, C.R.S., the Board hereby appoints the Ashley B. Frisbie, of the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, as the Designated Election Official (the “DEO”) of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby

authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with § 1-13.5-513, C.R.S.

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

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

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

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

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

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

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

29. The Board hereby directs legal counsel to prepare the disclosure notice required by § 32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly.

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

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

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

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

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

ADOPTED this 7th day of December, 2021.

**BRADBURN
DISTRICT NO. 2**

METROPOLITAN

By: _____
Officer of the District

Attest:

By: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

CERTIFICATION OF RESOLUTION

I hereby certify that the foregoing constitutes a true and correct copy of the resolution of the Board adopted at a meeting held on December 7, 2021, at via teleconference.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of December, 2021.

Signature

Printed Name

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
BRADBURN METROPOLITAN DISTRICT NO. 2**

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

WHEREAS, the Bradburn Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

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

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

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

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

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

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

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

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

NOW, THEREFORE, the Board hereby RESOLVES as follows:

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

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

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

AND

Physical Meeting Location: 1881-16th Street
Fifth Floor
Denver, Colorado

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

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

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ADOPTED this 7th day of December, 2021.

BRADBURN METROPOLITAN DISTRICT NO. 2

Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

**RESOLUTION OF BOARD OF DIRECTORS
CALLING ELECTION**

BRADBURN METROPOLITAN DISTRICT NO. 2

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

At a meeting of the Board of Directors (the “**Board**”) of the Bradburn Metropolitan District No. 2 (the “**District**”), it was moved to adopt the following Resolution:

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

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

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

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

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

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

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

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

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

2. The Board names Ashley B. Frisbie of the law firm of White Bear Ankele Tanaka & Waldron as the Designated Election Official for the Election. The Designated Election Official shall

act as the primary contact with the County and shall be primarily responsible for ensuring the proper conduct of the Election.

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

- a. The Board hereby directs general counsel to the District to approve the final form of the ballot to be submitted to the eligible electors of the District and authorizes the Designated Election Official to certify those questions and take any required action therewith.
- b. The Board hereby determines that: in addition to emailing to each registered elector at the email address provided by the county, or if no email is provided, by mailing to the household of each registered elector, notice of the call for nominations will be provided by publication.
- c. The Board hereby directs general counsel to the District to oversee the general conduct of the Election and authorizes the Designated Election Official to take all action necessary for the proper conduct thereof and to exercise the authority of the Board in conducting the Election, including, but not limited to, causing the call for nominations; appointment, training and setting compensation of election judges and a board of canvassers, as necessary; all required notices of election, including notices required pursuant to TABOR; printing of ballots; supervision of the counting of ballots and certification of election results; and all other appropriate actions.

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

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

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

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

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ADOPTED THIS 7th DAY OF DECEMBER, 2021.

BRADBURN METROPOLITAN DISTRICT NO. 2

Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

Signature Page to Resolution Calling Election

WILLIAM P. ANKELE, JR.
JENNIFER GRUBER TANAKA
CLINT C. WALDRON
KRISTIN BOWERS TOMPKINS
ROBERT G. ROGERS
BLAIR M. DICKHONER
GEORGE M. ROWLEY

OF COUNSEL:
KRISTEN D. BEAR
K. SEAN ALLEN
TRISHA K. HARRIS



ZACHARY P. WHITE
HEATHER L. HARTUNG
MEGAN J. MURPHY
EVE M.G. VELASCO
LAURA S. HEINRICH
AUDREY G. JOHNSON
CAREY S. SMITH V
ERIN K. STUTZ

MEMORANDUM

FROM: WHITE BEAR ANKELE TANAKA & WALDRON

DATE: June 14, 2021

RE: Overview of 2021 Legislation and Recent Case Law Affecting Special Districts, Municipalities, and Community Associations

This year's Legislative Session officially wrapped up on June 8, 2021. As in past years we are providing a summary of the pertinent legislation impacting special districts, municipalities, and community associations. This year, we have also included a section on case law updates. If you would like more detailed information on any of the information contained herein, please let us know.

Those bills which have already been signed into law by the Governor are indicated below. Those bills which have not yet been signed by the Governor but which are included below have passed both chambers and will go to the Governor for his signature who has 30 days to sign the bill into law. The Governor can sign the bill (making it law); not sign the bill and allow it to become law without his approval; or veto the bill. The last day for the Governor to act on bills from the 2021 session is July 8, 2021. Any bills not signed or vetoed by that date will become law at 12:01 a.m. on July 9, 2021.

SPECIAL DISTRICTS AND/OR MUNICIPALITIES LEGISLATION

SB21-020 – Energy Equipment and Facility Property Tax Valuation (Signed by the Governor).

This bill is to ensure that clean energy resources and energy storage systems used to store electricity are assessed for valuation for property tax purposes in a manner similar to renewable energy facility property used to generate or deliver electricity.

The law takes effect September 6, 2021, if no referendum petition against it is filed.

SB21-064 – Retaliation Against an Elected Official (Signed by the Governor)

Under current law, there is a crime of retaliation against a judge if an individual makes a threat or commits an act of harassment or harm or injury as retaliation against a judge. This bill adds elected officials (which would include special district board members) and their families as persons against whom retaliation is a crime. Retaliation against an elected official is a class 1 misdemeanor unless committed by means of a credible threat, then it is a class 6 felony.

The law takes effect July 1, 2021, and applies to offenses committed on or after that date.

SB21-088 – Child Sexual Abuse Accountability Act

This bill creates a cause of action for minor victims of sexual assault against the actor who committed the sexual misconduct. A cause of action may also be brought against an organization that operates or manages a youth-related activity program. An organization will be liable if the sexual misconduct took place when the minor was participating in the youth-related activity program, and the organization knew or should have known that the actor who is an employee of the organization posed a risk and the organization failed to take action to address the risk. The cause of action created applies to public employees and public entities. It further applies retroactively and is available to a victim of sexual misconduct that occurred before, on, or after January 1, 2022.

If signed, the effective date is January 1, 2022.

SB21-252—Community Revitalization Grant Program

This bill establishes the community revitalization grant program to provide money awards to finance various projects across the state that are intended to create or revitalize mixed-use commercial centers to support creative projects in these commercial centers. The grant program is intended to support creative projects in these commercial centers for projects such as flexible live-work spaces for entrepreneurs, artists and people employed in creative industries; performance spaces; mixed-use retail and workforce housing partnerships; meeting spaces for community events; the renovation or refurbishment of vacant or blighted property for creative industries, economic development or historic preservation purposes; and child care centers. The Division of Creative Industries will administer the grant program in consultation with the Division of Local Government (DLG) in the Department of Local Affairs.

The bill also creates the community revitalization fund in the state treasury. On the effective date of the bill, the state treasurer is required to transfer \$65 million from the general fund to the community revitalization fund. All money transferred is to be used for either grant awards or the costs of administering the grant program.

The effective date will either be the date of the Governor's signature or July 9, 2021.

SB21-262—Special District Transparency

This bill addresses transparency for special districts by making the following amendments to various statutory provisions:

- Call for Nominations: Except for metropolitan districts organized after January 1, 2000, the bill requires local governments to provide notice of a call for nominations by publication and by one of the four (4) additional methods: mailing the notice to the address of the registered electors; including the notice as part of a newsletter, annual report, billing, or other informational mailing sent by the local government; posting on the official website of the local government; or for a local government with a population that meets a specific criteria, posting in at least three (3) public places and at the office of the county's clerk and recorder.
- In the case of any metropolitan district that was organized after January 1, 2000, the bill requires the notice of the call for nominations to be made by emailing the notice to each active registered elector of the metropolitan district as specified in the registration list provided by the county clerk and recorder as of the date that is 150 days prior to the date of the regular local government election. Where the active registered elector does not have an e-mail address on file for such purpose with the county clerk and recorder as of that date, the public notice must be made by mailing the notice, at the lowest cost option, to each address at which one or more active registered electors of the metropolitan district resides as specified in the registration list provided by the county clerk and recorder as of that date.
- In addition to the means of providing public notice of the call for nominations that is required under the bill, the bill also requires the designated election official to additionally provide public notice by any one of 4 alternate means as specified in the bill.
- Mandated Website: Requires, within 1 year of organization, a new metropolitan district to establish, maintain, and annually update an official website in a form that is readily accessible to the public that contains information including the names, terms and contact information for current directors; the current budget; the prior years' audited financial statements; the annual report; information regarding meetings; certified election results, posted no more than thirty (30) days after an election; current boundaries; and call for nominations. For any metropolitan district organized after January 1, 2000, but before January 1, 2022, the deadline to establish the website is January 1, 2023. Inactive special districts are exempt from the new requirements concerning maintenance of a district's website and a district's annual report, but shall comply with this section within ninety (90) days of the adoption of a resolution returning to active status
- Mandated Annual Report: Requires special districts to final a report by October 1 of each year containing the following information for the report year: boundary changes; intergovernmental agreements; information regarding rules and regulations; summary of litigation involving public improvements; status of construction of public improvements; the final assessed valuation as of December 31 of the reporting year; list of facilities conveyed to the County or Municipality; copy of audited financial statements; notice of uncured defaults; and information regarding any inability of the special district to pay its obligations.
- Limitation on Power of Dominant Eminent Domain: No metropolitan district may exercise its power of dominant eminent domain outside of the boundaries of the approving local

jurisdiction's boundaries without a written resolution from the jurisdiction where the property is located.

- Property Disclosure: Owners selling newly constructed residences within a metropolitan district must, concurrently with or prior to the execution of a contract, provide a written disclosure to the potential purchaser relating to information on the metropolitan district, including the service plan and associated mill levies authorized by the plan as well as the estimated future property taxes.

The law takes effect September 6, 2021, if no referendum petition against it is filed.

SB21-281—State Severance Tax Trust Fund Allocation

This bill requires metropolitan districts created after July 1, 2021, to annually pay the state an amount equal to the total of all severance tax ad valorem credits claimed for property taxes that are imposed by the metropolitan district. The bill further requires the office of state planning and budgeting and the departments of revenue, natural resources, education, and local affairs to review the state severance tax and to establish a stakeholder group to assist in preparation of recommendations for any changes to the severance tax.

SB21-293—Property Tax Classification and Assessment Rates

This bill concerns property taxation and establishes subclasses of residential and nonresidential property.

Section 1 of the bill repeals a moratorium on changing a ratio for valuation for assessment (assessment rate), which is the percentage applied to a property's actual value to determine the taxable amount upon which a mill levy is imposed.

Section 2 of the bill addresses agricultural property, lodging property, and renewable energy production property. The bill creates new subclasses of nonresidential property for these categories. The assessment rate for agricultural property and renewable energy production property is temporarily reduced from 29% to 26.4% for the next two (2) property tax years. As to lodging property, the law provides that if Initiative 27, the initiated measure to reduce the assessment rate for nonresidential property is approved by voters, then it would only apply to lodging property.

Section 3 of the bill classifies multi-family residential real property as a new subclass of residential real property. Again, it would restructure the law such that if Initiative 27, the initiated measure to reduce the residential assessment rate is approved by voters, then it would only apply to multi-family real property. If the initiative initiated measure fails or is not on the ballot, then, under Section 4, the assessment rate for multi-family residential real property is temporarily reduced from 7.15% to 6.8% for the next two (2) property tax years.

The assessment rate for all residential real property other than multi-family residential real property is temporarily reduced from 7.15% to 6.95% for the next two (2) property tax years.

Sections 5 through 8 expand the property tax deferral program to allow any person to defer the payment of the portion of real property taxes that exceed the tax-growth cap, which is an amount equal to the average of the person's real property taxes paid for the preceding two (2) property tax years for the same homestead, increased by 4.6%. The minimum amount a taxpayer may defer at one time under this authorization is \$100, and the total taxes that a taxpayer may defer is \$10,000. The taxpayer is treated like a person called into military service for purposes of the equity the person must have in the homestead to qualify for deferral and surviving-spouse eligibility.

Under Section 9, the governor's office, in consultation with the treasurer, is required to commission a study on the property tax deferral program and make recommendations for possible changes to the general assembly by January 1, 2022. Section 10 requires assessors to include information about the assessment rates that apply to the various classes of property, which is prepared by the property tax administrator, along with the notices of valuation that are sent in 2022. Sections 11 through 13 make conforming amendments related to the new classifications or assessment rates.

The proposed bill addresses the potential effects of Initiative 27 (discussed below). If Initiative 27 is approved, then pursuant to this bill, it would only lower the property tax rate for lodging and multi-family buildings, instead of lowering taxes for all residential properties.

HB21-1025 – Nonsubstantive Emails and Open Meetings Law (Signed by the Governor)

This bill clarifies that e-mail communication between elected officials (such as e-mails between board members of a special district) that do not relate to the merits of pending legislation or other public business is not a meeting for open meeting law purposes. Likewise, e-mails regarding scheduling and availability, and e-mails from an elected official forwarding information, responding to an inquiry from someone who is not a member of the public body (i.e., not a member of the board of directors), or posing a question for later discussion, are not meetings relative to the open meetings law. The bill defines the term "merits or substance" to mean any discussion, debate, or exchange of ideas, either generally or specifically, related to the essence of any public policy proposition, specific proposal, or any other matter being considered by the governing entity.

The law takes effect September 6, 2021, if no referendum petition against it is filed. The law applies to all electronic mail communication sent on or after the effective date.

HB21-1051 – Public Information Applicants for Public Employment (Signed by the Governor)

A state or local public body searching for a chief executive officer must name one or more candidates as finalists, and must make the list of such finalists public at least fourteen days prior to making an offer of employment. The application materials of any employment candidate (not just those applying for an executive position) who is not a finalist are not open to inspection under CORA. The bill repeals a provision requiring that, if three (3) or fewer candidates for an executive position meet the minimum requirements for the position, all of those candidates must be treated as finalists and their application materials are public records. The bill requires the disclosure of demographic data concerning the race and gender of a candidate who was interviewed but not named as a finalist for a chief executive officer position, if that information was legally requested and voluntarily provided.

The law takes effect September 6, 2021, if no referendum petition against it is filed.

This law was in response to the holding in *Prairie Mountain Publishing Co. LLP d/b/a Daily Camera v. Regents of the University of Colorado*, a case published on March 4, 2021, discussed in the Case Law Updates section below.

HB21-1061 – Residential Land Property Tax Classification (Signed by the Governor).

This bill modifies the definition of “residential land” for purposes of tax classification as the same relates to contiguous parcels of land under common ownership. As modified, a parcel of land will be deemed to be residential land if (1) it has the identical owner as a contiguous parcel of land and (2) has an improvement thereon that is essential to the use of a residential improvement located on the contiguous parcel.

The law takes effect September 6, 2021, if no referendum petition against it is filed.

HB21-1110 – Colorado Laws for Person with Disabilities

This bill provides that public entities, which are defined to include special districts, cannot exclude or deny benefits to persons with a disability in relation to services, programs, or activities of the public entity. Specifically, the bill requires websites of public entities to comply with accessibility guidelines established by the office of information technology for individuals with disabilities. The accessibility standards will use the most recent web content accessibility guidelines promulgated and published by the world wide web consortium web accessibility initiative or the international accessibility guidelines working group. The bill directs each public entity, on or before July 1, 2022, to submit its written accessibility plan to the office of information technology. Any public entity that is not in full compliance by July 1, 2024, is in violation of the state's laws concerning discrimination against individuals with a disability.

The effective date will either be the date of the Governor’s signature or July 9, 2021.

HB21-1168 – Historically Underutilized Businesses Local Government Procurement (Signed by the Governor).

This bill requires the Department of Local Affairs to establish a pilot program to help local governments identify perceptual and substantial barriers to entry for historically underutilized businesses in local government procurement no later than August 13, 2021. The bill defines a historically underutilized business as a business that is at least 51% owned and controlled, in both the management and day-to-day business decisions, by one or more individuals who are: members of a racial or ethnic minority group; non-Hispanic Caucasian women; persons with physical or mental disabilities; members of the lesbian, gay, bisexual, and transgender community; or Veterans. The Department of Local Affairs must include the summarized data from the pilot project with its committee of reference as a hearing held pursuant to the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act.

The effective date of the law is June 7, 2021.

HB21-1267—County Authority to Delegate Mill Levy Certification (Signed by the Governor)

This bill requires the board of county commissioners (“BOCC”) or other taxing authority to hold a formal hearing before the county assessor to certify levies against taxable property. The bill gives the BOCC the option to authorize the levies by written approval rather than by formal hearing and to delegate the certification process to staff or other authorized parties.

The law takes effect September 6, 2021, if no referendum petition against it is filed.

HB21-1278—Special District Meeting Requirements

This bill clarifies what qualifies as a meeting and a location for purposes of the special district board meetings. The bill also prohibits a challenge to special district board meetings which were held virtually before the effective date of the bill.

The bill provides that meetings may be held electronically by teleconferencing platform or other means and applies retroactively thus validating and ratifying virtual meetings conducted during the course of the pandemic.

The effective date will either be the date of the Governor’s signature or July 9, 2021.

COMMUNITY ASSOCIATIONS LEGISLATION

SB21-002 – Extending Limitations on Debt Collection Actions (Signed by the Governor)

Last year, the legislature passed a bill that placed limitations on the ability of creditors to take “extraordinary collection actions” (i.e., actions or proceedings in the nature of an attachment, garnishment, levy or execution) against debtors.

This law extended those limitations through June 1, 2021.

HB21-1229 – Home Owners’ Associations Governance Funding Record Keeping

This bill increases requirements for disclosure and transparency for homeowner associations. Among other things, this bill would require an HOA to maintain and keep available to unit owners, as part of its official records:

- A list of the HOA's current fees chargeable upon sale of a home in the community; and
- Other information currently required to be disclosed annually under existing law, including financial statements, reserve fund balances, insurance policies, and meeting minutes.

If access to the association records described above are not provided within 30 calendar days after a request was submitted by certified mail, the HOA is liable for a penalty of \$50 per day for not providing them.

The bill also addresses the requirement that HOAs allow installation of renewable energy generation devices (e.g., solar panels) subject to reasonable aesthetic guidelines by adding language that requires approval or denial of a completed application within 60 days and requiring approval if imposition of the aesthetic guidelines would result in more than a 10% reduction in efficiency or a 10% increase in price.

The bill specifically includes non-vegetative turf grass (also known as artificial turf) among the types of drought-tolerant landscaping materials that the HOA may regulate but not prohibit in the backyard area of a unit.

If signed, the law will take effect September 6, 2021, provided no referendum petition against it is filed.

HB21-1310—Homeowners’ Association Regulation of Flags and Signs

This bill is intended to simplify the regulations and statutory criteria regarding the display of flags and political signs. The bill would require an HOA to permit the display of any noncommercial flag or sign at any time, subject only to reasonable, content-neutral limitations such as the number, size, or placement of the flags or signs.

If signed, the law will take effect September 6, 2021, provided no referendum petition against it is filed.

ELECTIONS LEGISLATION

SB21-160 – Modification to Local Government Election Code (Signed by the Governor).

This bill clarifies and cleans up several provisions in the current statutes related to special district elections, including:

- Specifying all instances in which a county assessor provides the list of property owners for an election
- Clarifying that, when computing time for any designated period of dates for a local government election, the first day of the period is excluded and the last day is included
- Specifying that a candidate’s self-nomination form must include the county where the special district is located
- Clarifying that the candidate’s and witness’ addresses and phone numbers and the candidate’s e-mail address on the self-nomination form need not be printed by the candidate and the witness
- Clarifying that ballots may be automatically sent to eligible electors who are qualified under purchase and sale contracts

- Setting forth a process for establishing director districts, which allows for members of a special district's board of directors to be elected from each director district at large or by the electors within each director district.

The law takes effect September 6, 2021, if no referendum petition against it is filed.

SB21-188: Ballot Access for Voters with Disabilities (Signed by the Governor)

This bill allows a voter with a disability using an electronic voting device to either print a ballot or return the ballot by electronic transmission if printing the ballot is not feasible. Regardless of the method of return, the bill specifies that to be valid, a ballot must include a signed affidavit or a copy of an acceptable form of identification and must be received by the election official in the applicable jurisdiction before the close of polls on the day of the election. The bill also requires the secretary of state to establish an electronic transmission system through which a voter with a disability may request and return a ballot.

The law takes effect September 6, 2021, if no referendum petition against it is filed.

HB21-1011 – Multilingual Ballot Access for Voters

The bill requires the Secretary of State to establish a multilingual ballot hotline to provide access to translators or interpreters. Additionally, the Clerk and Recorder of a county must create a minority language sample ballot and provide in-person minority language ballots in minority languages spoken in the county meeting certain criteria.

The effective date will either be the date of the Governor's signature or July 9, 2021.

HB21-1071 – Ranked Choice Voting in Nonpartisan Elections

This bill allows a municipality to refer a municipal election using instant runoff voting (ranked choice voting) to be conducted as a coordinated election. The bill also addresses requirements that must be met for voting systems relative to the same.

If signed, the law would take effect July 1, 2022.

COVID-19 RELATED LEGISLATION

SB21-288—American Rescue Plan Act (Signed by the Governor)

The American Rescue Plan Act is federal legislation which includes \$360 billion in aid for states, territories, tribes, counties, and cities, all of which will have the authority to transfer relief funding to special districts. Funds can be used to, among other things, provide government services affected by a revenue reduction during the pandemic and to make necessary investments in water and sewer infrastructure.

SB21-291—Economic Recovery and Relief Cash Fund

This bill concerns the transfer of forty (40) million dollars to the Colorado economic development fund for the purpose of providing grants to businesses and for investing in economic development opportunities in response to the negative economic impacts of the COVID-19 pandemic.

The bill creates the economic recovery and relief cash fund (fund) which consists of money deposited in the fund from the "American Rescue Plan Act of 2021" cash fund. The bill allows the general assembly to appropriate or transfer money for specified uses. Of the \$40 million transferred to the Colorado economic development fund, \$10 million will be used to incentivize small businesses to locate in rural Colorado as well as for the location neutral employment incentive program which provides cash incentives for remote employees hired by small businesses in designated rural areas of the state. The remaining appropriated money must be used to provide grants to small businesses or to undertake any other economic development activity in response to the negative economic impacts of the COVID-19 pandemic.

This act takes effect only if Senate Bill 21-288 becomes law, and, in which case, this act takes effect either 18 upon the effective date of this act or one day after the passage of Senate Bill 21-288, whichever is later.

HB21-1191 – Prohibit Discrimination COVID-19 Vaccine Status

This bill prohibits employers from taking adverse action against an employee or applicant for employment based on the person's COVID-19 immunization status. The bill also provides that the COVID-19 vaccine is not mandatory, and that government agencies and private businesses cannot discriminate against clients, patrons, or customers based on their COVID-19 vaccination status.

The effective date will either be the date of the Governor's signature or July 9, 2021.

OTHER LEGISLATION

SB21-054 – Transfers for Wildfire Mitigation and Response (Signed by the Governor)

This bill requires the State Treasurer to transfer certain amounts from the general fund to various cash funds to be used toward wildfire mitigation and response purposes.

The effective date is March 21, 2021.

SB21-113 – Firefighting Aircraft Wildfire Management and Response (Signed by the Governor)

This bill directs the State Treasurer to transfer funds to the Colorado firefighting air corps fund to the purchase and leasing of certain helicopters for wildfire mitigation purposes.

The effective date is March 21, 2021.

SB21-190—Protect Personal Data Privacy

This bill creates personal data privacy rights and applies to legal entities that conduct business or produce products or services that are intentionally targeted to Colorado residents and that either: control or process personal data of more than 100,000 consumers per year; or derive revenue from the sale of personal data. It does not apply to personal data governed by certain state and federal laws, activities or employment records. The bill gives consumers the right to opt out of the processing of their personal data; access, correct, or delete the data; or obtain a portable copy of the data. The provisions of the bill may only be enforced by the attorney general or district attorneys.

If signed, the law would take effect July 1, 2023.

HB21-1008 – Forest Health Project Financing (Signed by the Governor)

This bill authorizes special districts, as well as other governmental entities, to participate in and finance forest health projects. It also allows legal governmental entities to create a separate legal entity via contract (special improvement district) to provide forest health projects, and to levy special assessments to provide such forest health project services.

The effective date is May 20, 2021.

HB21-1050 – Workers’ Compensation

This bill amends the Workers’ Compensation Act of Colorado by making changes that affect the timely payment of benefits, guardian ad litem and conservator services, benefit offsets related to the receipt of federal disability or retirement benefits, the reduction of benefits based on apportionment, the selection of independent medical examiners, limits on temporary disability and permanent partial disability payments, the withdrawal of admissions of liability, mileage expense reimbursement, the authority of prehearing administrative law judges, the reopening of permanent total disability awards, and petitions for review and appeals of orders.

If signed, the law will take effect September 6, 2021, provided no referendum petition against it is filed.

HB21-1108 – Gender Identity Expression Anti-Discrimination (Signed by the Governor)

This bill amends the definition of “sexual orientation” and adds definitions of the terms “gender expression” and “gender identity” to statutes prohibiting discrimination against members of a protected class, including statutes related to housing practices and places of public accommodation.

The law takes effect September 6, 2021, if no referendum petition against it is filed.

HB21-1117 – Local Government Authority Promote Affordable Housing Units (Signed by the Governor)

This bill clarifies that cities and counties have the ability, as part of the authority to plan and regulate the use of land, to regulate development and redevelopment to promote the construction of new affordable housing units. The bill also states that it should not be construed to authorize a

local government to adopt or enforce any ordinance or regulation that would have the effect of controlling rent on any existing private residential housing unit in violation of the existing statutory prohibition on rent control.

If signed, the law will take effect September 6, 2021, provided no referendum petition against it is filed.

HB21-1224—Modification to Statutes Governing Foreclosure of Real Property (Signed by the Governor)

This bill requires that any overbid (i.e., excess amount above the value of the lien on the property) be paid to the person liable under the related evidence of debt constituting a mortgage loan or deed of trust.

The effective date is May 28, 2021.

HB21-1312—Insurance Premium Property Sales Severance Tax

This bill makes changes to several state and local government taxes. It would narrow the scope of the home office insurance premium tax rate reduction such that a company would have to have at least 2.5% of its total domestic workforce in the state in order for the company to be deemed to maintain a home office or regional home office. The bill would also narrow the tax exemption for annuities considerations to those that are purchased in connection with a qualified retirement plan, a Roth 401(k), or an individual retirement account. For the purpose of auditing a company's tax statement, the bill would authorize the commissioner of insurance to appoint an independent examiner to conduct an examination on behalf of the commissioner.

As to property tax, the bill would require the actual value of real property to reflect the value of the fee simple estate. And as to personal property, the actual value of personal property would be determined based on the property's value in use, which will be defined by the property tax administrator. For the next property tax cycle, the bill increases the exemption from property tax for business personal property from \$7,900 to \$50,000.

The bill would also codify the Department of Revenue's treatment of digital goods to mean "any item of tangible personal property that is delivered or stored by digital means, including but not limited to video, music, or electronic books." The bill further specifies that the state sales tax applies to amounts charged for mainframe computer access, photocopying, and packing and crating.

The bill eliminates the vendor fee (i.e., the compensation for the retailer's expenses incurred in collecting and remitting a sales tax) for any filing period that the retailer's total taxable sales were greater than \$1 million. In regard to the severance taxes on oil and gas, the bill limits the netback deductions to direct costs actually paid by the taxpayer.

Finally, on coal production, the bill would phase out the quarterly exemptions and tax credits.

If signed, the law will take effect July 1, 2021, except that section 11 will take effect on January 1, 2022.

HB21-HJR1002 – Water Projects Eligibility Lists (Signed by the Governor)

This resolution relates to the Drinking Water Revolving Fund (which provides financial assistance for certain drinking water supply projects) and the Water Pollution Control Revolving Fund (which provides financial assistance for certain water pollution control projects). Proposed projects must be included on the applicable list in order to obtain funding. This resolution sets out proposed modifications and additions to the projects on each list.

The effective date is March 21, 2021.

PROPOSED BALLOT INITIATIVE

Initiative 2021-2022 #27-- Unofficially captioned "Property Tax Assessment Rate Reduction and Voter-Approved Revenue Change"

The text of Proposed Ballot Initiative 27 would reduce the residential property tax assessment rate from 7.15% to 6.5% and the non-residential property tax assessment rate from 29% to 26.4% with authorization to retain and spend 25 million per year for five (5) years credited to homestead exemptions.

CASE LAW UPDATES

Prairie Mountain Publishing Co. LLP, d/b/a Daily Camera v. Regents of the University of Colorado

This case involved a Colorado Open Records Act (CORA) request made by Prairie Mountain Publishing Company, LLP, d/b/s Daily Camera (the “Daily Camera”) to the University of Colorado (CU). CU was in the process of searching for and selecting someone to fill the position of CU’s president. CU received over one hundred applications for the position, and thereafter narrowed the potential candidates and conducted interviews. After the final round of interviews, which included six final candidates, CU publicly announced that there was only one finalist, who then went through a public vetting process and was ultimately appointed to the position by the CU Board of Regents.

CORA requires the disclosure of the “finalists” for executive positions of a state agency, institution or political subdivision or agency thereof, which finalists are a member of the final group of applicants or candidates made public pursuant to 24-6-204(3.5).

The Court held that a finalist is who the appointing entity says is the finalist, unless you have three or fewer applicants, then all.

HB21-1051 – Public Information Applicants for Public Employment addressed the issues analyzed in the *Prairie* case and revised the relevant statutory provisions so that under the new law a state or local public body searching for a chief executive officer must name one or more candidates as finalists, and must make the list of such finalists public at least fourteen days prior to making an offer of employment. Moreover, the law now provides that if three (3) or fewer candidates for an executive position meet the minimum requirements for the position, all of those candidates must be treated as finalists and their application materials are public records.

WILLIAM P. ANKELE, JR.
JENNIFER GRUBER TANAKA
CLINT C. WALDRON
KRISTIN BOWERS TOMPKINS
ROBERT G. ROGERS
BLAIR M. DICKHONER
GEORGE M. ROWLEY



OF COUNSEL:
KRISTEN D. BEAR
K. SEAN ALLEN
TRISHA K. HARRIS
ZACHARY P. WHITE
HEATHER L. HARTUNG
MEGAN J. MURPHY

EVE M. G. VELASCO
AUDREY G. JOHNSON
CAREY S. SMITH V
ERIN K. STUTZ
JON L. WAGNER

MEMORANDUM

TO: Bradburn Metropolitan District No. 2
FROM: White Bear Ankele Tanka & Waldron
DATE: December 7, 2021
RE: Website Proposal, Heather Sosa

Effective January 2, 2022, the Colorado Revised Statutes of §32-1-104.5 C.R.S. state within one year of the date an Order and Decree has been issued by a District Court for a newly organized Metropolitan District, or by January 1, 2023, for any Metropolitan District that has received an Order and Decree from the District Court in connect with its organization after January 1, 2000, but before January 1, 2022, the Metropolitan District shall establish, maintain, and unless otherwise specified, annually update an office website in a form that is readable accessible to the public that contains information listed in the §32-1-104.5 C.R.S. In addition Effective August 2, 2019, the Districts can post notices of public meetings on a public website of the Districts in compliance with §24-6-402, C.R.S.

Per these orders WBA recommends Heather Creative for website services. The proposal from Heather Sosa is attached to this Memo and the pricing is as follows:

- : Website Creation - \$950 billed at the end of the project
- : Training - \$50/hour billed in 15-minute increments
- : Maintenance - \$150 billed quarterly

Heather Sosa can start working on the District website as soon as her proposal is authorized. The estimated turnaround time for the website is one month after authorized.

Here are links to websites Heather Sosa has created for other projects:

<https://trailsatcrowfootmetrodistrict.com/>
<https://sabellmetrodistrict.com/>

The proposal **does not include** website domain purchase, hosting and WBA costs to maintain. We have provided a breakdown of the estimated costs below for the additional charges:

- : **DOMAIN:**
 - o **NAME:** bradburnmetrodistrict2.com

- **TERM:** 10 Year Term = Total of \$246.83
- : **HOSTING:** WordPress Ultimate Packet – 36 Month Term/3 Years = \$467.64

: **ESTIMATED COST OVERVIEW WITH ALL COSTS:**

Contact	Item	Cost	Quantity	Total
Heather Sosa	Build and Development of Website	\$ 950.00	1	\$ 950.00
	Quarterly Maintenance (Recommended)	\$ 150.00	4	\$ 600.00
	New Development (Optional - see contract) \$50/hour	\$ 50.00	0	\$ -
	Training (Optional - see contract): \$50/hour	\$ 50.00	0	\$ -
GoDaddy.com	Website Domain & Full Domain Privacy Protection (Total for 10 Years)	\$ 246.83	1	\$ 246.83
	Website Hosting - WordPress Ultimate Package (Total for 3 Years)	\$ 467.64	1	\$ 467.64
	Total			\$2,264.47
	Please note the following: Estimate for domain and protection is a 10 year term and hosting for a 3 year term Estimate does not include any White Bear Ankele Tanka & Waldron Billing Estimate does not include taxes Estimate is based off of the most recent costs on GoDaddy.com, although these rates can change			

: **DOMAIN**

Below you will find a breakdown of costs with a 1 year, 2, year, 3 year, 5 year and 10 year option. **We recommend doing the 10 year term** as this removes the possibility of the domain cost going higher and locks the District into a great rate. When you purchase the WordPress you will also get 1 year free of the domain.

Year	Cost Per Year	Renewal Cost	Total	Full Privacy Protection	Domain & Total
1	\$ 11.99	Renews at \$17.99/yr	\$ 11.99	\$ 9.99	\$ 21.98
2	\$ 11.99	Renews at \$17.99/yr	\$ 29.98	\$ 19.98	\$ 49.96
3	\$ 11.99	Renews at \$17.99/yr	\$ 47.97	\$ 29.97	\$ 77.94
5	\$ 11.99	Renews at \$17.99/yr	\$ 83.95	\$ 49.95	\$ 133.90
10 (Recommend)	\$ 11.99 (First Year Free)	Renews at \$17.99/yr	\$ 146.93	\$ 99.90	\$ 246.83

: **HOSTING**

Concerning hosting options, the recommendation and alternative options are as follows:

Platform: WordPress

Recommend Package: Ultimate

Recommend Cost/Term: \$12.99/month for 36 months/3 Years = \$467.64 + tax

You can view the other packages below, although we **recommend the Ultimate for the additional storage, additional visitors (each time you go to the website, you are a visitor) and most importantly, Malware removal which provides security and protection for the District.**

WordPress Package Options



Managed WordPress

Basic	Deluxe	Ultimate
A great way to get started.	Get more visitors with integrated SEO tools.	More sites. More storage. More security.
As low as \$6.99/mo On sale - Save 30% <small>\$9.99/mo when you renew</small>	As low as \$9.99/mo On sale - Save 33% <small>\$14.99/mo when you renew</small>	As low as \$12.99/mo On sale - Save 35% <small>\$19.99/mo when you renew</small>
<ul style="list-style-type: none">1 WordPress site10 GB SSD storage25,000 monthly visitorsFree fully-built themes to customize	<ul style="list-style-type: none">1 WordPress site15 GB SSD storage100,000 monthly visitorsFree fully-built themes to customizeSEO ToolsStaging site for testing	<ul style="list-style-type: none">2 WordPress sites30 GB SSD storage400,000 monthly visitorsFree fully-built themes to customizeSEO ToolsStaging site for testingMalware removal

WordPress Terms

6 months	\$24.99/mo	
12 months	\$19.99/mo	\$17.99/mo
24 months	\$19.99/mo	\$13.99/mo
36 months	\$19.99/mo	\$12.99/mo
48 months	\$19.99/mo	\$12.99/mo
60 months	\$19.99/mo	\$12.99/mo
120 months	\$19.99/mo	\$12.99/mo

BRADBURN METROPOLITAN DISTRICT NO. 2 CONTRACT

Name of Contractor/Provider/Consultant: Heather Sosa

Title of Agreement/Contract: Design new website for the Bradburn Metropolitan District No. 2 on the Wordpress platform and on-going maintenance of the website.

Agreement/Contract Date: December 7, 2021

This Contract ("Agreement") is made by and between **Bradburn Metropolitan District No. 2**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District") and the above-referenced contractor, provider, or other consultant (the "Contractor").

Introduction. The District and the Contractor desire to enter into this Contract to be effective the date above.

1. Scope of Services. The Contractor shall perform the services set forth in **Exhibit A** (the "Services"): (a) in a first-class manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period specified in the Agreement; (c) in such a manner as to minimize any annoyance, interference or disruption to the residents, tenants, occupants and invitees within the District; and (d) in compliance with all applicable federal, state, county and local or municipal statutes, ordinances and regulations.

2. Compensation of Services. Compensation for the Services provided under this Agreement shall be provided in accordance with the compensation schedule attached hereto as **Exhibit A**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided herein, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Exhibit A may take any form. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in Exhibit A, the terms in the body of this Agreement shall govern.

3. Repairs/Claims. The Contractor shall notify the District immediately, in writing, of any and all incidents/accidents which result in injury or property damage. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to District property caused by the Contractor or its employees, agents or equipment.

4. Independent Contractor. The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor is not entitled to workers' compensation benefits or unemployment insurance benefits and the District will not provide any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives. The Contractor shall have full power and authority to select the means, manner and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained.

5. Prohibitions on Public Contracts for Services. The Contractor shall comply with the provisions of §§ 8-17.5-101, *et seq.*, C.R.S., and certifies that Contractor is in compliance with the provisions of this law as evidenced by Contractor's signature below. Contractor's violation of the requirements of §§ 8-17.5-101, *et seq.*, C.R.S. is grounds for termination of the Agreement and may subject the Contractor to actual and consequential damages.

The Contractor affirmatively makes the follow declarations:

a. The Contractor shall not knowingly employ or contract with an illegal alien who will perform work under the public contract for services contemplated in the Agreement and will participate in the E-

Verify Program or Department Program (as defined in §8-17.5-101, C.R.S.) in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services contemplated herein.

b. The Contractor shall not knowingly enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform the services contemplated in the Agreement.

c. The Contractor has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services through participation in either the E-Verify Program or the Department Program.

d. The Contractor is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is being performed.

e. If the Contractor obtains actual knowledge that a subcontractor performing the services under the Agreement knowingly employs or contracts with an illegal alien, the Contractor shall be required to:

i. Notify the subcontractor and the District within three (3) days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien.

ii. Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required above the subcontractor does not stop employing or contracting with the illegal alien; except that the Contractor shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

f. The Contractor shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that such Department is undertaking pursuant to the authority established in §8-17.5-102, C.R.S.

6. Contractor's Insurance. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of the Agreement, the following insurance coverage: (i) Standard worker's compensation and employer's liability insurance covering all employees of Contractor involved with the performance of the services, with policy amounts and coverage in compliance with law; (ii) Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 general aggregate (iii) Comprehensive Automobile Liability Insurance covering all owned, non-owned and hired automobiles used in connection with the performance of the services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage, and (iv) any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations; nor shall the purchase of the required insurance serve to limit the Contractor's liability. The Contractor shall be responsible for the payment of any deductibles on issued policies.

7. Indemnification. The Contractor shall defend, indemnify and hold harmless the District and each of its directors, officers, contractors, employees, agents and consultants, from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses, including legal expenses and attorneys' fees, arising directly or indirectly out of the errors or omissions, negligence, willful misconduct, or

any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents or employees. The Contractor is not obligated to indemnify the District for the District's own negligence. This indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation or benefits payable by or for the Contractor under worker's compensation acts, disability acts or other employee benefit acts. Such indemnity shall survive the expiration or termination of this Agreement. To the extent the District is or may be obligated to indemnify, defend, or hold Contractor harmless under the terms of the Agreement, any such indemnification obligation shall arise only to the extent permitted by applicable law and shall be limited solely to sums lawfully appropriated for such purpose in accordance with this Agreement.

8. Termination. This Agreement may be terminated by either party for cause or for convenience upon ten (10) days prior written notice to the other party. If the Agreement is terminated, the Contractor shall be paid for all Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business.

9. Governing Law / Disputes. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions shall be in the District Court in and for the county in which the District is located.

10. Subject to Annual Appropriation and Budget. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The obligations of the District under this Agreement is subject to annual budgeting and appropriations, and the Contractor expressly understands and agrees that the decision whether or not to budget and appropriate funds is within the discretion of District's governing body, and the obligations of the District shall extend only to monies appropriated for the purposes of this Agreement and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. The District and Contractor understand and intend that the Districts' obligation to make payments and pay other amounts due under the Agreement shall constitute a current expense and shall not in any way be construed to be a debt in contravention of any applicable constitutional or statutory limitations or requirements.

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

12. Remedies. To the extent the Contractor's remedies for a District default under the Agreement include any right to accelerate amounts to become due under the Agreement, such acceleration shall be limited solely to sums lawfully appropriated for such purpose and shall further be limited to amounts to become due during the District's then current fiscal period.

13. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

14. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

15. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the matters addressed herein, and shall supersede all prior oral or written negotiations, understandings and commitments.

16. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

District:	Contractor:
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

Exhibit A

Scope of Services/Compensation Schedule

To whom it may concern,

Here is my proposal for the general Metropolitan District website project.

- **Project Outline:** Design and develop new website for the Metropolitan District or Homeowners Association on the Wordpress platform.
- **Scope:**
 - Set-up, design, and development of a new website design on an easy-to-use content management system (Wordpress).
 - An Unlimited number of pages and email campaign system integration (MailChimp).
 - Community activity calendar and news/blog feature for community updates.
- **Rate:** \$950.00, billed at the end of the project
- **Terms:** Payment is due within 30 days of completion of the project (launch of the website).
The Metro District Board will have full administrator access to this Wordpress website.
- **Training:** training and training materials on Wordpress for the Board is available and will be billed separately at an hourly rate \$50/hour (billed in 15-minute increments). This is due within 30 days of completion of the project.
- **Maintenance:** On-going maintenance for the “health” of the website (security updates, back-ups, plug-in updates) is highly recommended to keep your website secure and working as expected. This billed quarterly at a rate of \$150.
- **New Development:** New feature development for anything beyond the scope of this proposal, including updating content such as meeting minutes and budgets, is available at a rate of \$50/hour (billed in 15-minute increments). This is billed quarterly.

I don't handle the web hosting side of things, so you will need to purchase a plan with a hosting company and website domain. I also recommend you purchase a security certificate (SSL Certificate) to ensure the security of your website. Sometimes these are included, depending on the hosting plan you select.

Sincerely,
Heather Sosa
720-635-6286
heatherlsosa@gmail.com
Heatherly Creative, LLC

BRADBURN METROPOLITAN DISTRICT #2

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

BRADBURN METROPOLITAN DISTRICT #2
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	General	Debt Service	Total
ASSETS			
Cash - Checking	\$ 3,014	\$ -	\$ 3,014
Colotrust	87,801	4,975	92,776
UMB 2018A Reserve Fund	-	324,125	324,125
UMB 2018A Senior Bond Fund	-	109,681	109,681
Receivable from County Treasurer	2,226	29,967	32,193
Prepaid insurance	2,359	-	2,359
UMB 2018A Surplus Fund	-	1,145,224	1,145,224
UMB 2018B Subordinate Bonds	-	1	1
TOTAL ASSETS	<u><u>\$ 95,400</u></u>	<u><u>\$ 1,613,973</u></u>	<u><u>\$ 1,709,373</u></u>
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 3,922	\$ -	\$ 3,922
Total Liabilities	<u>3,922</u>	<u>-</u>	<u>3,922</u>
FUND BALANCES			
Total Fund Balances	<u>91,478</u>	<u>1,613,973</u>	<u>1,705,451</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 95,400</u></u>	<u><u>\$ 1,613,973</u></u>	<u><u>\$ 1,709,373</u></u>

These financial statements should be read only in connection with the accompanying accountant's compilation report.

BRADBURN METROPOLITAN DISTRICT #2
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Interest income	\$ 210	\$ 108	\$ (102)
Property taxes	83,634	82,312	(1,322)
TOTAL REVENUES	<u>83,844</u>	<u>82,420</u>	<u>(1,424)</u>
EXPENDITURES			
Accounting	26,500	17,217	9,283
Auditing	5,460	5,200	260
Contingency	8,014	-	8,014
County Treasurer's fee	1,255	1,236	19
Dues and licenses	571	319	252
Insurance and bonds	5,900	3,105	2,795
Legal services	22,000	6,405	15,595
Miscellaneous	300	33	267
TOTAL EXPENDITURES	<u>70,000</u>	<u>33,515</u>	<u>36,485</u>
NET CHANGE IN FUND BALANCES	13,844	48,905	35,061
FUND BALANCES - BEGINNING	<u>35,086</u>	<u>42,572</u>	<u>7,486</u>
FUND BALANCES - ENDING	<u>\$ 48,930</u>	<u>\$ 91,477</u>	<u>\$ 42,547</u>

These financial statements should be read only in connection with the accompanying accountant's compilation report.

SUPPLEMENTARY INFORMATION

BRADBURN METROPOLITAN DISTRICT #2
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

DEBT SERVICE FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Interest income	\$ 5,000	\$ 531	\$ (4,469)
Property taxes	836,384	823,166	(13,218)
Specific ownership tax	64,401	58,699	(5,702)
TOTAL REVENUES	<u>905,785</u>	<u>882,396</u>	<u>(23,389)</u>
EXPENDITURES			
Bond Interest - Series 2018A	464,000	232,000	232,000
Bond interest - Series 2018B	250,000	-	250,000
Bond principal - Series 2018	180,000	-	180,000
Contingency	5,454	-	5,454
County Treasurer's fee	12,546	12,361	185
Paying agent fees	8,000	9,333	(1,333)
TOTAL EXPENDITURES	<u>920,000</u>	<u>253,694</u>	<u>666,306</u>
NET CHANGE IN FUND BALANCES	(14,215)	628,702	642,917
FUND BALANCES - BEGINNING	<u>1,018,793</u>	<u>985,271</u>	<u>(33,522)</u>
FUND BALANCES - ENDING	<u>\$ 1,004,578</u>	<u>\$ 1,613,973</u>	<u>\$ 609,395</u>

BRADBURN METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized to provide construction, installation, financing and operation of public improvements, including water, wastewater, streets, park and recreation facilities, and other improvements needed for the District. The District was organized in conjunction with two other related districts, Bradburn Metropolitan District No. 1 and Bradburn Metropolitan District No. 3. Under the Consolidated Service Plan, as amended by a Second Modification dated August 22, 2016, District No. 1 is the Operating District, District No. 2 is the Financing District, and District No. 3 operates as an independent district. The District's service area is located entirely within the City of Westminster, Adams County, Colorado.

The District was formed by Court Order on November 28, 2000, with its formation election held on November 7, 2000. The election approved general obligation indebtedness of \$8,000,000 for street improvements, \$1,000,000 for traffic safety, \$5,500,000 for parks and recreation, \$2,500,000 for water supply system, \$2,500,000 for sanitary sewer system, \$1,000,000 for television relay system, \$1,000,000 for public transportation, \$500,000 for mosquito control, \$26,000,000 for debt associated with intergovernmental contracts, \$23,500,000 for refinancing of District debt, and \$2,500,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$100,000 for general operations and maintenance, and \$2,500,000 in revenues other than ad valorem taxes.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

In 2019 Bradburn Metropolitan District No. 1 ("The District") started the dissolution process. Pursuant to the District's Service Plan approved by the City on September 11, 2000, as subsequently amended, subsequent to the financing and construction of the public improvements set forth in the Service Plan and upon the full payment or discharge of all its outstanding indebtedness and other financial obligations and upon completion of construction of all services and facilities, the District is to undertake effort for dissolution. A majority of all of the members of the Board of Directors deem it to be in the best interest of the District that it be dissolving. The District provides no services within its boundaries and all services authorized to be provided by the District are provided by Bradburn Metropolitan District No. 2 and Bradburn Metropolitan District No. 3, and as a result, no plan for the continuation of the District's services is necessary. The District does not have any outstanding bonds or other financial obligations, and possesses no assets requiring disposition prior to dissolution. Upon dissolution, the District's Board of Directors will immediately and permanently dissolve and none of members thereof will continue in the office.

In 2019 Bradburn Metropolitan District No. 2 started to operate as an independent district.

BRADBURN METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2021, the adjusted maximum mill levy for debt service is 57.523 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County.

The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected by the District. The specific ownership taxes are pledged for the repayment of bonds; therefore, they are reported in the Debt Service Fund.

Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.5%.

Expenditures

General and administration Expenditures

General and administration expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting, and other administrative expenses.

Debt Service

Principal and interest payments due this year are provided based on the debt amortization schedule from the Series 2018A Bonds (discussed under Debt and Leases).

BRADBURN METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases

Series 2018 General Obligation Bonds

On March 14, 2018, the District issued the 2018 Bonds in the par amounts of \$10,120,000 for the 2018A Senior Bonds, \$2,988,000 for the 2018B Subordinate Bonds, and \$3,271,000 for the 2018C Junior Lien Bonds. Proceeds of the 2018A Senior Bonds were applied to (i) pay the costs of refunding the District's General Obligation Bonds (Limited Tax Convertible to Unlimited Tax), Series 2004 and Supplemental General Obligation Limited Tax Bonds, Series 2004; (ii) finance or reimburse the costs of public improvements related to the development; (iii) fund the Senior Reserve Fund; and (iv) pay the costs of issuing the 2018 Bonds. Proceeds from the sale of the 2018B Subordinate Bonds were applied to (i) finance or reimburse public improvements related to the development; and (ii) pay other costs in connection with the issuance of the 2018B Subordinate Bonds. Proceeds from the 2018C Junior Lien Bonds were applied to pay and cancel obligations of the District to the Developer under Reimbursement Agreements.

The Senior Bonds are issued as term bonds that bear interest at 4.00% and 5.00%, and are payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2018. The Senior Bonds mature on December 1, 2047.

The Subordinate Bonds are issued at the rate of 7.25% per annum and are payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2047. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. In the event any amount of principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer be due and outstanding.

The 2018C Junior Lien Bonds bear interest at the rate of 7.50% per annum and is payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2051. The 2018C Junior Lien Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. In the event any amount of principal or interest on the 2018C Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer due and outstanding. In no event shall any principal, interest or Mandatory Redemption Price be paid on the 2018C Junior Lien Bonds until such time as there has been paid in full or defeased the 2018B Subordinate Bonds, and, to the extent required by the applicable Senior/Subordinate Obligation Indentures, any other Senior/Subordinated Obligations issued by the District.

At the end of the year 2018 the District accepted all of the remaining long-term liabilities from Bradburn Metropolitan District No. 1 in preparation for the Bradburn Metropolitan District No. 1 dissolution.

BRADBURN METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases (continued)

	Balance - December 31, 2019	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2020	Current Portion
2018A - \$10,120,000					
G.O. Bonds	\$ 9,790,000	\$ -	\$ 175,000	\$ 9,615,000	\$ 180,000
Subordinate Bonds	2,988,000	-	-	2,988,000	-
Accrued interest -					
2018B Subordinate Bonds	402,416	245,016	82,900	564,532	-
2018C - \$3,271,000					
Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued interest -					
2018C Junior Lien Bonds	456,234	279,543	-	735,777	-
Developer Advance - Operation	143,100	-	143,100	-	-
Accrued interest - Operation	214,710	-	-	214,710	-
Accrued interest - Capital	844,177	-	1,900	842,277	-
Total	<u>\$ 18,109,637</u>	<u>\$ 524,559</u>	<u>\$ 402,900</u>	<u>\$ 18,231,296</u>	<u>\$ 180,000</u>

	Balance - December 31, 2020	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2021	Current Portion
2018A - \$10,120,000					
G.O. Bonds	\$ 9,615,000	\$ -	\$ 180,000	\$ 9,435,000	\$ 190,000
Subordinate Bonds	2,988,000	-	-	2,988,000	-
Accrued interest -					
2018B Subordinate Bonds	564,532	256,769	250,000	571,301	-
2018C - \$3,271,000					
Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued interest -					
2018C Junior Lien Bonds	735,777	299,510	-	1,035,287	-
Developer Advance - Operation	214,710	-	-	214,710	-
Developer Advance - Capital	842,277	-	-	842,277	-
Total	<u>\$ 18,231,296</u>	<u>\$ 556,279</u>	<u>\$ 430,000</u>	<u>\$ 18,357,575</u>	<u>\$ 190,000</u>

This district has no operating or capital leases.

BRADBURN METROPOLITAN DISTRICT NO. 2
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2021, as defined under TABOR.

Debt Service Reserve

The District maintains a Debt Service Reserve as required with the issuance of the Series 2018A Bonds.

BRADBURN METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

\$10,120,000 General Obligation Refunding and Improvement Bonds Limited Tax (Convertible to Unlimited Tax) Series 2018A Dated March 14, 2018 Interest Rate 4.000% - 5.000% Due June 1 and December 1 Principal Due December 1				Total General Obligation Debt
Year Ended December 31,	Principal	Interest		
2021	\$ 180,000	\$ 464,000	\$	644,000
2022	190,000	456,800		646,800
2023	195,000	449,200		644,200
2024	205,000	441,400		646,400
2025	215,000	433,200		648,200
2026	220,000	424,600		644,600
2027	230,000	415,800		645,800
2028	240,000	406,600		646,600
2029	250,000	397,000		647,000
2030	260,000	384,500		644,500
2031	275,000	371,500		646,500
2032	290,000	357,750		647,750
2033	305,000	343,250		648,250
2034	320,000	328,000		648,000
2035	335,000	312,000		647,000
2036	350,000	295,250		645,250
2037	370,000	277,750		647,750
2038	385,000	259,250		644,250
2039	405,000	240,000		645,000
2040	425,000	219,750		644,750
2041	445,000	198,500		643,500
2042	470,000	176,250		646,250
2043	495,000	152,750		647,750
2044	520,000	128,000		648,000
2045	545,000	102,000		647,000
2046	570,000	74,750		644,750
2047	925,000	46,250		971,250
	\$ 9,615,000	\$ 8,156,100	\$	17,771,100

The Subordinate Bonds Series 2018B and 2018C are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

Bradburn Metropolitan District #2
Property Taxes Reconciliation
2021

Current Year										Prior Year		
Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Amount Due to County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
							Monthly	Y-T-D		Monthly	Y-T-D	
\$ -	\$ (5,384.38)	\$ 5,422.17	\$ (511.52)	\$ 80.77	\$ (392.96)	\$ -	-0.59%	-0.59%	\$ 5,451.75	0.00%	0.00%	
360,803.86	-	7,018.92	-	(5,412.06)	392.96	362,017.76	39.22%	38.63%	325,863.52	35.07%	35.07%	
30,874.60	-	6,078.27	-	(463.12)	-	36,489.75	3.36%	41.99%	47,242.19	4.66%	39.73%	
123,238.83	-	7,519.52	-	(1,848.59)	-	128,909.76	13.40%	55.38%	260,177.31	28.16%	67.89%	
211,040.16	-	6,573.95	-	(3,165.60)	-	214,448.51	22.94%	78.32%	24,320.43	1.86%	69.75%	
160,995.02	-	5,499.47	30.23	(2,415.37)	-	164,109.35	17.50%	95.82%	171,765.23	18.31%	88.05%	
-	-	5,841.03	-	-	-	5,841.03	0.00%	95.82%	45,820.47	4.23%	92.29%	
-	-	7,042.52	-	-	-	7,042.52	0.00%	95.82%	54,429.80	5.25%	97.53%	
23,910.17	-	7,702.77	952.93	(372.94)	-	32,192.93	2.60%	98.42%	27,867.37	2.31%	99.84%	
-	-	-	-	-	-	-	0.00%	98.42%	6,181.40	0.01%	99.85%	
-	-	-	-	-	-	-	0.00%	98.42%	6,330.15	0.00%	99.85%	
-	-	-	-	-	-	-	0.00%	98.42%	5,072.25	0.00%	99.85%	
\$ 910,862.64	\$ (5,384.38)	\$ 58,698.62	\$ 471.64	\$ (13,596.91)	\$ (0.00)	\$ 951,051.61	98.42%	98.42%	\$ 980,521.87	99.85%	99.85%	

Property Tax

General Fund	\$ 83,634	9.09%	\$ 82,312.27	98.42%
Debt Service Fund	\$ 836,384	90.91%	823,165.99	98.42%
	<u>\$ 920,018</u>	<u>100.00%</u>	<u>\$ 905,478.26</u>	<u>98.42%</u>

Mills Levied	Assessed Value
5.752	\$ 14,540,000
<u>57.523</u>	
<u>63.275</u>	

Specific Ownership Tax

Debt Service Fund	\$ 64,401	100.00%	58,698.62	91.15%
	<u>\$ 64,401</u>	<u>100.00%</u>	<u>\$ 58,698.62</u>	<u>91.15%</u>

Treasurer's Fees

General Fund	\$ 1,255	9.09%	\$ 1,236.02	98.49%
Debt Service Fund	\$ 12,546	90.91%	12,360.89	98.52%
	<u>\$ 13,801</u>	<u>100.00%</u>	<u>\$ 13,596.91</u>	<u>98.52%</u>

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

Bradburn Metropolitan District #2**Check List**

All Bank Accounts

November 7, 2020 - December 5, 2021

INTERIM CHECKS

Check Number	Check Date	Payee	Amount
Vendor Checks			
1029	12/08/20	CliftonLarsonAllen, LLP	4,099.59
1030	12/08/20	Colorado Special Districts Property and Liab Pool	1,910.00
1031	12/08/20	T. Charles Wilson	495.00
1032	12/08/20	White Bear Ankele Tanaka & Waldron	2,461.62
1033	02/22/21	CliftonLarsonAllen, LLP	6,376.23
1034	02/22/21	White Bear Ankele Tanaka & Waldron	6,729.73
1035	05/17/21	CliftonLarsonAllen, LLP	6,700.52
1036	05/17/21	Fiscal Focus Partners, LLC	5,200.00
1037	05/17/21	Special District Assoc of CO	318.75
1038	05/17/21	White Bear Ankele Tanaka & Waldron	1,893.70
1039	07/20/21	CliftonLarsonAllen, LLP	4,464.77
1040	07/20/21	White Bear Ankele Tanaka & Waldron	2,211.73
1041	09/23/21	CliftonLarsonAllen, LLP	3,186.93
1042	09/23/21	RLI Surety	250.00
1043	09/23/21	White Bear Ankele Tanaka & Waldron	665.75
1044	10/25/21	CliftonLarsonAllen, LLP	1,415.93
1045	10/25/21	Colorado Special Districts Property and Liab Pool	2,359.00
1046	10/25/21	T. Charles Wilson	495.00
1047	10/25/21	White Bear Ankele Tanaka & Waldron	146.58
1048	11/18/21	CliftonLarsonAllen, LLP	2,188.75
1049	11/18/21	White Bear Ankele Tanaka & Waldron	316.73
Vendor Check Total			<u>53,886.31</u>
Check List Total			<u><u>53,886.31</u></u>

**RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**

(2022)

The Board of Directors of Bradburn Metropolitan District No. 2 (the “**Board**”), City of Westminster, Colorado (the “**District**”) held a special meeting via teleconference on Tuesday, December 7, 2021, at the hour of 2:30 P.M.

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

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NOTICE AS TO PROPOSED 2022 BUDGET

Colorado Community Media
750 W. Hampden Ave. Suite 225
Englewood, CO 80110

Bradburn MetroDist.(wba) **
c/o White, Bear & Ankele P.C.
2154 E. Commons Ave, Suite 2000
Centennial CO 80122

Description: No. 708299 PROPOSED 2022 BUDGET

AFFIDAVIT OF PUBLICATION

State of Colorado }
County of Adams } ss

This Affidavit of Publication for the Westminster Window, a weekly newspaper, printed and published for the County of Adams, State of Colorado, hereby certifies that the attached legal notice was published in said newspaper once in each week, for 1 successive week(s), the last of which publication was made 11/18/2021, and that copies of each number of said paper in which said Public Notice was published were delivered by carriers or transmitted by mail to each of the subscribers of said paper, according to their accustomed mode of business in this office.



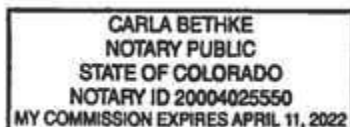
For the Westminster Window

State of Colorado }
County of Adams } ss

The above Affidavit and Certificate of Publication was subscribed and sworn to before me by the above named Linda Shapley, publisher of said newspaper, who is personally known to me to be the identical person in the above certificate on 11/18/2021. Linda Shapley has verified to me that she has adopted an electronic signature to function as her signature on this document.

20004025550-268430

Carla Bethke
Notary Public
My commission ends April 11, 2022



Public Notice

NOTICE OF PUBLIC HEARING ON THE AMENDED 2021 BUDGET AND NOTICE OF PUBLIC HEARING ON THE PROPOSED 2022 BUDGET

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of the BRADBURN METROPOLITAN DISTRICT NO. 2 (the "District"), will hold a meeting via teleconference on **Tuesday, December 7, 2021 at 2:30 P.M.**, for the purpose of conducting such business as may come before the Board including a public hearing on the 2021 amended budget (the "Amended Budget") and 2022 proposed budget (the "Proposed Budget"). This meeting can be joined using the following teleconference information:

Link:
<https://us06web.zoom.us/j/88120320475?pwd=TmRGb1JzSi9RUnljWUJheUhqajVUdz09>

Meeting ID: 881 2032 0475
Passcode: 948105

NOTICE IS FURTHER GIVEN that Amended Budget and Proposed Budget have been submitted to the District. A copy of the Amended Budget and the Proposed Budget are on file in the office of CliftonLarsonAllen LLP, 8390 E Crescent Parkway, Suite 300, Greenwood Village, Colorado, where the same are open for public inspection.

Any interested elector of the District may file any objections to the Amended Budget and Proposed Budget at any time prior to final adoption of the Amended Budget and Proposed Budget by the Boards. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

BY ORDER OF THE BOARD OF DIRECTORS:
BRADBURN METROPOLITAN DISTRICT
NO. 2

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

Legal Notice No. 708299
First Publication: November 18, 2021
Last Publication: November 18, 2021
Publisher: Westminster Window

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

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

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

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 7, 2021, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

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

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

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2022 budget year, there is hereby levied a tax of 5.752 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

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

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

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

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

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

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

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

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

[Remainder of page intentionally left blank.]

ADOPTED THIS 7th DAY OF DECEMBER, 2021.

BRADBURN METROPOLITAN DISTRICT NO. 2

Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

STATE OF COLORADO
COUNTY OF ADAMS
BRADBURN METROPOLITAN DISTRICT NO. 2

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Tuesday, December 7, 2021, via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of December, 2021.

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

BRADBURN METROPOLITAN DISTRICT NO. 2
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2022

BRADBURN METROPOLITAN DISTRICT NO. 2
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/5/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 873,987	\$ 1,053,879	\$ 1,027,843	\$ 1,027,843	\$ 1,052,922
REVENUE					
Property taxes	925,228	920,018	905,478	920,018	1,013,712
Specific ownership tax	68,001	64,401	58,699	64,401	70,960
Interest income	4,592	5,210	639	660	1,020
Development fees	145,000	-	-	-	-
Total revenue	1,142,821	989,629	964,816	985,079	1,085,692
Total funds available	2,016,808	2,043,508	1,992,659	2,012,922	2,138,614
EXPENDITURES					
General Fund	207,276	70,000	33,515	60,000	70,000
Debt Service Fund	781,689	920,000	253,694	900,000	995,000
Total expenditures	988,965	990,000	287,209	960,000	1,065,000
Total expenditures and transfers out requiring appropriation	988,965	990,000	287,209	960,000	1,065,000
ENDING FUND BALANCES	\$ 1,027,843	\$ 1,053,508	\$ 1,705,450	\$ 1,052,922	\$ 1,073,614
EMERGENCY RESERVE	\$ 2,600	\$ 2,600	\$ 2,500	\$ 2,500	\$ 2,800
SURPLUS FUND	648,250	648,250	648,250	648,250	648,250
SENIOR RESERVE FUND	324,125	324,125	324,125	324,125	324,125
DEBT SERVICE FUND BALANCE	12,897	32,203	641,598	14,231	12,702
TOTAL RESERVE	\$ 987,872	\$ 1,007,178	\$ 1,616,473	\$ 989,106	\$ 987,877

No assurance provided. See summary of significant assumptions.

BRADBURN METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/5/21

ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
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ASSESSED VALUATION - ADAMS COUNTY

Residential	\$ 6,026,770	\$ 6,033,560	\$ 6,033,560	\$ 6,033,560	\$ 7,399,130
Commercial	6,792,040	6,778,210	6,778,210	6,778,210	6,957,800
State assessed	820	820	820	820	1,340
Vacant land	391,860	391,860	391,860	391,860	391,860
Personal property	1,450,470	1,335,550	1,335,550	1,335,550	1,270,610
Certified Assessed Value	<u>\$ 14,661,960</u>	<u>\$ 14,540,000</u>	<u>\$ 14,540,000</u>	<u>\$ 14,540,000</u>	<u>\$ 16,020,740</u>

MILL LEVY

General	5.745	5.752	5.752	5.752	5.752
Debt Service	57.452	57.523	57.523	57.523	57.523
Total mill levy	<u>63.197</u>	<u>63.275</u>	<u>63.275</u>	<u>63.275</u>	<u>63.275</u>

PROPERTY TAXES

General	\$ 84,233	\$ 83,634	\$ 83,634	\$ 83,634	\$ 92,151
Debt Service	842,359	836,384	836,384	836,384	921,561
Levied property taxes	<u>926,591</u>	<u>920,018</u>	<u>920,018</u>	<u>920,018</u>	<u>1,013,712</u>
Adjustments to actual/rounding	(1,363)	-	(14,540)	-	-
Budgeted property taxes	<u>\$ 925,228</u>	<u>\$ 920,018</u>	<u>\$ 905,478</u>	<u>\$ 920,018</u>	<u>\$ 1,013,712</u>

BUDGETED PROPERTY TAXES

General	\$ 84,109	\$ 83,634	\$ 82,312	\$ 83,634	\$ 92,151
Debt Service	841,119	836,384	823,166	836,384	921,561
	<u>\$ 925,228</u>	<u>\$ 920,018</u>	<u>\$ 905,478</u>	<u>\$ 920,018</u>	<u>\$ 1,013,712</u>

No assurance provided. See summary of significant assumptions.

BRADBURN METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/5/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 20,253	\$ 35,086	\$ 42,572	\$ 42,572	\$ 66,316
REVENUE					
Property taxes	84,109	83,634	82,312	83,634	92,151
Interest income	486	210	108	110	70
Development fees	145,000	-	-	-	-
Total revenue	229,595	83,844	82,420	83,744	92,221
Total funds available	249,848	118,930	124,992	126,316	158,537
EXPENDITURES					
General and administrative					
Accounting	24,753	26,500	17,217	26,500	29,150
Auditing	5,200	5,460	5,200	5,200	5,600
County Treasurer's fee	1,263	1,255	1,236	1,255	1,382
Dues and licenses	544	571	319	319	500
Election expense	1,950	-	-	-	2,000
Insurance and bonds	5,550	5,900	3,105	3,105	2,854
Legal services	23,016	22,000	6,405	15,000	22,000
Miscellaneous	-	300	33	300	300
Contingency	-	8,014	-	8,321	6,214
Capital					
Repay developer advance	127,500	-	-	-	-
Repay development fees	17,500	-	-	-	-
Total expenditures	207,276	70,000	33,515	60,000	70,000
Total expenditures and transfers out requiring appropriation	207,276	70,000	33,515	60,000	70,000
ENDING FUND BALANCE	\$ 42,572	\$ 48,930	\$ 91,477	\$ 66,316	\$ 88,537
EMERGENCY RESERVE	\$ 2,600	\$ 2,600	\$ 2,500	\$ 2,500	\$ 2,800
TOTAL RESERVE	\$ 2,600	\$ 2,600	\$ 2,500	\$ 2,500	\$ 2,800

No assurance provided. See summary of significant assumptions.

BRADBURN METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

12/5/21

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCE	\$ 853,734	\$ 1,018,793	\$ 985,271	\$ 985,271	\$ 986,606
REVENUE					
Property taxes	841,119	836,384	823,166	836,384	921,561
Specific ownership tax	68,001	64,401	58,699	64,401	70,960
Interest income	4,106	5,000	531	550	950
Total revenue	913,226	905,785	882,396	901,335	993,471
Total funds available	1,766,960	1,924,578	1,867,667	1,886,606	1,980,077
EXPENDITURES					
General and administrative					
County Treasurer's fee	12,633	12,546	12,361	24,044	13,823
Paying agent fees	8,000	8,000	9,333	9,333	8,000
Contingency	-	5,454	-	4,623	6,377
Debt Service					
Bond Interest - Series 2018A	471,000	464,000	232,000	464,000	456,800
Bond interest - Series 2018B	115,056	250,000	-	218,000	320,000
Bond Principal - Series 2018A	175,000	180,000	-	180,000	190,000
Total expenditures	781,689	920,000	253,694	900,000	995,000
Total expenditures and transfers out requiring appropriation	781,689	920,000	253,694	900,000	995,000
ENDING FUND BALANCE	\$ 985,271	\$ 1,004,578	\$ 1,613,973	\$ 986,606	\$ 985,077
SURPLUS FUND	\$ 648,250	\$ 648,250	\$ 648,250	\$ 648,250	\$ 648,250
SENIOR RESERVE FUND	324,125	324,125	324,125	324,125	324,125
DEBT SERVICE FUND BALANCE	12,897	32,203	641,598	14,231	12,702
TOTAL RESERVE	\$ 985,271	\$ 1,004,578	\$ 1,613,973	\$ 986,606	\$ 985,077

No assurance provided. See summary of significant assumptions.

BRADBURN METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized to provide construction, installation, financing and operation of public improvements, including water, wastewater, streets, park and recreation facilities, and other improvements needed for the District. The District was organized in conjunction with two other related districts, Bradburn Metropolitan District No. 1 and Bradburn Metropolitan District No. 3. Under the Consolidated Service Plan, as amended by a Second Modification dated August 22, 2016, District No. 1 is the Operating District, District No. 2 is the Financing District, and District No. 3 operates as an independent district. The District's service area is located entirely within the City of Westminster, Adams County, Colorado.

The District was formed by Court Order on November 28, 2000, with its formation election held on November 7, 2000. The election approved general obligation indebtedness of \$8,000,000 for street improvements, \$1,000,000 for traffic safety, \$5,500,000 for parks and recreation, \$2,500,000 for water supply system, \$2,500,000 for sanitary sewer system, \$1,000,000 for television relay system, \$1,000,000 for public transportation, \$500,000 for mosquito control, \$26,000,000 for debt associated with intergovernmental contracts, \$23,500,000 for refinancing of District debt, and \$2,500,000 for general operations and maintenance. The election also approved an annual increase in taxes of \$100,000 for general operations and maintenance, and \$2,500,000 in revenues other than ad valorem taxes.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

In 2019 Bradburn Metropolitan District No. 1 ("The District") started the dissolution process. Pursuant to the District's Service Plan approved by the City on September 11, 2000, as subsequently amended, subsequent to the financing and construction of the public improvements set forth in the Service Plan and upon the full payment or discharge of all its outstanding indebtedness and other financial obligations and upon completion of construction of all services and facilities, the District is to undertake effort for dissolution. A majority of all of the members of the Board of Directors deem it to be in the best interest of the District that it be dissolving. The District provides no services within its boundaries and all services authorized to be provided by the District are provided by Bradburn Metropolitan District No. 2 and Bradburn Metropolitan District No. 3, and as a result, no plan for the continuation of the District's services is necessary. The District does not have any outstanding bonds or other financial obligations, and possesses no assets requiring disposition prior to dissolution. Upon dissolution, the District's Board of Directors will immediately and permanently dissolve and none of members thereof will continue in the office.

In 2019 Bradburn Metropolitan District No. 2 started to operate as an independent district.

BRADBURN METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's maximum Required Mill Levy is 50.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable. As of December 31, 2022, the adjusted maximum mill levy for debt service is 57.523 mills.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County.

The budget assumes that the District's share will be equal to approximately 7% of the property taxes collected by the District. The specific ownership taxes are pledged for the repayment of bonds; therefore, they are reported in the Debt Service Fund.

Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.1%.

Expenditures

General and administration Expenditures

General and administration expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting, and other administrative expenses.

Debt Service

Principal and interest payments due this year are provided based on the debt amortization schedule from the Series 2018A Bonds (discussed under Debt and Leases).

BRADBURN METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases

Series 2018 General Obligation Bonds

On March 14, 2018, the District issued the 2018 Bonds in the par amounts of \$10,120,000 for the 2018A Senior Bonds, \$2,988,000 for the 2018B Subordinate Bonds, and \$3,271,000 for the 2018C Junior Lien Bonds. Proceeds of the 2018A Senior Bonds were applied to (i) pay the costs of refunding the District's General Obligation Bonds (Limited Tax Convertible to Unlimited Tax), Series 2004 and Supplemental General Obligation Limited Tax Bonds, Series 2004; (ii) finance or reimburse the costs of public improvements related to the development; (iii) fund the Senior Reserve Fund; and (iv) pay the costs of issuing the 2018 Bonds. Proceeds from the sale of the 2018B Subordinate Bonds were applied to (i) finance or reimburse public improvements related to the development; and (ii) pay other costs in connection with the issuance of the 2018B Subordinate Bonds. Proceeds from the 2018C Junior Lien Bonds were applied to pay and cancel obligations of the District to the Developer under Reimbursement Agreements.

The Senior Bonds are issued as term bonds that bear interest at 4.00% and 5.00%, and are payable semi-annually on June 1 and December 1, beginning on June 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2018. The Senior Bonds mature on December 1, 2047.

The Subordinate Bonds are issued at the rate of 7.25% per annum and are payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2047. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15. In the event any amount of principal or interest on the Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer be due and outstanding.

The 2018C Junior Lien Bonds bear interest at the rate of 7.50% per annum and is payable annually on December 15, beginning on December 15, 2018, from, and to the extent of, Junior Lien Pledged Revenue available, if any, and mature on December 15, 2051. The 2018C Junior Lien Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. In the event any amount of principal or interest on the 2018C Junior Lien Bonds remains unpaid after the application of all Junior Lien Pledged Revenue on December 15, 2057, such amounts shall be deemed discharged and no longer due and outstanding. In no event shall any principal, interest or Mandatory Redemption Price be paid on the 2018C Junior Lien Bonds until such time as there has been paid in full or defeased the 2018B Subordinate Bonds, and, to the extent required by the applicable Senior/Subordinate Obligation Indentures, any other Senior/Subordinated Obligations issued by the District.

At the end of the year 2018 the District accepted all of the remaining long-term liabilities from Bradburn Metropolitan District No. 1 in preparation for the Bradburn Metropolitan District No. 1 dissolution.

BRADBURN METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases (continued)

	Balance - December 31, 2020	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2021	Current Portion
2018A - \$10,120,000					
G.O. Bonds	\$ 9,615,000	\$ -	\$ 180,000	\$ 9,435,000	\$ 190,000
Subordinate Bonds	2,988,000	-	-	2,988,000	-
Accrued interest -					
2018B Subordinate Bonds	532,795	254,517	218,000	569,312	-
2018C - \$3,271,000					
Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued interest -					
2018C Junior Lien Bonds	735,776	300,508	-	1,036,284	-
Developer Advance - Operation	15,600	8,489	-	24,089	-
Accrued interest - Operation	223,199	-	-	223,199	-
Accrued interest - Capital	844,177	-	-	844,177	-
Total	\$ 18,225,547	\$ 563,514	\$ 398,000	\$ 18,391,061	\$ 190,000

	Balance - December 31, 2021	Net Issues/ Additions	Retirements/ Refundings	Balance - December 31, 2022	Current Portion
2018A - \$10,120,000					
G.O. Bonds	\$ 9,435,000	\$ -	\$ 190,000	\$ 9,245,000	\$ 195,000
Subordinate Bonds	2,988,000	-	-	2,988,000	-
Accrued interest -					
2018B Subordinate Bonds	569,312	256,004	320,000	505,316	-
2018C - \$3,271,000					
Junior Lien Bonds	3,271,000	-	-	3,271,000	-
Accrued interest -					
2018C Junior Lien Bonds	1,036,284	323,046	-	1,359,330	-
Developer Advance - Operation	24,089	8,489	-	32,578	-
Accrued interest - Operation	223,199	-	-	223,199	-
Accrued interest - Capital	844,177	-	-	844,177	-
Total	\$ 18,391,061	\$ 587,539	\$ 510,000	\$ 18,468,600	\$ 195,000

This district has no operating or capital leases.

**BRADBURN METROPOLITAN DISTRICT NO. 2
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserve Funds

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

Debt Service Reserve

The District maintains a Debt Service Reserve as required with the issuance of the Series 2018A Bonds.

This information is an integral part of the accompanying budget.

BRADBURN METROPOLITAN DISTRICT NO. 2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

\$10,120,000			
General Obligation			
Refunding and Improvement Bonds			
Limited Tax (Convertible to Unlimited Tax)			
Series 2018A			
Dated March 14, 2018			
Interest Rate 4.000% - 5.000%			
Due June 1 and December 1			
Principal Due December 1			
Year Ended December 31,	Principal	Interest	Total General Obligation Debt
2022	\$ 190,000	\$ 456,800	\$ 646,800
2023	195,000	449,200	644,200
2024	205,000	441,400	646,400
2025	215,000	433,200	648,200
2026	220,000	424,600	644,600
2027	230,000	415,800	645,800
2028	240,000	406,600	646,600
2029	250,000	397,000	647,000
2030	260,000	384,500	644,500
2031	275,000	371,500	646,500
2032	290,000	357,750	647,750
2033	305,000	343,250	648,250
2034	320,000	328,000	648,000
2035	335,000	312,000	647,000
2036	350,000	295,250	645,250
2037	370,000	277,750	647,750
2038	385,000	259,250	644,250
2039	405,000	240,000	645,000
2040	425,000	219,750	644,750
2041	445,000	198,500	643,500
2042	470,000	176,250	646,250
2043	495,000	152,750	647,750
2044	520,000	128,000	648,000
2045	545,000	102,000	647,000
2046	570,000	74,750	644,750
2047	925,000	46,250	971,250
	<u>\$ 9,435,000</u>	<u>\$ 7,692,100</u>	<u>\$ 17,127,100</u>

The Subordinate Bonds Series 2018B and 2018C are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date.

No assurance provided. See summary of significant assumptions.



November 10, 2021

To the Board of Directors and Management
Bradburn Metropolitan District No. 2
Adams County, Colorado

We are pleased to confirm our understanding of the services we are to provide Bradburn Metropolitan District No. 2 (the District) for the year ended December 31, 2021.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities and each major fund, and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2021. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with generally accepted auditing standards (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. If you elect to omit the MD&A as in prior years, our report, under current reporting guidance, will contain a statement that MD&A is omitted, and that our opinion on the basic financial statements is not affected by such omission. The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, will be subjected to the auditing procedures applied in our audit of the financial statements.

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

- 1) Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Debt Service Fund
- 2) Schedule of Debt Service Requirements to Maturity
- 3) Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected

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

Fiscal Focus Partners, LLC

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories (if applicable), and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

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

Audit Procedures—Internal Control

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

Audit Procedures—Compliance

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

Other Services

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

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

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

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

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

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

You agree to assume all management responsibilities for any nonattest services we may provide.

Engagement Administration, Fees, and Other

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

The audit documentation for this engagement is the property of Fiscal Focus Partners, LLC (FFP) and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an applicable regulator or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of FFP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the regulator or its designee. The regulator or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Eric Barnes or Susan Opalinski will be the engagement partner and will be responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on

a date mutually agreed to by your accountants and our firm, and to issue our reports no later than July 31, 2022, or September 30, 2022 if the District requests an extension of time from the state auditor.

Our fee for services will be \$5,600 plus out-of-pocket costs (such as postage, mileage, etc.) Our invoice for these fees will be rendered upon completion of fieldwork and in-house review and is payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel, contractors, and professionals, and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

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

Contractor Certification Regarding Illegal Aliens – Public Contracts for Services

Pursuant to the requirements of Section 8-17.5-102(1), C.R.S., we hereby certify to the District that we do not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that we participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of Fiscal Focus Partners, LLC who are newly hired to perform work under the Agreement.

In accordance with Section 8-17.5-102(2)(a), C.R.S., we shall not:

- 1) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or
- 2) Enter into a contract with a subcontractor that fails to certify to us that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

We represent and warrant that we have confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

We are prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

If we obtain actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, we shall:

- 1) Notify the subcontractor and the District within three days that we have actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- 2) Terminate the subcontract with the subcontractor if within three days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that we shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

We shall comply with any reasonable request by the Colorado Department of Labor and Employment ("Department") made in the course of an investigation that the Department is undertaking, pursuant to the law.

If we violate any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Agreement immediately and we shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by us to the Colorado Secretary of State, as required by law.

We appreciate the opportunity to be of service to Bradburn Metropolitan District No. 2 and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Fiscal Focus Partners, LLC

Fiscal Focus Partners, LLC

RESPONSE:

This letter correctly sets forth the understanding of Bradburn Metropolitan District No. 2.

Authorized signature: _____ Title: _____

Date: _____



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

September 14, 2021

Board of Directors
Bradburn Metro District No. 2
8390 East Crescent Pkwy., Suite 300
Greenwood Village, CO 80111

Dear Board of Directors:

This master service agreement ("MSA") documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") will provide for Bradburn Metro District No. 2 ("you," "your," or "the district"). The terms of this MSA will apply to the initial and each subsequent statement of work ("SOW"), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

Scope of professional services

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

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

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

Management responsibilities

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

Responsibilities and limitations related to nonattest services

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

Fees and terms

See the applicable SOW for the fees for the services.

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

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

Other fees

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

Finance charges and collection expenses

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

Mediation

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

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

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

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

Limitation of remedies

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

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

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

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

Time limitation

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

Consulting services

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

Tax services

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

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

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

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

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

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

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

CLA shall be authorized to the following cash access services:

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

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

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

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Management responsibilities relevant to CLA's access to your cash

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

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

Other provisions

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

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

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

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

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

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

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

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

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

Consent

Consent to use financial information

Annually, we assemble a variety of benchmarking analyses using data obtained through our client engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this MSA will serve as your consent to use of Bradburn Metro District No. 2 information in these cost comparison, performance indicator, and/or benchmarking reports.

Subcontractors

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

Technology

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

Termination of MSA

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

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Agreement

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

Sincerely,

CliftonLarsonAllen LLP

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

Jason Carroll, CPA
Principal
Jason.Carroll@CLAconnect.com

Response:

This agreement correctly sets forth the understanding of Bradburn Metro District No. 2.

APPROVED:

Signature

Title

Date



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

Special Districts Preparation SOW

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Bradburn Metro District No. 2 (“you” and “your”) dated September 14, 2021. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

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

Ongoing normal accounting services:

Outsourced accounting activities

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

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

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

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

Reconcile certain accounts regularly and prepare journal entries

Prepare depreciation schedules

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

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

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

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

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

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

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

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

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

Attend board meetings as requested.

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

Review and approve monthly reconciliations and journal entries prepared by staff

Reconcile complex accounts monthly and prepare journal entries

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

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

Document accounting processes and procedures

Continue process and procedure improvement implementation

Report and manage cash flows

Assist with bank communications.

Perform other nonattest services.

Compilation services

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

Preparation services – financial statements

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

Preparation services - annual

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

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

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

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

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

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

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

Engagement objectives and our responsibilities

The objectives of our engagement are to:

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



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

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

Engagement procedures and limitations

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

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

Our report

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



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from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another purpose.

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

No assurance statements

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

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

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

Management responsibilities

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

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

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

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



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

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

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

Fees, time estimates, and terms

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



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

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

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

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

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

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

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

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

Municipal advisors

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



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

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

Unlawful employees, contractors, and subcontractors

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

Verification regarding workers without authorization

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

Limitation regarding E-Verify Program and the Department Program

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

Duty to terminate a subcontractor and exceptions

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

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

Duty to comply with state investigation

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

Agreement

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



Sincerely,

CliftonLarsonAllen LLP

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

Jason Carroll, CPA

Principal

Jason.Carroll@CLAconnect.com



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APPROVED:

Signature

Title

Date