

## VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT

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

### NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Kevin Amolsch	President	2022/May 2022
Jared Seidenberg	Secretary/Treasurer	2022/May 2022
Ronald Meier	Assistant Secretary	2022/May 2022
Justin Cooper	Assistant Secretary	2023/May 2023
Travis Sperr	Assistant Secretary	2023/May 2023

DATE: July 15, 2020

TIME: 11:00 A.M.

PLACE: In light of the COVID-19 epidemic and related Executive Order D-2020-123 Amending and Extending Executive Order D-2020-091 (Safer at Home and in the Vast, Great Outdoors) issued by Governor Polis on June 30, 2020, the District requests that members of the public join and participate in the Board meeting via telephone and/or video conference. The telephone conference may be joined by dialing +1 669 900 9128 US and entering Meeting ID: 899 9662 0150. The Zoom audio/video conference may be joined using a high speed Internet connection to: <https://us02web.zoom.us/j/89996620150>.

The District's regular meeting location is the Law Offices of Antero Law, 1700 Broadway, Suite 640, Denver, Colorado.

#### I. ADMINISTRATIVE MATTERS

A. Call to Order/Declaration of Quorum.

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B. Present Disclosures of Potential Conflicts of Interest.

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C. Approve Agenda, confirm location of the meeting and posting of meeting notices and designate 24 hour posting location.

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D. Discuss results of the May 5, 2020 Election (enclosure).

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E. Consider appointment of Officers:

President \_\_\_\_\_  
Treasurer \_\_\_\_\_  
Secretary \_\_\_\_\_  
Asst. Secretary \_\_\_\_\_  
Asst. Secretary \_\_\_\_\_  
Asst. Secretary \_\_\_\_\_  
\_\_\_\_\_

F. Review and consider approval of Minutes from the October 23, 2019 Meeting (enclosure).

\_\_\_\_\_

II. FINANCIAL MATTERS

A. Ratify the payment of claims for the period beginning October 17, 2019 through June 22, 2020, in the amount of \$530,904.72 (enclosure).

\_\_\_\_\_

B. Review and accept Schedule of Cash Position as of June 30, 2020 (enclosure).

\_\_\_\_\_

C. Consider approval of the 2019 Audit and authorize execution of the Representations Letter (enclosure).

\_\_\_\_\_

D. Consider appointment of the District Accountant to prepare the 2021 Budget. Set date for public hearing to adopt the 2021 Budget (October 28, 2020).

\_\_\_\_\_

III. LEGAL MATTERS

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

IV. STATUS OF DEVELOPMENT

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

V. OTHER BUSINESS

- A. Consider Landscape bids from Metco, Brightview and DLin Construction.  
(enclosure)
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VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR  
OCTOBER 28, 2020.**

**CERTIFICATE OF ELECTION RESULTS  
VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
ADAMS COUNTY, COLORADO**

§§ 1-13.5-513, 1-11-103 and 32-1-104, C.R.S.

I, Michael E. Davis, the Designated Election Official for Village at SouthGate Metropolitan District, hereby certify that on the sixty-third (63<sup>rd</sup>) day before the election there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates; therefore, the election to be held on May 5, 2020 is hereby canceled pursuant to § 1-13.5-513, C.R.S. The following is a true and correct statement of the names of eligible electors elected to office as directors by acclamation:

<u>Name</u>	<u>Term</u>
Justin Cooper	3-year Term, Until May, 2023
Travis Sperr	3-year Term, Until May, 2023



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Designated Election Official

Contact Person for District:	Michael E. Davis, <i>Esq.</i>
Business Address	Miller & Associates Law Offices, LLC 1641 California Street, Suite 300 Denver, CO 80202
Telephone Number	(303) 285-5320

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT HELD OCTOBER 23, 2019

The regular meeting of the Board of Directors of the Village at Southgate Metropolitan District (referred to hereafter as the “Board”) was convened on Wednesday, the 23rd day of October, 2019, at 11:00 A.M., at the Law Offices of Antero Law, 1700 Broadway, Suite 640, Denver, Colorado. The meeting was open to the public.

#### ATTENDANCE

##### Directors In Attendance Were:

Kevin Amolsch  
Jared Seidenberg  
Justin Cooper  
Travis Sperr

Following discussion, upon motion duly made by Director Seidenberg, seconded by Director Sperr and, upon vote, unanimously carried, the absence of Director Meier was excused.

##### Also In Attendance Were:

Judy Leyshon; Special District Management Services, Inc.

Diane Miller, Esq.; Miller & Associates Law Offices, LLC

Neil Schilling; Schilling & Company, Inc.

#### CALL TO ORDER

It was noted that a quorum for the Board was present, and the meeting was, therefore, called to order.

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Attorney Miller advised the Board that pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member confirmed the contents of written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act. Written disclosures of the interests of all directors were filed with the Secretary of State and the District prior to the meeting.

## RECORD OF PROCEEDINGS

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### ADMINISTRATIVE MATTERS

**Agenda:** Ms. Leyshon distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

Following discussion, upon motion duly made by Director Seidenberg, seconded by Director Sperr and, upon vote, unanimously carried, the Agenda was approved, as presented.

**Minutes:** The Board reviewed the Minutes of the August 29, 2019 special meeting.

Following discussion, upon motion duly made by Director Sperr, seconded by Director Cooper and, upon vote, unanimously carried, the Minutes of the August 29, 2019 special meeting were approved, as presented.

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### FINANCIAL MATTERS

**Claims:** The Board considered ratifying approval of the payment of claims for the period beginning August 23, 2019 through October 16, 2019, in the amount of \$20,699.62 and Developer Advances, in the amount of \$27,513.76.

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

**2019 Budget Amendment:** The President opened the public hearing to consider the Resolution to Amend the 2019 Budget and discuss related issues.

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

Following review and discussion, Director Seidenberg moved to adopt the Resolution to Amend 2019 Budget, Director Sperr seconded the motion and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2019 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

**2020 Budget Hearing:** The President opened the public hearing to consider the proposed 2020 Budget and discuss related issues. It was noted that publication of Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing, no public were present and the public hearing was closed.

## RECORD OF PROCEEDINGS

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Mr. Schilling reviewed the estimated 2019 expenditures and the proposed 2020 expenditures.

Following discussion, the Board considered the adoption of the Resolution to Adopt the 2020 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies, for the General Fund at 11.133 mills and the Debt Service Fund at 40.000 mills, for a total mill levy of 51.133 mills. Upon motion duly made by Director Seidenberg, seconded by Director Cooper and, upon vote, unanimously carried, the Board adopted the Resolution to Adopt the 2020 Budget and Appropriate Sums of Money to Set Mill Levies, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Ms. Leyshon was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Adams County and the Division of Local Government. Ms. Leyshon was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

**Board Meeting for 2019 Audit:** The Board discussed 2020 regular meeting dates and determined to hold 2020 regular meetings on July 15, 2020 (to approve the Audit) and October 28, 2020 at 11:00 a.m. at the Law Offices of Antero Law, 1700 Broadway, Suite 640, Denver, Colorado.

### **LEGAL MATTERS**

**2020 Annual Administrative Resolution:** Attorney Miller presented to the Board a resolution establishing regular meeting dates, notice provisions and other administrative matters.

Following discussion, upon motion duly made by Director Amolsch, seconded by Director Cooper and, upon vote, unanimously carried, the Board adopted the 2020 Annual Administrative Resolution.

**Resolution Calling a Regular Election for Directors on May 5, 2020:** The Board discussed the upcoming election and Resolution Calling the May 5, 2020 Election.

Following discussion, upon motion duly made by Director Sperr, seconded by Director Cooper and, upon vote, unanimously carried, the Board adopted the Resolution Calling the May 5, 2020 Election and appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

## RECORD OF PROCEEDINGS

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### STATUS OF DEVELOPMENT

**2019 Annual Report:** Attorney Miller discussed with the Board information needed for the 2019 Annual reports.

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### OTHER BUSINESS

There was no other business at this time.

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### ADJOURNMENT

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

Respectfully submitted,

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

THESE MINUTES APPROVED AS THE OFFICIAL OCTOBER 23, 2019  
MEETING MINUTES OF THE VILLAGE AT SOUTHGATE METROPOLITAN  
DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

\_\_\_\_\_  
Kevin Amolsch

\_\_\_\_\_  
Jared Seidenberg

\_\_\_\_\_  
Ronald Meier

\_\_\_\_\_  
Justin Cooper

\_\_\_\_\_  
Travis Sperr



RESOLUTION NO. 2019 - 10 - 2

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE VILLAGES AT SOUTHGATE METROPOLITAN DISTRICT  
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Villages at Southgate Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2019, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place at the office of the District Manager, interested electors of the District were given the opportunity to file or register any objections to the proposed budget, and a public hearing was held on October 23, 2019 at Law Offices of Antero Law 1700 Broadway, Suite 640 Denver, CO; and

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

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or were planned to be expended from reserve fund balances so that the budget remains in balance, as required by law.

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Villages at Southgate Metropolitan District:

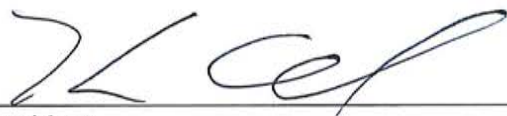
1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Villages at Southgate Metropolitan District for the 2020 fiscal year.

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

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

ADOPTED this 23rd day of October, 2019.

THE VILLAGES AT SOUTHGATE  
METROPOLITAN DISTRICT, a quasi-  
municipal corporation and political  
subdivision of the State of Colorado

  
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary

**EXHIBIT A**  
(Budget)



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086  
FAX: 720.348.2920

### **Accountant's Compilation Report**

Board of Directors  
Village at SouthGate Metropolitan District  
Adams County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Village at SouthGate Metropolitan District (District), for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ending December 31, 2018, in the format required by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The actual comparative information for the year ending December 31, 2018 is presented for comparative purposes as required by Colorado Revised Statutes (C.R.S.) 29-1-105. Such information is taken from the audited financial statements of the District for the year ended December 31, 2018. Dazzio & Associates, PC audited the financial statements for the year ended December 31, 2018, whose report was dated August 21, 2019.

The budget is presented in accordance with the requirements of Colorado Revised Statutes (C.R.S.) 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Village at SouthGate Metropolitan District.

*SCHILLING & COMPANY, INC.*

Highlands Ranch, Colorado  
December 11, 2019

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT**  
**PROPERTY TAX SUMMARY INFORMATION**  
For the Years Ended and Ending December 31,

	<u>ACTUAL 2018</u>	<u>ADOPTED BUDGET 2019</u>	<u>ADOPTED BUDGET 2020</u>
<b>ASSESSED VALUATION</b>			
Adams County			
Certified Assessed Value	<u>\$ 932,640</u>	<u>\$ 2,138,960</u>	<u>\$ 4,002,850</u>
<b>MILL LEVY</b>			
General - Operations Mill Levy	11.056	11.056	11.133
Debt Service - Senior Bonds Mill Levy	-	40.000	44.531
Total mill levy	<u>11.056</u>	<u>51.056</u>	<u>55.664</u>
<b>PROPERTY TAXES</b>			
General Fund	\$ 10,311	\$ 23,648	\$ 44,564
Debt Service - Senior Bonds Mill Levy	-	85,558	178,251
Levied property taxes	10,311	109,206	222,815
Adjustments to actual/rounding	-	-	-
Actual or budgeted property taxes	<u>\$ 10,311</u>	<u>\$ 109,206</u>	<u>\$ 222,815</u>
<b>PROPERTY TAXES BY FUND</b>			
General Fund	\$ 10,311	\$ 23,648	\$ 44,564
Debt Service	-	85,558	178,251
	<u>\$ 10,311</u>	<u>\$ 109,206</u>	<u>\$ 222,815</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
GENERAL FUND  
2020 BUDGET AS ADOPTED  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

	<b>ACTUAL 2018</b>	<b>ESTIMATED 2019</b>	<b>ADOPTED BUDGET 2020</b>
<b>BEGINNING FUND BALANCE</b>	\$ 4,895	\$ 2,984	\$ 759
<b>REVENUE</b>			
Property tax	10,311	23,648	44,564
Specific ownership tax	857	1,640	3,091
Net investment income	60	-	-
Total revenue	<u>11,228</u>	<u>25,288</u>	<u>47,655</u>
<b>OTHER FINANCING SOURCES</b>			
Developer Advance	64,838	47,406	13,864
Transfers from CPF	5,447	-	-
Total other financing sources	<u>70,285</u>	<u>47,406</u>	<u>13,864</u>
Total funds available	<u>86,408</u>	<u>75,678</u>	<u>62,278</u>
<b>EXPENDITURES</b>			
General Government			
Legal	35,993	17,662	20,000
Accounting	6,952	9,080	6,500
Audit	-	4,700	4,700
Management services	3,001	7,727	8,000
Engineering/consulting	-	32,408	10,000
Insurance	2,738	2,509	3,000
Office supplies	20	54	60
Postage	61	-	-
Election	1,840	-	2,500
Bank service charges	184	120	120
Dues and subscriptions	290	304	300
Treasurer's fees	156	355	668
Cost of Issuance	32,172	-	-
Other	17	-	-
Contingency	-	-	5,000
Total expenditures	<u>83,424</u>	<u>74,919</u>	<u>60,848</u>
Total expenditures and transfers out requiring appropriation	<u>83,424</u>	<u>74,919</u>	<u>60,848</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 2,984</u>	<u>\$ 759</u>	<u>\$ 1,430</u>
<b>EMERGENCY RESERVE</b>	<u>\$ 337</u>	<u>\$ 759</u>	<u>\$ 1,430</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2020 BUDGET AS ADOPTED  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

	<u>ACTUAL 2018</u>	<u>ESTIMATED 2019</u>	<u>ADOPTED BUDGET 2020</u>
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ 695,238	\$ 649,474
<b>REVENUE</b>			
Property tax	-	85,558	178,251
Specific ownership tax	-	5,931	12,362
Facility Fees	107,500	90,000	90,000
Interest income	11,309	15,116	14,000
Total revenue	<u>118,809</u>	<u>196,605</u>	<u>294,613</u>
<b>OTHER FINANCING SOURCES</b>			
Transfer from Capital Projects Fund	<u>707,728</u>	-	-
Total other financing sources	<u>707,728</u>	-	-
Total funds available	<u>826,537</u>	<u>891,843</u>	<u>944,087</u>
<b>EXPENDITURES</b>			
Bank service charges	963	1,648	800
Treasurer's fees	-	1,283	2,674
Interest 2018A Senior Bonds	130,336	233,438	233,438
Paying agent fees	-	6,000	6,000
Contingency	-	-	4,728
Total expenditures	<u>131,299</u>	<u>242,369</u>	<u>247,640</u>
Total expenditures and transfers out requiring appropriation	<u>131,299</u>	<u>242,369</u>	<u>247,640</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 695,238</u>	<u>\$ 649,474</u>	<u>\$ 696,447</u>
<b>REQUIRED RESERVE</b>	<u>\$ -</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2020 annual budget. Actual results may differ from the prospective results contained in the budget.

**SERVICES PROVIDED**

The Village at SouthGate Metropolitan District (the "District"), was organized in Adams County to provide financing to construct and install local and regional public improvements for the Village at SouthGate Development, including potable water and sewer lines larger than 12" in diameter; storm drainage facilities; the full width of major and minor arterial and collector roadways; community parks; and recreational facilities and services.

The District prepares its budget on the modified accrual basis of accounting.

**REVENUE**

*Property Tax*

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation. The calculation of the taxes levied is displayed on page 2 of the budget at the adopted total mill levy of 55.664 as adjusted for the changes in the residential assessment rate as a result of the Gallagher Amendment to the Colorado Constitution. The 55.664 mills is comprised of the Required Mill Levy for the Limited Tax General Obligation Bonds Series 2018A in the Debt Service Fund of 44.531 mills and the Operations Mill Levy of 11.133 in the General Fund.

*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 6.9% of the property taxes collected.

*Facility Fees*

Facility fees have been set the District of \$2,500 for each residential single-family detached unit and \$1,500 for each residential multi-family unit located within the District. The facility fees are due and payable prior to the issuance of a building permit by the City of Brighton for the applicable units. The 2020 facility fee revenue has been calculated based on the anticipated building permits to be issued in 2020.

*Investment Income*

Interest earned on the District's available funds has been estimated based on interest earnings from the prior year.



**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**EXPENDITURES**

*Administrative Expenditures*

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

**DEBT AND LEASES**

During 2018, the District issued \$4,150,000 of Limited Tax General Obligation Bonds Series 2018A which bear interest at 5.625% and \$764,000 of Subordinate Limited Tax General Obligation Bonds Series 2018B which bear interest at 7.750%. Mandatory sinking fund redemptions begin on the 2018A bonds in 2023 while the 2018B bonds have no required debt service payments until 2048. The Schedule of Debt Service Requirements included on page 7 is based on the Financial Forecast (prepared in conjunction with the bond issuance), based on the assumptions more particularly set forth therein.

The District has no operating or capital leases.

**RESERVES**

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2020, as defined under TABOR.

This information is an integral part of the accompanying budget.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS**

Year ended December 31,	\$4,150,000 Limited Tax General Obligation Bonds Series 2018A Bearing Interest at 5.625%		\$764,000 Subordinate Limited Tax General Obligation Bonds Series 2018B Bearing Interest at 7.750%		Annual Total
	Principal (1)	Interest (2)	Principal (3)	Interest (3)	
2018	\$ -	\$ 130,335.94	\$ -	\$ -	\$ 130,335.94
2019	-	233,437.50	-	-	233,437.50
2020	-	233,437.50	-	-	233,437.50
2021	-	233,437.50	-	118,092.00	351,529.50
2022	-	233,437.50	-	88,062.00	321,499.50
2023	35,000.00	233,437.50	-	82,150.00	350,587.50
2024	45,000.00	231,468.76	-	88,410.00	364,878.76
2025	50,000.00	228,937.50	-	85,941.00	364,878.50
2026	55,000.00	226,125.00	-	91,076.00	372,201.00
2027	60,000.00	223,031.26	20,000.00	68,990.00	372,021.26
2028	70,000.00	219,656.26	32,000.00	57,660.00	379,316.26
2029	75,000.00	215,718.76	34,000.00	55,180.00	379,898.76
2030	85,000.00	211,500.00	38,000.00	52,545.00	387,045.00
2031	90,000.00	206,718.76	41,000.00	49,600.00	387,318.76
2032	100,000.00	201,656.26	47,000.00	46,423.00	395,079.26
2033	105,000.00	196,031.26	51,000.00	42,780.00	394,811.26
2034	115,000.00	190,125.00	59,000.00	38,828.00	402,953.00
2035	125,000.00	183,656.26	60,000.00	34,255.00	402,911.26
2036	135,000.00	176,625.00	70,000.00	29,605.00	411,230.00
2037	145,000.00	169,031.26	73,000.00	24,180.00	411,211.26
2038	160,000.00	160,875.00	80,000.00	18,523.00	419,398.00
2039	165,000.00	151,875.00	90,000.00	12,323.00	419,198.00
2040	185,000.00	142,593.76	69,000.00	5,348.00	401,941.76
2041	195,000.00	132,187.50	-	-	327,187.50
2042	210,000.00	121,218.76	-	-	331,218.76
2043	225,000.00	109,406.26	-	-	334,406.26
2044	240,000.00	96,750.00	-	-	336,750.00
2045	255,000.00	83,250.00	-	-	338,250.00
2046	275,000.00	68,906.26	-	-	343,906.26
2047	290,000.00	53,437.50	-	-	343,437.50
2048	660,000.00	37,125.00	-	-	697,125.00
	<u>\$ 4,150,000.00</u>	<u>\$ 5,335,429.82</u>	<u>\$ 764,000.00</u>	<u>\$ 1,089,971.00</u>	<u>\$ 11,339,400.82</u>

(1) - Assumes that mandatory sinking fund redemption payments are made but assumes no optional redemptions occur.

(2) - The interest payments due on December 1, 2018 through December 1, 2019, are expected to be paid with capitalized interest.

(3) - Includes the forecasted payment of principal and interest on December 15 of each year indicated. The 2018B Subordinate Bonds have no fixed principal payment amounts due prior to maturity. The payments with respect to the 2018B Subordinate Bonds shown above reflect the forecasted principal and interest payments shown on Exhibit III of the Financial Forecast as included as Appendix C to the Limited Offering Memorandum dated May 3, 2018 related to the issuance of these bonds. These payments, however, are only forecasted amounts as and no assurance is given that the principal and interest on the 2018B Subordinate Bonds will be paid as set forth in this table. In addition to the other assumptions reflected in this table and the financial forecast, this assumes that no optional redemptions of the 2018B Subordinate Bonds will be made prior to maturity.

This information is an integral part of the accompanying budget.

**CERTIFICATION:**

I, Jared Seidenberg, hereby certify that I am the duly appointed Secretary of the Villages at Southgate Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors the Villages at Southgate Metropolitan District: held on October 23, 2019.

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

RESOLUTION NO. 2019 - 10 - 3  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Village at Southgate Metropolitan District ("District") has adopted the 2020 annual budget in accordance with the Local Government Budget Law on October 23, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Village at Southgate

1. That for the purposes of meeting all general fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

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

ADOPTED this 23rd day of October, 2019.



Secretary

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

**CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments**TO: County Commissioners<sup>1</sup> of Adams County, Colorado.

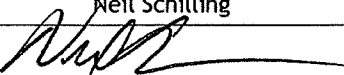
On behalf of the Village at SouthGate Metropolitan District,  
 (taxing entity)<sup>A</sup>  
 the Board of Directors  
 (governing body)<sup>B</sup>  
 of the Village at SouthGate Metropolitan District  
 (local government)<sup>C</sup>

Hereby officially certifies the following mills  
 to be levied against the taxing entity's GROSS \$ 4,002,850  
 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

Note: If the assessor certified a NET assessed valuation  
 (AV) different than the GROSS AV due to a Tax  
 Increment Financing (TIF) Area<sup>F</sup> the tax levies must be \$ 4,002,850  
 calculated using the NET AV. The taxing entity's total  
 property tax revenue will be derived from the mill levy  
 multiplied against the NET assessed valuation of: (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)  
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED  
 BY ASSESSOR NO LATER THAN DECEMBER 10**

Submitted: 12/13/2012 for budget/fiscal year 2020  
 (no later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	<u>11.133</u> mills	\$ <u>44,564</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< <u>          </u> > mills	\$ < <u>          </u> >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	<u>11.133</u> mills	\$ <u>44,564</u>
3. General Obligation Bonds and Interest <sup>J</sup>	<u>44.531</u> mills	\$ <u>178,251</u>
4. Contractual Obligations <sup>K</sup>	_____ mills	\$ _____
5. Capital Expenditures <sup>L</sup>	_____ mills	\$ _____
6. Refunds/Abatements <sup>M</sup>	_____ mills	\$ _____
7. Other <sup>N</sup> (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
<b>TOTAL:</b> [Sum of General Operating Subtotal and Lines 3 to 7]	<u>55.664</u> mills	\$ <u>222,815</u>

Contact person: (print) Neil Schilling Daytime phone: ( 720 ) 348-1086  
 Signed:  Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the  
 Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

<sup>1</sup> If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form  
 for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.

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

**CERTIFICATION OF TAX LEVIES, continued**

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

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

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

1.	Purpose of Issue:	Finance Construction of Certain Public Improvements
	Series:	Limited Tax General Obligation Bonds Series 2018A
	Date of Issue:	5/10/2018
	Coupon Rate:	5.625%
	Maturity Date:	12/1/2048
	Levy:	44.531 Mills
	Revenue:	\$178,251
2.	Purpose of Issue:	Finance Construction of Certain Public Improvements
	Series:	Subordinate Limited Tax General Obligation Bonds Series 2018B
	Date of Issue:	5/10/2018
	Coupon Rate:	7.750%
	Maturity Date:	12/15/2040
	Levy:	0.000
	Revenue:	\$0.00

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

3.	Purpose of Contract:	
	Title:	
	Date:	
	Principal Amount:	
	Maturity Date:	
	Levy:	
	Revenue:	
4.	Purpose of Contract:	
	Title:	
	Date:	
	Principal Amount:	
	Maturity Date:	
	Levy:	
	Revenue:	

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION OF THE BOARD OF DIRECTORS OF  
VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
CALLING AN ELECTION FOR MAY, 2020

WHEREAS, Village at SouthGate Metropolitan District (the “District”) was created pursuant to and in accordance with the provisions of §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, elections may be held pursuant to the Special District Act, §§ 32-1-801, *et seq.*, C.R.S. (the “Act”), and the Uniform Election Code of 1992, §§ 1-1-101, *et seq.*, and 1-13.5, 101, *et seq.*, C.R.S. (collectively, the “Code”), for the purpose of: (1) electing members of the Board of Directors of the District (the “Board”); (2) presenting certain ballot issues to the eligible electors of the District as required by Article X Section 20 of the Colorado Constitution; and (3) presenting certain ballot issues and questions to the eligible electors of the District; and

WHEREAS, the terms of office of Directors Justin Cooper and Travis Sperr are due to expire after their successors are elected at the next regular election for the District, which is scheduled to be held on May 5, 2020 (the “Election”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT AS FOLLOWS:

1. The Election of the eligible electors of the District shall be held on May 5, 2020, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to the Act and the Code and any other applicable laws. The Election shall be conducted as a mail-in ballot election in accordance with all relevant provisions of the Act and the Code. All mail ballots shall be returned to the office of the Designated Election Official (as defined below in Section 2). Eligible electors who have registered as “Permanent Mail-In Voters” shall receive mail ballots.

2. Michael E. Davis, of the law firm of Miller & Associates Law Offices, LLC, is hereby appointed as the “Designated Election Official” of the Board for the Election. The Board hereby grants all powers and authority for the proper conduct of the Election required pursuant to the Act and the Code to the Designated Election Official, including, but not limited to, appointing election judges, appointing a canvass board and cancellation, if applicable, of the Election.

3. If the only matter before the electors is the election of directors of the District and if, by 3:00 P.M. on the 63<sup>rd</sup> day before the Election, which date is March 3, 2020, or any time thereafter, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent to be a write-in candidate, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with C.R.S. § 1-13.5-513(6), as amended.

4. In the event that legislation is passed and enacted into law that impacts or changes the methods or procedures for elections conducted by the District, the Board hereby directs its legal counsel and the Designated Election Official, without any further action taken by the Board



unless otherwise required by applicable law, to take all actions necessary and appropriate to conduct the Election in compliance with any applicable laws including, but not limited to, coordinating the Election with any political subdivision with appropriate jurisdiction over the District and adjusting any Election-related deadlines.

5. If any part or provision of this Resolution is adjudicated to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provision or provisions of this Resolution, it being the intent of the Board that the various provisions are severable.

6. All acts, orders and resolutions, or parts thereof, of the Board that are inconsistent or in conflict with this Resolution are hereby repealed to extent only of such inconsistency or conflict.

APPROVED AND ADOPTED ON OCTOBER 23, 2019.

VILLAGE AT SOUTHGATE METROPOLITAN  
DISTRICT



Kevin Amolsch, President

ATTEST:



Jared Seidenberg, Treasurer/Secretary



WHEREAS, the Local Government Budget Law of Colorado, §§ 32-1-101, *et seq.*, C.R.S., requires each Board to hold a public hearing on proposed budgets and amendments thereto, to adopt budgets and to file copies of the budgets and amendments thereto with the Division; and

WHEREAS, § 39-5-128, C.R.S., requires the District to certify its mill levy with the Board of County Commissioners on or before December 15; and

WHEREAS, § 29-1-205, C.R.S., requires the District to prepare an informational listing of all contracts in effect with other political subdivisions and submit said list to the Division within thirty (30) days after receiving a written request; and within ten (10) days after execution of a contract establishing a separate governmental entity pursuant to Section 29-1-204, C.R.S., or an amendment or modification thereof, the District must file a copy of such contract, amendment or modification with the Division, pursuant to Section 29-1-204, C.R.S.; and

WHEREAS, in accordance with the Public Securities Information Reporting Act, §§ 11-58-101, *et seq.*, C.R.S., issuers of non-rated public securities must file an annual report with the Department of Local Affairs within sixty (60) days of the close of the fiscal year; and

WHEREAS, pursuant to § 29-1-604(1), C.R.S., any local government where neither revenues nor expenditures exceed One Hundred Thousand Dollars (\$100,000) in any fiscal year commencing on or after January 1, 1998, may, with the approval of the State Auditor, be exempt from the provisions of the Colorado Local Government Audit Law, §§ 29-1-601, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604(2)(a), C.R.S., any local government where revenues or expenditures for any fiscal year commencing on or after January 1, 2004, but prior to January 1, 2015, are least One Hundred Thousand Dollars (\$100,000) but not more than Five Hundred Thousand Dollars (\$500,000), may, with the approval of the State Auditor, be exempt from the provisions of the Colorado Local Government Audit Law, §§ 29-1-601, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-604(2)(b), C.R.S., any local government where revenues or expenditures for any fiscal year commencing on or after January 1, 2015, are least One Hundred Thousand Dollars (\$100,000) but not more than Seven Hundred and Fifty Thousand Dollars (\$750,000), may, with the approval of the State Auditor, be exempt from the provisions of the Colorado Local Government Audit Law, §§ 29-1-601, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 29-1-606(7), C.R.S., if a District has authorized but unissued general obligation debt as of the end of the fiscal year, such District shall submit its audit report or a copy of its application for exemption from audit to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District; and

WHEREAS, pursuant to § 32-1-202(2)(b), C.R.S., the Board shall notify the Board of County Commissioners or the governing body of the municipality of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan included in the District's service plan; and

WHEREAS, the Unclaimed Property Act, §§ 38-13-101, *et seq.*, C.R.S., requires that political subdivisions, if applicable, file an annual report listing unclaimed property with the State Treasurer; and

WHEREAS, §§ 32-1-101, *et seq.*, C.R.S., requires the District to publish certain legal notices in a newspaper of general circulation in the District; and

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

WHEREAS, pursuant to § 32-1-902(1), C.R.S., each respective Board shall elect officers of each respective District; and

WHEREAS, the Directors are governed by § 32-1-902(3)(b), C.R.S., which requires a Director to disqualify himself or herself from voting on an issue in which s/he has a conflict of interest, unless the Director has properly disclosed such conflict in compliance with law and files said conflict disclosure statements at least seventy-two (72) hours prior to any regular or special meeting of the District; and

WHEREAS, § 24-6-402(2)(c), C.R.S., specifies the duty of the Board to designate a posting place for notices of meetings (which posting place may be website, social media account, or other official online presence of the District), and requires that notices of such meetings be posted at least twenty-four (24) hours prior to said meeting; and

WHEREAS, § 32-1-903, C.R.S., requires that the Board shall meet regularly at a time and in a place to be designated by the Board and requires that notice of such meetings be posted in accordance with § 24-6-402(2); and

WHEREAS, elections may be held pursuant to the Colorado Local Government Election Code, §§ 1-13.5-101, *et seq.*, C.R.S., Special District Act, §§ 32-1-101, *et seq.*, C.R.S., and the Uniform Election Code of 1992, §§ 1-1-101, *et seq.*, C.R.S., for the purpose of: (1) electing members of each Board; (2) presenting certain ballot issues to the eligible electors of the District as required by Article X Section 20 of the Colorado Constitution; and (3) presenting certain ballot issues and questions to the eligible electors of the District; and

WHEREAS, § 1-5-102, C.R.S., specifies that the Board shall designate polling places for nonpartisan elections, other than coordinated elections, no later than twenty-five (25) days prior to an election; and

WHEREAS, § 1-11-103(3) and § 32-1-1101.5, C.R.S., require the District to notify the Division of the results of any elections held by the District within thirty (30) days after the election and to certify results of any election to incur general obligation indebtedness via certified mail to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District within forty-five (45) days after the election; and

WHEREAS, §§ 32-1-1604, C.R.S., requires the Board to record a notice of authorization of or notice to incur general obligation debt with the County Clerk and Recorder within thirty (30) days of authorizing or incurring said indebtedness; and

WHEREAS, in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S., the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District may require the District to file an application for quinquennial finding of reasonable diligence; and

WHEREAS, pursuant to § 32-1-207(3)(c), C.R.S., the District, if requested, may be required to file an annual report with the Board of County Commissioners or the governing body of any municipalities in which the District is wholly or partially located, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S.; and

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

WHEREAS, in accordance with C.R.S. § 32-1-809(1), not more than sixty (60) days prior to and not later than January 15 of each year, the District shall provide notice to the District's eligible electors in the manner set forth in C.R.S. § 32-1-809(2); and

WHEREAS, pursuant to C.R.S. § 32-1-104.8(1), the District is required to record a public disclosure document and map of the boundaries of the District with the County Clerk and Recorder, such public disclosure document shall contain certain information pertaining to the District as further described in C.R.S. § 32-1-104.8(1), and, pursuant to C.R.S. § 32-1-104.8(2), such public disclosure document and map shall be recorded with the County Clerk and Recorder and such public disclosure document(s) and map(s) shall be recorded with the County Clerk and Recorder at the same time of any decree or order confirming the inclusion of any real property into the boundaries of the District is recorded pursuant to C.R.S. § 32-1-105; and

WHEREAS, in accordance with C.R.S. § 24-71.3-117, the District has the power, in relation to the administration of the affairs of the District, or any of its instrumentalities, to determine the extent to which it will create and retain electronic records and electronic signatures.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board directs the District's engineer to keep accurate maps and the District's legal counsel to file such maps with the Division, County Assessor and County Clerk and Recorder and submit any changes to the maps on or before January 1.
2. The Board directs legal counsel to file a copy of the notice otherwise required by § 32-1-809(1), C.R.S., with the County Assessor, the County Treasurer, the County Clerk and Recorder, and the Division on or before January 15.

3. The Board directs the District's accountant to submit proposed budgets to the Board by October 15, to prepare final budgets, including any amendments thereto, if necessary, and directs legal counsel to schedule a public hearing on the proposed budgets, to prepare all budget resolutions and for the District's accountant to file the budget resolutions with the Division on or before January 30.
4. The Board directs the District's legal counsel to certify the mill levies with the Board of County Commissioners on or before December 15.
5. The Board directs legal counsel to provide the Division a current list of all contracts in effect with other political subdivisions within thirty (30) days after receiving a written request, pursuant to Section 29-1-205, C.R.S. Within ten (10) days after execution of a contract establishing a separate governmental entity pursuant to Section 29-1-204, C.R.S., or an amendment or modification thereof, the Board directs legal counsel to file a copy of such contract, amendment or modification with the Division, pursuant to Section 29-1-204, C.R.S.
6. The Board directs legal counsel to prepare and 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.
7. The Board directs the District's auditor to prepare audits of the financial statements and submit such draft audits to the Board before June 30; further, the Board directs that the auditor file the final audits with the State Auditor by July 31. If the District is eligible for an audit exemption under applicable law, then the Board directs that the District's accountant to apply for and obtain such audit exemption from the State Auditor on or before March 31.
8. The Board directs the District's accountant and auditor, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, as follows: (1) if the District is eligible for an audit exemption pursuant to §§ 29-1-604(1) or (2), C.R.S., then, pursuant to § 29-1-606(7), C.R.S., the District's accountant shall submit a copy of the District's application for exemption to the ; and (2) if the District is required to submit an annual audit pursuant to §§ 29-1-601, *et seq.*, C.R.S., then, pursuant to § 29-1-606(7), C.R.S., the District's auditor shall submit its audit report to the City of Brighton.
9. The Board directs legal counsel to include in any annual report to be submitted to the , any alteration of or revisions to the proposed schedule of debt issuance set forth in the District's service plan, pursuant to § 32-1-202(2)(b), C.R.S. In the event that an annual report is not required to be filed, then the District's manager shall provide any such notice of debt issuance alteration or revision at the time the District's certified budget is filed with the Division.
10. The Board directs legal counsel to prepare the Unclaimed Property Act reports, as needed, and submit the same to the State Treasurer.

11. The Board designates the Brighton Standard Blade as a newspaper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District, and directs that all legal notices shall be published in accordance with applicable statutes in the Brighton Standard Blade.
12. The Board determines that each Director shall not receive compensation for services as Directors, in accordance with §§ 32-1-902(3)(a)(I) & (II), C.R.S.
13. The Board hereby elects the following officers for the District:

President: Kevin Amolsch  
Secretary/Treasurer: Jared Seidenberg  
Assistant Secretary: Justin Cooper  
Assistant Secretary: Ronald Meier  
Assistant Secretary: Travis Sperr

14. The District hereby determines that each present and future member of the Board shall complete conflict disclosure forms and directs legal counsel to file the conflict disclosure forms with the Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board.
15. The Board designates the following location as the District's posting place for notices of meetings, in addition to any website, social media account, or other official online presence of the District approved by the Board, pursuant to § 24-6-402(2)(c), C.R.S.:

The northwest corner of the District

16. The Board determines to hold regular meetings on July 15, 2020 (to approve the Audit) and October 28, 2020 at 11:00 a.m. at the Law Offices of Antero Law, 1700 Broadway, Suite 640, Denver, Colorado.
17. Michael Davis, of the law firm of Miller & Associates Law Offices, LLC, is hereby appointed as the "Designated Election Official" of the Board for any election(s) to be held during 2020 and any subsequent year. The Board hereby grants all powers and authority for the proper conduct of the election(s) to the Designated Election Official, including, but not limited to, appointing election judges, appointing a canvass board(s) and cancellation, if applicable, of the election(s).
18. The Board deems it expedient for the convenience of the electors that it shall establish a polling place for all regular and special elections of the District. There shall be one (1) polling place for the elections. This polling place shall be used for any regular or special elections to be held in 2020, and in each fiscal year thereafter until such polling place is changed by duly adopted resolution of the Board. Such polling place shall be located at the offices of Miller & Associates Law Offices,

LLC, 1641 California Street, Suite 300, Denver, CO 80202. All voters for the District shall vote at the designated polling place. Handicapped and nonresident voters shall vote at the same polling place. A map showing the District's boundaries is on file at the offices of the District's general counsel, Miller & Associates Law Offices, LLC, 1641 California Street, Suite 300, Denver, CO 80202, and is available for examination by all interested persons.

19. In accordance with § 1-11-103(3) and § 32-1-1101.5, C.R.S., the District directs legal counsel and the Designated Election Official to notify the Division of the results of any elections held by the District within thirty (30) days after the election and to certify results of any election to incur general obligation indebtedness to the within forty-five (45) days after the election.
20. In accordance with § 32-1-1604, C.R.S., the Board directs legal counsel to record a notice of authorization of or notice to incur general obligation debt with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness.
21. The Board directs legal counsel to prepare and file, if requested, the quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.
22. The Board directs legal counsel to prepare and file, if requested, the special district annual report.
23. The Board directs the District's legal counsel to obtain proposals for insurance to insure the District against all or any part of the District's liability for injury; to insure the Directors acting within the scope of employment by the Board against all or any part of such liability for an injury; to insure against the expense of defending a claim for injury against the District or its Board. The Board will annually review all insurance policies in effect.
24. In accordance with C.R.S. § 32-1-809(1), the Board hereby directs the District's legal counsel, not more than sixty (60) days prior to and not later than January 15 of each year, to provide notice to the District's eligible electors in the manner set forth in C.R.S. § 32-1-809(2).
25. Pursuant to C.R.S. § 32-1-104.8(1), the Board hereby directs the District's legal counsel to prepare and record any amended public disclosure document(s) and map(s) with the County Clerk and Recorder pursuant to C.R.S. § 32-1-105 should any property be included into the boundaries of any District.
26. In accordance with C.R.S. § 24-71.3-117, the Board hereby determines, in relation to the administration of the affairs of the District, or any of its instrumentalities, that the transactions of the District may be conducted, and related documents may be stored, by electronic means, and that copies, telecopies, facsimiles, electronic

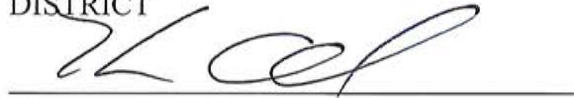


authentic and valid counterparts of such original documents for all purposes, including without limitation the filing of any claim, action, or suit in the appropriate court of law.

Whereupon, the motion was seconded by Director Cooper, and upon vote, unanimously carried.

ADOPTED AND APPROVED ON OCTOBER 23, 2019.

VILLAGE AT SOUTHGATE METROPOLITAN  
DISTRICT



Kevin Amolsch, President

ATTEST:

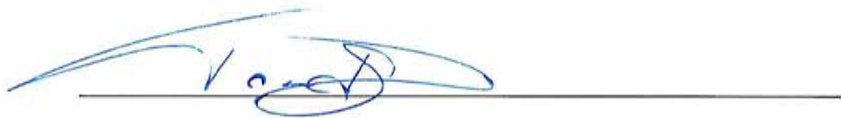


Jared Seidenberg, Secretary/Treasurer

**CERTIFICATION**

I, Jared Seidenberg, Secretary/Treasurer of the Board of Village at SouthGate Metropolitan District, do hereby certify that the annexed and foregoing resolution is a true copy from the records of the proceedings of the Board of said District on file with Miller & Associates Law Offices, LLC, general counsel to the District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District on October 23, 2019.



Jared Seidenberg, Secretary/Treasurer

# Village at SouthGate Metropolitan District

## Check Detail

October 17, 2019 through June 22, 2020

Type	Num	Date	Name	Account	Paid Amount
Check	EFT	12/02/2019	UMB Bank	2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ (116,718.75)
				2-5100 · S18A - Interest Payment	\$ 116,718.75
					<u>\$ 116,718.75</u>
Check	EFT	12/07/2019	Intuit	1-1000 · FirstBank Checking-5457	\$ (278.22)
				1-5025 · Office supplies	\$ 278.22
					<u>\$ 278.22</u>
Check	Debit 5/18	05/18/2020	UMB Bank	2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ (6,000.00)
				2-5060 · Paying Agent Fees - DSF	\$ 6,000.00
					<u>\$ 6,000.00</u>
Bill Pmt -Check	1041	10/22/2019	Dazzio & Associates, PC	1-1000 · FirstBank Checking-5457	\$ (4,700.00)
Bill	348	09/17/2019		1-5015 · Audit	\$ 4,700.00
					<u>\$ 4,700.00</u>
Bill Pmt -Check	1042	10/22/2019	Metrowest Newspapers	1-1000 · FirstBank Checking-5457	\$ (20.68)
Bill	25-011573	10/10/2019		1-5005 · Legal	\$ 20.68
					<u>\$ 20.68</u>
Bill Pmt -Check	1043	10/22/2019	Miller & Associates Law Offices	1-1000 · FirstBank Checking-5457	\$ (2,751.00)
Bill	2470	08/31/2019		1-5005 · Legal	\$ 2,751.00
					<u>\$ 2,751.00</u>
Bill Pmt -Check	1044	10/22/2019	UMB Bank	1-1000 · FirstBank Checking-5457	\$ (56,575.93)
Bill	Facility Fees	10/08/2019		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 30,000.00
Bill	Property Taxes	10/08/2019		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 26,575.93
					<u>\$ 56,575.93</u>
Bill Pmt -Check	1045	12/03/2019	Schilling & Company, Inc.	1-1000 · FirstBank Checking-5457	\$ (2,434.13)
Bill	12432	08/31/2019		1-5010 · Accounting	\$ 1,878.45
Bill	12460	09/30/2019		1-5010 · Accounting	\$ 555.68
					<u>\$ 2,434.13</u>
Bill Pmt -Check	1046	12/03/2019	UMB Bank	1-1000 · FirstBank Checking-5457	\$ (8,885.85)

# Village at SouthGate Metropolitan District

## Check Detail

October 17, 2019 through June 22, 2020

Type	Num	Date	Name	Account	Paid Amount
Bill	October Taxes	12/03/2019		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 8,238.80
Bill	September Taxes	12/03/2019		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 647.05
					<u>\$ 8,885.85</u>
<b>Bill Pmt -Check</b>	<b>1047</b>	<b>12/03/2019</b>	<b>UMB Bank</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (10,000.00)</b>
Bill	Facility Fees	12/03/2019		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 10,000.00
					<u>\$ 10,000.00</u>
<b>Bill Pmt -Check</b>	<b>1048</b>	<b>12/19/2019</b>	<b>Special District Management Services, Inc</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (27.99)</b>
Bill	62102	11/30/2019		1-5017 · Management services	\$ 27.99
					<u>\$ 27.99</u>
<b>Bill Pmt -Check</b>	<b>1049</b>	<b>12/19/2019</b>	<b>UMB Bank</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (742.80)</b>
Bill	Nov. Property Taxes	12/19/2019		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 742.80
					<u>\$ 742.80</u>
<b>Bill Pmt -Check</b>	<b>1050</b>	<b>12/19/2019</b>	<b>UMB Bank</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (12,500.00)</b>
Bill	Facility Fees	12/19/2019		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 12,500.00
					<u>\$ 12,500.00</u>
<b>Bill Pmt -Check</b>	<b>1051</b>	<b>02/27/2020</b>	<b>Miller &amp; Associates Law Offices</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (1,273.00)</b>
Bill	Dec 2019 Invoice	12/31/2019		1-5005 · Legal	\$ 574.00
Bill	Jan 2020 Invoice	01/31/2020		1-5005 · Legal	\$ 699.00
					<u>\$ 1,273.00</u>
<b>Bill Pmt -Check</b>	<b>1052</b>	<b>02/27/2020</b>	<b>Special District Association of Colorado</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (323.48)</b>
Bill	SDA I Membership	01/31/2020		1-5055 · Dues and subscriptions	\$ 323.48
					<u>\$ 323.48</u>
<b>Bill Pmt -Check</b>	<b>1053</b>	<b>02/27/2020</b>	<b>UMB Bank</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (533.01)</b>
Bill	December taxes	02/27/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 533.01
					<u>\$ 533.01</u>
<b>Bill Pmt -Check</b>	<b>1054</b>	<b>02/27/2020</b>	<b>UMB Bank</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (4,946.87)</b>
Bill	January taxes	02/27/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 4,946.87
					<u>\$ 4,946.87</u>

# Village at SouthGate Metropolitan District

## Check Detail

October 17, 2019 through June 22, 2020

Type	Num	Date	Name	Account	Paid Amount
					\$ 4,946.87
Bill Pmt -Check	1055	02/27/2020	UMB Bank	1-1000 · FirstBank Checking-5457	\$ (40,000.00)
Bill	Facility Fees	02/27/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 40,000.00
					\$ 40,000.00
Bill Pmt -Check	1056	03/22/2020	Miller & Associates Law Offices	1-1000 · FirstBank Checking-5457	\$ (974.68)
Bill	Inv 02/29/2020	02/29/2020		1-5005 · Legal	\$ 974.68
					\$ 974.68
Bill Pmt -Check	1057	03/22/2020	Special District Management Services, Inc	1-1000 · FirstBank Checking-5457	\$ (365.78)
Bill	Inv 2/29/2020	02/29/2020		1-5017 · Management services	\$ 365.78
					\$ 365.78
Bill Pmt -Check	1058	03/22/2020	UMB Bank	1-1000 · FirstBank Checking-5457	\$ (27,522.06)
Bill	February Taxes	03/22/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 27,522.06
					\$ 27,522.06
Bill Pmt -Check	1059	03/22/2020	UMB Bank	1-1000 · FirstBank Checking-5457	\$ (29,500.00)
Bill	Facility Fees	03/22/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 29,500.00
					\$ 29,500.00
Bill Pmt -Check	1060	04/17/2020	Miller & Associates Law Offices	1-1000 · FirstBank Checking-5457	\$ (1,491.52)
Bill	Inv 3/31/20	03/31/2020		1-5005 · Legal	\$ 1,491.52
					\$ 1,491.52
Bill Pmt -Check	1061	04/17/2020	Schilling & Company, Inc.	1-1000 · FirstBank Checking-5457	\$ (12.93)
Bill	Inv 12621	03/31/2020		1-5010 · Accounting	\$ 12.93
					\$ 12.93
Bill Pmt -Check	1062	04/17/2020	Special District Management Services, Inc	1-1000 · FirstBank Checking-5457	\$ (61.29)
Bill	Inv 3/31/20	03/31/2020		1-5017 · Management services	\$ 61.29
					\$ 61.29
Bill Pmt -Check	1063	04/17/2020	UMB Bank	1-1000 · FirstBank Checking-5457	\$ (6,364.91)

# Village at SouthGate Metropolitan District

## Check Detail

October 17, 2019 through June 22, 2020

Type	Num	Date	Name	Account	Paid Amount
Bill	March Taxes	04/16/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 6,364.91
					\$ 6,364.91
<b>Bill Pmt -Check</b>	<b>1064</b>	<b>04/17/2020</b>	<b>UMB Bank</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (12,500.00)</b>
Bill	Facility Fees	04/16/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 12,500.00
					\$ 12,500.00
<b>Bill Pmt -Check</b>	<b>1065</b>	<b>05/18/2020</b>	<b>Independent Dist Engineering Services LLC</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (3,465.00)</b>
Bill	Inv 10715	01/31/2020		1-5060 · Engineering/Consulting	\$ 1,745.00
Bill	Inv 10716	02/29/2020		1-5060 · Engineering/Consulting	\$ 1,720.00
					\$ 3,465.00
<b>Bill Pmt -Check</b>	<b>1066</b>	<b>05/18/2020</b>	<b>Miller &amp; Associates Law Offices</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (509.60)</b>
Bill	Inv 4/30/20	04/30/2020		1-5005 · Legal	\$ 509.60
					\$ 509.60
<b>Bill Pmt -Check</b>	<b>1067</b>	<b>05/18/2020</b>	<b>Schilling &amp; Company, Inc.</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (545.26)</b>
Bill	Inv 12654	04/30/2020		1-5010 · Accounting	\$ 535.31
				1-5030 · Postage	\$ 9.95
					\$ 545.26
<b>Bill Pmt -Check</b>	<b>1068</b>	<b>05/18/2020</b>	<b>Special District Management Services, Inc</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (897.20)</b>
Bill	Inv 70130	04/30/2020		1-5055 · Dues and subscriptions	\$ 897.20
					\$ 897.20
<b>Bill Pmt -Check</b>	<b>1069</b>	<b>05/18/2020</b>	<b>UMB Bank</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (26,500.00)</b>
Bill	Capital Facility Fee	05/18/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 17,500.00
				2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 9,000.00
					\$ 26,500.00
<b>Bill Pmt -Check</b>	<b>1070</b>	<b>05/18/2020</b>	<b>UMB Bank</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (118,521.13)</b>
Bill	April Taxes	05/18/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 118,521.13
					\$ 118,521.13
<b>Bill Pmt -Check</b>	<b>1071</b>	<b>06/22/2020</b>	<b>Miller &amp; Associates Law Offices</b>	<b>1-1000 · FirstBank Checking-5457</b>	<b>\$ (1,194.42)</b>
Bill	Inv 5/31/20	05/31/2020		1-5005 · Legal	\$ 1,194.42

# Village at SouthGate Metropolitan District

## Check Detail

October 17, 2019 through June 22, 2020

Type	Num	Date	Name	Account	Paid Amount
					\$ 1,194.42
Bill Pmt -Check	1072	06/22/2020	Schilling & Company, Inc.	1-1000 · FirstBank Checking-5457	\$ (640.51)
Bill	Inv 12688	05/31/2020		1-5010 · Accounting	\$ 630.01
				1-5030 · Postage	\$ 10.50
					\$ 640.51
Bill Pmt -Check	1073	06/22/2020	Special District Management Services, Inc	1-1000 · FirstBank Checking-5457	\$ (606.83)
Bill	Inv 5/31/20	05/31/2020		1-5017 · Management services	\$ 606.83
					\$ 606.83
Bill Pmt -Check	1074	06/22/2020	UMB Bank	1-1000 · FirstBank Checking-5457	\$ (4,555.89)
Bill	May 2020 Taxes	06/22/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 4,555.89
					\$ 4,555.89
Bill Pmt -Check	1075	06/22/2020	UMB Bank	1-1000 · FirstBank Checking-5457	\$ (26,000.00)
Bill	SF Fac Fees 6/22/20	06/22/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 20,000.00
Bill	MF Fac Fees 6/22/20	06/22/2020		2-1000 · UMB-2018 Sr Bond Fund-147846.1	\$ 6,000.00
					\$ 26,000.00
TOTAL DISBURSEMENTS					<b>\$ 530,940.72</b>
EXPENDITURES:					
Operations					\$ 22,573.52
Debt Service and Paying Agent Fees					\$ 122,718.75
FACILITY FEE AND TAX TRANSFERS TO UMB					\$ 385,648.45
					<b>\$ 530,940.72</b>

**Village at SouthGate**  
**Cash Summary**  
**June 30, 2020**

**Cash Deposits**

FirstBank - Checking	<u>\$ 31,001.96</u>
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**Investments**

UMB 2018 Senior Bond Fund - COLOTRUST Plus+	\$ 147,328.30
UMB 2018 Subordinate Interest Fund - COLOTRUST Plus+	\$ 0.56
UMB 2018 Reserve Fund - COLOTRUST Plus+	\$ 344,262.68
UMB 2018 Surplus Fund - COLOTRUST Plus+	<u>\$ 338,069.78</u>
	<u>\$ 829,661.32</u>

<b>Total Cash Deposits and Investments</b>	<b><u><u>\$ 860,663.28</u></u></b>
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**Breakdown by Fund**

General Fund	\$ 28,501.90
Debt Service Fund	<u>\$ 832,161.38</u>
	<b><u><u>\$ 860,663.28</u></u></b>

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT**

**Adams County, Colorado**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Preliminary Draft  
Subject to Revision



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## Dazzio & Associates, PC

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Certified Public Accountants

### INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Village at SouthGate Metropolitan District  
Adams County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of the Village at SouthGate Metropolitan District as of and for the year December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Village at SouthGate Metropolitan District, as of December 31, 2019, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village at SouthGate Metropolitan District's basic financial statements. The supplemental information and the other information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

June 29, 2020

## **BASIC FINANCIAL STATEMENTS**

Preliminary Draft  
Subject to Revision

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT**  
**STATEMENT OF NET POSITION**  
**December 31, 2019**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments - unrestricted	\$ 298
Cash and investments - restricted	662,107
Due from County Treasurer	680
Prepaid expenses	5,794
Property taxes receivable	222,815
Total assets	<u>891,694</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	
<b>LIABILITIES</b>	
Accounts payable	1,173
Accrued bond interest payable	19,453
Bonds and unpaid interest payable:	
Due in more than one year	5,014,259
Developer advances and accrued interest payable:	
Due in more than one year	216,559
Total liabilities	<u>5,251,444</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred property taxes revenues	222,815
Total deferred inflows of resources	<u>222,815</u>
<b>NET POSITION</b>	
Restricted:	
Emergency reserves	774
Debt service	299,281
Unrestricted	(4,882,620)
Total net position	<u>\$ (4,582,565)</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT**  
**STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2019

<b>Functions/Programs</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
Governmental Activities:				
General government	\$ 65,486	\$ -	\$ -	\$ (65,486)
Interest and fiscal charges	312,846	-	100,500	(212,346)
Total governmental activities	<u>\$ 378,332</u>	<u>\$ -</u>	<u>\$ 100,500</u>	<u>\$ (277,832)</u>
General revenues:				
Taxes:				
Property taxes				109,201
Specific ownership taxes				8,150
Net investment income				17,809
Total general revenues				<u>135,160</u>
Change in net position				<u>(142,672)</u>
Net position - Beginning of year				<u>(4,439,893)</u>
Net position - End of year				<u>\$ (4,582,565)</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2019**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and investments - unrestricted	\$ 298	\$ -	\$ 298
Cash and investments - restricted	-	662,107	662,107
Due from County Treasurer	147	533	680
Prepaid expenditures	5,794	-	5,794
Property taxes receivable	44,564	178,251	222,815
<b>TOTAL ASSETS</b>	<u>\$ 50,803</u>	<u>\$ 840,891</u>	<u>\$ 891,694</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 1,173	\$ -	\$ 1,173
Total liabilities	<u>1,173</u>	<u>-</u>	<u>1,173</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenues	44,564	178,251	222,815
Total deferred inflows of resources	<u>44,564</u>	<u>178,251</u>	<u>222,815</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid expenditures	5,794	-	5,794
Spendable:			
Restricted for emergencies	774	-	774
Restricted for debt service	-	662,640	662,640
Unassigned	(1,502)	-	(1,502)
Total fund balances	<u>5,066</u>	<u>662,640</u>	<u>667,706</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 50,803</u>	<u>\$ 840,891</u>	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Some liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the Balance Sheet - Governmental Funds.

Accrued bond interest payable	(19,453)
Bonds and unpaid bond interest payable	(5,014,259)
Developer advances and interest payable	(216,559)
	<u>(5,250,271)</u>

Net position of governmental activities	<u>\$ (4,582,565)</u>
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These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year Ended December 31, 2019**

	<b>General</b>	<b>Debt Service</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>			
Property tax	\$ 23,647	\$ 85,554	\$ 109,201
Specific ownership tax	1,765	6,385	8,150
Facility fees	-	100,500	100,500
Net investment income	403	17,406	17,809
Total revenues	<u>25,815</u>	<u>209,845</u>	<u>235,660</u>
<b>EXPENDITURES</b>			
Current:			
Legal	14,573	-	14,573
Accounting	9,177	-	9,177
Management services	7,411	-	7,411
Audit	4,700	-	4,700
Engineering and consulting	22,955	-	22,955
Insurance and bonds	2,508	-	2,508
County Treasurer's fees	361	1,305	1,666
Office supplies	372	-	372
Bank service charges	120	1,700	1,820
Dues and subscriptions	304	-	304
Debt service:			
Paying agent fees	-	6,000	6,000
Interest and fiscal charges	-	233,438	233,438
Total expenditures	<u>62,481</u>	<u>242,443</u>	<u>304,924</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(36,666)</u>	<u>(32,598)</u>	<u>(69,264)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer advances	38,748	-	38,748
Total other financing sources (uses)	<u>38,748</u>	<u>-</u>	<u>38,748</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,082	(32,598)	(30,516)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>2,984</u>	<u>695,238</u>	<u>698,222</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 5,066</u></u>	<u><u>\$ 662,640</u></u>	<u><u>\$ 667,706</u></u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.



**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2019**

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balances - Total governmental funds	<u>\$ (30,516)</u>
Long-term debt (e.g. bonds, developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Developer advances	<u>(38,748)</u>
	<u>(38,748)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.	
Change in unpaid bond interest payable	(61,975)
Change in developer advances interest payable	<u>(11,433)</u>
	<u>(73,408)</u>
Change in net position - Governmental activities	<u><u>\$ (142,672)</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET TO ACTUAL - GENERAL FUND**  
**Year Ended December 31, 2019**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Property tax	\$ 23,648	\$ 23,648	\$ 23,647	\$ (1)
Specific ownership tax	1,865	1,865	1,765	(100)
Net investment income	-	-	403	403
Total revenues	25,513	25,513	25,815	302
<b>EXPENDITURES</b>				
Legal	25,000	18,000	14,573	3,427
Accounting	5,000	9,000	9,177	(177)
Management services	4,800	8,000	7,411	589
Audit	5,000	4,700	4,700	-
Engineering and consulting	-	35,000	22,955	12,045
Insurance and bonds	3,000	2,509	2,508	1
County Treasurer's fees	355	355	361	(6)
Office supplies	60	60	372	(312)
Bank service charges	120	120	120	-
Dues and subscriptions	300	304	304	-
Contingency	5,000	5,000	-	5,000
Total expenditures	48,635	83,048	62,481	20,567
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(23,122)	(57,535)	(36,666)	20,869
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer advances	23,552	55,317	38,748	(16,569)
Total other financing sources (uses)	23,552	55,317	38,748	(16,569)
<b>NET CHANGE IN FUND BALANCE</b>	430	(2,218)	2,082	4,300
<b>FUND BALANCE - BEGINNING OF YEAR</b>	336	2,984	2,984	-
<b>FUND BALANCE - END OF YEAR</b>	\$ 766	\$ 766	\$ 5,066	\$ 4,300

These financial statements should be read only in connection with the  
accompanying notes to financial statements.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

Village at SouthGate Metropolitan District (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on November 25, 2014 and is governed pursuant to provisions of the Colorado Special District Act. The District's boundaries are located in Adams County, Colorado. The District was established to provide financing for the construction, operation and maintenance of public infrastructure improvements within the District's boundaries.

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

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District, the difference between the assets and deferred outflows, and liabilities and deferred inflows of the District being reported as net position.

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

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

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

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Budgets**

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

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

For the year ended December 31, 2019, supplementary appropriations approved by the District modified the appropriation from \$48,635 to \$83,048 in the General Fund and from \$239,238 to \$247,371 in the Debt Service Fund.

For the year ended December 31, 2019, the District adopted a budget and appropriated expenditures of \$12,768 for a Capital Projects Fund. The Capital Projects Fund was closed as of December 31, 2018 and had no revenues or expenditures for 2019. Therefore no Capital Projects Fund financial statements have been presented.

### **Pooled Cash and Investments**

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

### **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 certified by December 15 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 30 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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

### **Deferred Inflows of Resources**

In addition to liabilities, the statement of net position and fund balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Property tax revenue that is related to a future period is recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

### **Fund Equity**

Fund balance for governmental funds are reported in the categories listed below to make the nature and extent of the constraints placed on a government's fund balances more transparent. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

Nonspendable fund balance—the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance—the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

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

Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Board of Directors has provided otherwise in its commitment or assignment actions.

### **NOTE 3 - CASH AND INVESTMENTS**

Cash and investments as of December 31, 2019 are classified in the accompanying financial statements as follows:

Statement of Net Position

Cash and investments - unrestricted	\$ 298
Cash and investments - restricted	662,107
Total cash and investments	<u>\$ 662,405</u>

Cash and investments as of December 31, 2019 consist of the following:

#### **Cash Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.



**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
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The State Commissioners for banks and financial services are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2019, the District's cash deposits with financial institutions that had a bank balance of \$24,068 and carrying balance of \$10,798.

**Investments**

The District has not adopted a formal investment policy, however, the District follows state statutes regarding investments. Colorado State Statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States and certain U.S. government agency securities and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools

At December 31, 2019 the District had the following investments:

**COLOTRUST**

The District has invested \$651,607 in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST PLUS+ may also invest in the highest rated commercial paper. Both the COLOTRUST PRIME and COLOTRUST PLUS+ portfolios are rated AAAM by Standard and Poor's. The District's investments were in the COLOTRUST PLUS+ portfolio.

**Investment Valuation**

The District's investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The District held investments in COLOTRUST at yearend for which the investment valuations were determined as follows.

COLOTRUST determines the NAV of the shares of each portfolio as of the close of business of each day. The NAV per share of each portfolio is computed by dividing the total value of the

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of COLOTRUST, are accrued daily. The NAV is calculated at fair value using various inputs to determine value in accordance with FASB guidance. It is the goal of the Trust to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by COLOTRUST and there can be no assurance that the NAV will not vary from \$1.00 per share.

**Restricted Cash and Investments**

At December 31, 2019, the District reports cash and investments in the amount of \$662,107 which are restricted for debt service on the District's outstanding bonds and for capital improvements, respectively.

**NOTE 4 – LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2019.

	Balance December 31, 2018	Additions	Retirements	Balance December 31, 2019	Current Portion
<b>Governmental Activities:</b>					
Limited Tax G.O. Bonds:					
Series 2018A	\$ 4,150,000	\$ -	\$ -	\$ 4,150,000	\$ -
Subordinate Series 2018B	764,000	-	-	764,000	-
Accrued and unpaid interest:					
Subordinate Series 2018B	38,284	61,975	-	100,259	-
Developer Advances:					
PFG - Principal	108,947	18,724	-	127,671	-
PFG - Interest	16,017	8,214	-	24,231	-
ARCUS - Principal	39,598	20,024	-	59,622	-
ARCUS - Interest	1,816	3,219	-	5,035	-
	<u>\$ 5,118,662</u>	<u>\$ 112,156</u>	<u>\$ -</u>	<u>\$ 5,230,818</u>	<u>\$ -</u>

**Limited Tax General Obligation Bonds Series 2018A**

On May 7, 2018, the District issued \$4,150,000 Limited Tax General Obligation Bonds, Series 2018A to (i) finance public improvements related to a primarily residential development in the City of Brighton (City); (ii) pay capitalized interest on the 2018A Senior Bonds; (iii) fund the Senior Reserve Fund; and (iv) pay other costs in connection with the issuance of 2018A Senior Bonds. The bonds are term bonds maturing on December 1, 2048 and bear interest at 5.625%. Interest is due to be paid semiannually on June 1 and December 1, beginning in 2018 through 2048. The bonds are subject to mandatory annual sinking fund redemption on December 1 beginning in 2023 through 2047, with final non-sinking fund redemption in 2048. The bonds are subject to redemption prior to maturity on December 1, 2023, and on any date thereafter, upon payment of par, accrued interest and redemption premium as follows: 3.00% for dates of redemption December 1, 2023 to November 30, 2024; 2.00% for dates of redemption December 1, 2024 to November 30, 2025; 1.00% for dates of redemption December 1, 2025 to November 30, 2026; and no redemption premium on December 1, 2026 and thereafter.



**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
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The Series 2018A Senior Bonds are limited tax general obligations of the District secured by and payable from the Senior Pledged Revenue consisting of moneys derived by the District from the following sources, net of any costs of collection: (i) the Senior Property Tax Revenues derived from the imposition of the Senior Required Mill Levy; (ii) the Senior Specific Ownership Tax Revenues which is collected as a result of the imposition of the Senior Required Mill Levy; (iii) all Capital Fees consisting of all fees, rates, tolls, penalties, and charges of a capital nature for services, programs, or facilities furnished by the District, including particularly and without limitation, the Facility Fees (which are currently \$1,500 per multifamily lot and \$2,500 per single-family attached ore detached lot; (iv) all Senior PILOT Revenues (payment in lieu of taxes) related to the Senior Required Mill Levy; and (v) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

The Senior Required Mill Levy is defined as follows:

- (a) subject to paragraph (b) below, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year in an amount which, if imposed by the District for collection in the succeeding calendar year, would generate Senior Property Tax Revenues and Senior PILOT Revenues (if any) sufficient to pay the principal of, premium if any, and interest on the 2018A Senior Bonds as the same become due and payable (less any amount thereof for which amounts are then on deposit in the Senior Bond Fund and, solely to the extent provided in the 2018A Senior Indenture, the Senior Surplus Fund and the Senior Reserve Fund, respectively) and to replenish the Senior Reserve Fund to the Reserve Requirement, but not in excess of 40 mills; provided, however, that:
  - (i) for so long as the amount on deposit in the Senior Surplus Fund is less than the Maximum Surplus Amount, the Senior Required Mill Levy shall be equal to 40 mills (subject to adjustment as described in clause (ii) below), or such lesser amount which, if imposed by the District for collection in the succeeding calendar year, would generate Senior Property Tax Revenues and Senior PILOT Revenues (if any): (A) sufficient to pay the principal of, premium if any, and interest on the 2018A Senior Bonds as the same become due and payable, to replenish the Senior Reserve Fund to the Reserve Requirement and to fully fund the Senior Surplus Fund to the Maximum Surplus Amount, or (B) which, when combined with moneys then on deposit in the Senior Bond Fund, the Senior Surplus Fund and the Senior Reserve Fund, will pay the 2018A Senior Bonds in full in the year in which such levy is collected; and
  - (ii) in the event that the method of calculating assessed valuation is changed after October 7, 2014, the minimum mill levy of 40 mills and the maximum mill levy of 40 mills provided in the 2018A Senior Indenture will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation; and
- (b) notwithstanding anything in the 2018A Senior Indenture to the contrary, in no event may the Senior Required Mill Levy be established at a mill levy which would cause the District

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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to derive tax revenue in any year in excess of the maximum tax increases permitted by the District's electoral authorization, and if the Senior Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by the District's electoral authorization, the Senior Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

Discharge of 2018A Senior Bonds on December 1, 2048:

Notwithstanding any other provision in the 2018A Senior Indenture, in the event that any amount of principal of or interest on the 2018A Senior Bonds remains unpaid after the application of all Senior Pledged Revenue available therefor on December 1, 2048, the 2018A Senior Bonds and the lien of the 2018A Senior Indenture securing payment thereof shall be deemed discharged, the estate and rights thereby granted shall cease, terminate, and be void, and thereupon the 2018A Trustee shall cancel and discharge the lien of the 2018A Senior Indenture, and execute and deliver to the District such instruments in writing as shall be required to evidence the same. Upon such discharge, the 2018A Owners will have no recourse to the District or any property of the District for the payment of any amount of principal of or interest on the 2018A Senior Bonds remaining unpaid.

**Subordinate Limited Tax General Obligation Bonds Series 2018B**

On May 7, 2018, the District issued \$764,000 Subordinate Limited Tax General Obligation Bonds, Series 2018A to (i) finance public improvements related to a primarily residential development in the City of Brighton (City); and (ii) pay a portion of the underwriter's discount in connection with issuance of the 2018B Subordinate Bonds. The bonds are term bonds maturing on December 15, 2040 and bear interest at 7.75%. There are no regularly scheduled principal and interest payments on the 2018B Subordinate Bonds. Instead, (a) principal on the 2018B Subordinate Bonds is payable on the mandatory redemption dates (each December 15) from, and only to the extent of, Subordinate Pledged Revenue available therefore, if any, in accordance with the terms of the 2018B Subordinate Indenture and (b) interest on the 2018B Subordinate Bonds is payable on each December 15, but only from and to the extent of, Subordinate Pledged Revenue available therefor. The bonds are subject to redemption prior to maturity on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest and redemption premium as follows: 3.00% for dates of redemption December 15, 2023 to December 14, 2024; 2.00% for dates of redemption December 15, 2024 to December 14, 2025; 1.00% for dates of redemption December 15, 2025 to December 14, 2026; and no redemption premium on December 15, 2026 and thereafter.

The Series 2018B Subordinate Bonds are limited tax general obligations of the District secured by and payable from the Subordinate Pledged Revenue consisting of moneys derived by the District from the following sources, net of any costs of collection: (i) the Subordinate Property Tax Revenues derived from the imposition of the Subordinate Required Mill Levy; (ii) the Subordinate Specific Ownership Tax Revenues which is collected as a result of the imposition of the Subordinate Required Mill Levy; (iii) all Subordinate Capital Fee Revenue consisting Capital Fees remaining after deduction of any amount thereof used, paid, pledged, or otherwise applied to the payment of any Senior Obligations; (iv) all Subordinate PILOT Revenues (payment in lieu of taxes) related to the Subordinate Required Mill Levy; and (v) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
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The Subordinate Required Mill Levy is defined as follows:

An ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year in an amount equal to (i) 40 mills less the Senior Obligation Mill Levy, or (ii) such lesser amount which, if imposed by the District for collection in the succeeding calendar year, would generate Subordinate Property Tax Revenues and Subordinate PILOT Revenues (if any) which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the 2018B Subordinate Bonds in full in the year such levy is collected; provided however, that:

- (a) in the event that the method of calculating assessed valuation is changed after October 7, 2014, the mill levy of 40 mills (less the Senior Required Mill Levy) provided in the 2018B Subordinate Indenture will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation; and
- (b) notwithstanding anything in the 2018B Subordinate Indenture to the contrary, in no event may the Subordinate Required Mill Levy be established at a mill levy which would cause the District to derive tax revenue in any year in excess of the maximum tax increases permitted by the District's electoral authorization, and if the Subordinate Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by the District's electoral authorization, the Subordinate

Discharge of 2018B Subordinate Bonds on December 15, 2048:

Notwithstanding any other provision in the 2018B Subordinate Indenture, in the event that any amount of principal of or interest on the 2018B Subordinate Bonds remains unpaid after the application of all Subordinate Pledged Revenue available therefor on December 15, 2048, the 2018B Subordinate Bonds and the lien of the 2018B Subordinate Indenture securing payment thereof shall be deemed discharged, the estate and rights thereby granted shall cease, terminate, and be void, and thereupon the 2018B Trustee shall cancel and discharge the lien of the 2018B Subordinate Indenture, and execute and deliver to the District such instruments in writing as shall be required to evidence the same. Upon such discharge, the 2018B Owners will have no recourse to the District or any property of the District for the payment of any amount of principal of or interest on the 2018B Subordinate Bonds remaining unpaid.

#### **Events of Default**

The Indentures of the Limited Tax General Obligation Bonds Series 2018A and Subordinate Limited Tax General Obligation Bonds Series 2018B include defaults and remedies upon the occurrence of an Event of Default. The Events of Default include: a) the District fails or refuses to impose the Senior Required Mill Levy or Subordinate Required Mill Levy, as applicable, b) the District defaults in the performance or observance of any of the covenants, agreements or conditions in the Indenture or the Bond Resolution and fails to remedy the same after notice thereof, or c) the District files a petition under the federal bankruptcy laws or other applicable

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
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bankruptcy laws seeing to adjust the obligation represented by the bonds. However it is acknowledged that due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest of the bonds when due shall not, of itself, constitute an Event of Default.

The remedies available upon the occurrence of an event of default, the Trustee for the bonds may pursue receivership of the cash, securities, instruments held and revenues of the District, pursue a suit for judgment, and pursue mandamus or other suit.

**Use of Proceeds**

The District used a portion of the proceeds of the 2018A and 2018B bonds to: 1) reimburse the City of Brighton \$195,470.57 in accordance with an Intergovernmental Agreement Regarding the Reimbursement of Costs for the South Brighton Infrastructure Improvements between the District, City of Brighton, and PFG Acquisitions, LLC dated April 19, 2016, as subsequently assigned by PFG Acquisitions, LLC to ARCUS Southgate LLC on April 10, 2017, and 2) reimburse ARCUS Southgate LLC \$3,700,785 in accordance with an Infrastructure Acquisition Agreement between the District and PFG Acquisitions, LLC dated January 22, 2015 as subsequently partially assigned to ARCUS Southgate LLC on April 10, 2017.

The District's Limited Tax General Obligation Bonds Series 2018A are estimated to mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ -	\$ 233,437	\$ 233,437
2021	-	233,437	233,437
2022	-	233,437	233,437
2023	35,000	233,438	268,438
2024	45,000	231,469	276,469
2025-2029	310,000	1,113,469	1,423,469
2030-2034	495,000	1,006,031	1,501,031
2035-2039	730,000	842,063	1,572,063
2040-2044	1,055,000	602,156	1,657,156
2045-2048	1,480,000	242,719	1,722,719
	<u>\$ 4,150,000</u>	<u>\$ 4,971,656</u>	<u>\$ 9,121,656</u>

Due to the Subordinate Limited Tax General Obligation Bonds Series 2018B being subordinate to the 2018A bonds and are only payable to the extent there are available pledged revenues, a maturity schedule for the 2018B bonds has not been presented.

The District's authorized but unissued debt at December 31, 2019 is as follows:

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DECEMBER 31, 2019**

<b>Purpose</b>	<b>Series 2018A</b>		<b>Series 2018B</b>	
	<b>Amount Authorized 11/4/2014</b>	<b>Bonds Issued 5/7/2018</b>	<b>Bonds Issued 5/7/2018</b>	<b>Authorized But Unissued</b>
Street	\$ 18,774,000	\$ (1,358,947)	\$ (266,739)	\$ 17,148,314
Parks and Recreation	18,774,000	(87,682)	(17,211)	18,669,107
Water	18,774,000	(663,058)	(101,143)	18,009,799
Storm Drainage and Sanitation	18,774,000	(2,040,313)	(378,907)	16,354,780
Transportation	18,774,000	-	-	18,774,000
Mosquito Control	18,774,000	-	-	18,774,000
Safety Protection	18,774,000	-	-	18,774,000
Fire Protection	18,774,000	-	-	18,774,000
TV Relay and Translation	18,774,000	-	-	18,774,000
Operations and Maintenance	18,774,000	-	-	18,774,000
Refunding Debt	18,774,000	-	-	18,774,000
District IGAs as Debt	18,774,000	-	-	18,774,000
	<u>\$ 225,288,000</u>	<u>\$ (4,150,000)</u>	<u>\$ (764,000)</u>	<u>\$ 220,374,000</u>

The District's service plan limits the amount of debt that the District can issue to \$8,925,000. The service plan provides for an additional \$1,785,000 of debt upon approval by the City of Brighton City Manager, for a total of \$10,710,000. The District does not anticipate issuing any of the authorized but unissued debt during 2020.

**NOTE 5 – DEVELOPER ADVANCE AGREEMENTS**

*Advance and Reimbursement Agreement for Operation and Maintenance Costs*

On January 22, 2015, the District and PFG Acquisitions, LLC ("PFG") entered into an "Advance and Reimbursement Agreement for Operation and Maintenance Costs" by and between Village at SouthGate Metropolitan District and PFG (the "Initial O&M Funding Agreement") under which PFG agreed to make certain advances to the District to fund operation and maintenance costs of the District ("O&M Costs"), and under which the District agreed to reimburse PFG for O&M Costs advanced by PFG, together with interest at 7% per annum. On April 10, 2017, PFG assigned certain of its rights under the Initial O&M Funding Agreement to ARCUS Southgate LLC ("ARCUS") under the "Partial Assignment of Advance and Reimbursement Agreement for Operation and Maintenance Costs and Consent" (the "O&M Assignment"; the Initial O&M Funding Agreement, as amended by the O&M Assignment, is referred to herein as the "O&M Funding and Reimbursement Agreement") between PFG and ARCUS, such that the 50% of the reimbursement obligations of the District for O&M Costs would be payable to the ARCUS, and ARCUS would have the obligation to fund 50% of the advances for O&M Costs under the Initial O&M Funding Agreement. Reimbursement of O&M Costs are anticipated to be made by the District, subject to annual appropriation and budget approval, from funds available within any fiscal year and otherwise required for operations, capital improvements and debt service costs and expenses of the District; notwithstanding the foregoing, a portion or all of the Bond proceeds may be used by the District to repay PFG and ARCUS for advanced O&M Costs. As of December 31, 2019, the outstanding principal and interest payable to PFG were \$127,671 and \$24,231, respectively. As of December 31, 2019, the outstanding principal and interest payable to ARCUS were \$59,622 and \$5,035, respectively.



**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**NOTE 6 - FUND EQUITY**

At December 31, 2019, the District reported the following classifications of fund equity.

**Nonspendable Fund Balance**

The nonspendable fund balance in the General Fund in the amount of \$5,794 is comprised of prepaid amounts which are not in spendable form.

**Restricted Fund Balance**

The restricted fund balance in the amount of \$774 in the General Fund is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 9).

The restricted fund balance in the Debt Service Fund in the amount of \$662,640 is to be used exclusively for debt service requirements (see Note 4).

**NOTE 7 - NET POSITION**

The District has net position consisting of two components – restricted and unrestricted.

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

The District had restricted net position as of December 31, 2019 as follows:

Restricted:	
Emergencies	\$       774
Debt service	299,281
	<u>\$ 300,055</u>

In the government-wide financial statements, the District's had an unrestricted net position deficit of \$4,882,620 as a result of capital improvements that were funded with long-term debt that have been dedicated to other entities, while the long-term debt remains an obligation of the District.

**NOTE 8 – RISK MANAGEMENT**

Except as provided in the Colorado Governmental Immunity Act, as amended from time to time, the District may be exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

The District pays annual premiums to the Pool for liability, and public officials' liability. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 9 - TAX, SPENDING AND DEBT LIMITATIONS**

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

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

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

On November 4, 2014 the voters of the District approved the following ballot measures:

Shall the Village at SouthGate Metropolitan District taxes be increased \$500,000 annually (such tax increase to be collected in such amount notwithstanding any property tax cut specified by Article X, Section 20 of the Colorado Constitution, as it currently exists or as amended) or such lesser amount as necessary to pay the District's administration and operations and maintenance expenses, by the imposition of ad valorem property taxes levied in any year, without limitation as to rate or amount or any other condition, to pay such expenses and shall the revenue from such taxes and any investment income thereon be collected, retained and spent by the District in fiscal year 2015 and in each fiscal year thereafter as a voter-approved revenue changes without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in taxation by Section 29-1-301, C.R.S, in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Shall the Village at SouthGate Metropolitan District taxes be increased \$500,000 annually (such tax increase to be collected in such amount notwithstanding any property tax cut specified by Article X, Section 20 of the Colorado Constitution, as it currently exists or as amended) or such lesser amount as necessary to pay the District's administration and operations and maintenance expenses, by the imposition of a fee or fees imposed, without limitation as to rate or amount or any other condition, to pay such expenses and shall the revenue from such fees and any investment income thereon be collected, retained and spent by the District in fiscal year 2014 and in each fiscal year thereafter as a voter-approved revenue changes without regard to any spending, revenue-raising, or other

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in taxation by Section 29-1-301, C.R.S. in any year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, all without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

Shall Village at SouthGate Metropolitan District be authorized to collect, retain, and spend the full amount of all taxes, tax increment revenues, tap fees, park fees, facility fees, service charges, inspection charges, administrative charges, gifts, grants or any other fee, rate, toll, penalty, or charge authorized by law or contract to be imposed, collected or received by the District during fiscal year 2014 and each fiscal year thereafter, such amounts to constitute a voter-approved revenue change and be collected, retained and spent by the District without regard to any spending, revenue-raising, or other limitation contained within Article X, Section 20 of the Colorado Constitution, the limits imposed on increases in property taxation by Section 29-1-301, C.R.S. in any subsequent year, or any other law which purports to limit the District's revenues or expenditures as it currently exists or as it may be amended in the future, and without limiting in any year the amount of other revenues that may be collected, retained and spent by the District?

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

**NOTE 10 – RELATED PARTIES**

Two of the members of the Board of Directors of the District are employees, owners or associated with PFG Acquisitions, LLC and may have conflicts of interest in dealing with the District. Specific details of transactions with PFG Acquisitions, LLC regarding advances are described elsewhere in these notes to financial statements (see Note 5).

This information is an integral part of the accompanying financial statements.



**SUPPLEMENTAL INFORMATION**

Preliminary Draft  
Subject to Revision

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET TO ACTUAL - DEBT SERVICE FUND**  
**Year Ended December 31, 2019**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>				
Property tax	\$ 85,558	\$ 85,558	\$ 85,554	\$ (4)
Specific ownership tax	6,746	6,000	6,385	385
Facility fees	120,000	90,000	100,500	10,500
Net investment income	9,000	15,000	17,406	2,406
Total revenues	<u>221,304</u>	<u>196,558</u>	<u>209,845</u>	<u>13,287</u>
<b>EXPENDITURES</b>				
County Treasurer's fees	-	1,283	1,305	(22)
Bank service charges	800	1,650	1,700	(50)
Paying agent fees	-	6,000	6,000	-
Bond interest	233,438	233,438	233,438	-
Contingency	5,000	5,000	-	5,000
Total expenditures	<u>239,238</u>	<u>247,371</u>	<u>242,443</u>	<u>4,928</u>
<b>NET CHANGE IN FUND BALANCE</b>	(17,934)	(50,813)	(32,598)	18,215
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>712,884</u>	<u>695,238</u>	<u>695,238</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 694,950</u>	<u>\$ 644,425</u>	<u>\$ 662,640</u>	<u>\$ 18,215</u>

## OTHER INFORMATION

Preliminary Draft  
Subject to Revision

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
SUMMARY OF ASSESSED VALUATION , MILL LEVY  
AND PROPERTY TAXES COLLECTED  
Year Ended December 31, 2019**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied			Property Taxes		Percentage Collected to Levied
		General	Debt Service	Total	Levied	Collected	
2016	\$ 252,570	10.000	0.000	10.000	\$ 2,526	\$ 2,527	100.0%
2017	\$ 252,680	10.000	0.000	10.000	\$ 2,527	\$ 2,527	100.0%
2018	\$ 932,640	11.056 *	0.000	11.056 *	\$ 10,311	\$ 10,311	100.0%
2019	\$ 2,138,960	11.056 *	40.000	51.056 *	\$109,206	\$109,201	100.0%
Estimated for year ending December 31, 2020	\$ 4,002,850	11.133 *	44.531 *	55.664 *	\$222,815		

\* - Mill levy adjusted for the effect of the Gallagher Amendment on the assessed value ratio.

**NOTE:** Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.



# Landscape Services Village at Southgate HOA

6/17/20

Judy Leyshon

6/17/2020

12570 E. 39<sup>th</sup> Ave  
Denver, CO, 80239  
T 303-288-2701  
www.brightview.com

Judy Leyshon  
District Manager  
SDMS

Dear Judy and Distinguished Board Members,

BrightView is pleased to submit our proposal to provide professional landscape management services to the Village at Southgate community. I appreciate your input and guidance as we have assembled our proposed solution for your company.

- **Our Approach to Your Property:** Success starts with a great plan and a good Account Manager to execute it. We have selected Duncan Hickey as your Account Manager. Duncan has been in the landscape industry for many years. He along with the rest of our team has designed the appropriate plan needed to successfully meet and or exceed your expectations. Duncan will design a "Sequence Map" that will help his team make sure they are servicing all areas in an efficient manner. The map orchestrates an efficient flow that will allow his team to have all areas serviced completely on a monthly basis.
- **Professional Irrigation Management:** Duncan will have our Certified Irrigation Technician perform a complete Preventative Maintenance Inspection, (PMI) of your entire system at the onset of our contract period. We will document deficiencies in a detailed report with our recommendations and any required repair costs. Once the initial start-up inspection and repairs are complete, we will check your system once a month for any issues that may arise. Irrigation Management Service will be done monthly and is included in your monthly service cost.
  - a. Checking for broken/ leaky valves or piping, Repair or replace sprinkler heads.*
  - b. Check and adjust spray for better efficient water allocation*
  - c. Provide reports/proposals for repairs for review and approval.*
  - d. Propose ideas for better water conservation through enhancement and or upgrading sprinkler heads that use less water and a more efficient spray range.*
  - e. Winter shutdown and spring start up*



- **Communication is our #1 priority:** Your Account Manager understands that good Communication not only crucial between him and his crew but especially his Client. BrightView understands this as well which is why we have developed many tools to streamline better communication practices:
  - a. **Job Walks:** Your Account Manager will be available for weekly, monthly or quarterly job walks with your team. He and his Production Manager will also walk your property regularly to confirm all items have been accomplished or are scheduled to complete
  - b. **Quality Site Assessment Report (QSA):** Each Account Manager uses our QSA app when walking your property. He is able to take photos, create line item description of what the photo entails and send to yourself and or his team as a task. This report allows you to know what has been done as well as what tasks are still pending. I have included a PDF for better reviewing capabilities
- **Flexibility:** We understand that not everything is always “Black and White”. Duncan and his team are willing to work with your community if special events occur or if there is an occasional item you may need our help with that may fall outside the scope of work and won’t take the team completely out of their day to day tasks.
- **Covid Ready:** At Brightview Landscape, safety for our team and clients is our number one priority at all times, especially during these challenging times. All of our team members will be wearing face masks and utilize gloves. They monitor extra distance especially when it comes to your shoppers and are instructed to honor these extra accommodations while on your property.
- **Native Basins:** Our team is committed to make sure all of your basins are manicured properly and all drain pans are debris free. Because of the large area and angle of the basins, a lot of string trimming will be needed. This creates more labor hours to accomplish and thus a higher costs. We evaluated each area and know our plan we are offering will keep you basins looking clean and safe.

Thank you for this opportunity to submit this proposal. I will follow up with you in the next few days to answer any questions you may have. Feel free to contact me at **720-708-0999** or by email at [William.jacobson@brightview.com](mailto:William.jacobson@brightview.com)

Sincerely,

Bill Jacobson  
**Business Developer**

Luis Caballero  
**Branch Manager**

## What's inside?

### **I. Solutions that Make a Difference**

- Well Planned Approach
- Strong Plan for Communication
- Choosing the Right Team

### **II. Safety While on Site**

### **III. You full Service Landscape Expert**

- Design
- Enhance
- Develop
- Maintain
- Snow Removal

### **IV. Tools for Effective Planning**

- Agronomic Calendar
- Sequence Map
- In House Enhancement Design Team

### **V. Preserving the Value of Your Asset**

- 24 Hour Emergency Response Team
- Sustainability
- Saving Water Makes Cents

### **VI. Certifications**

### **VII. Client Service Team**

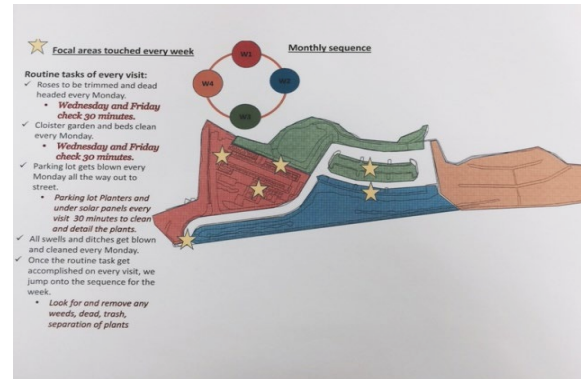
**Final: Competitive Pricing to Fit Your Budget Including Snow T&M Rates**



## Solutions That Make a Difference

### A WELL PLANNED APPROACH:

Duncan will develop a **sequence map** for his crew to follow on a weekly basis. This map gives clear and concise direction to make sure the entire property is touched once a month and focal areas weekly. It also allows you to keep track of where they'll be on any given day and or week to address any issues needed.



Sequence map gives our crews direction with purpose with or without the Account Managers presence.

### STRONG PLAN FOR COMMUNICATION

Duncan will be available for monthly or quarterly job walks for you and your team. These are scheduled to evaluate the overall condition of the property together. Job walks allow your team and ours to confirm everything is moving in the right direction and that there are no concerns. Duncan will also check in with you monthly when he's on property to make sure all concerns are taken care of.



Job Walks are just one facet of our communication process

### CHOOSING THE RIGHT TEAM:

Having a well-developed plan is essential but having the right team to execute the plan is just as important. Account Managers like Duncan along with a highly trained and professional team is why BrightView Landscape Services Inc. is one of the most sought after landscape companies in Brighton and the surrounding areas.

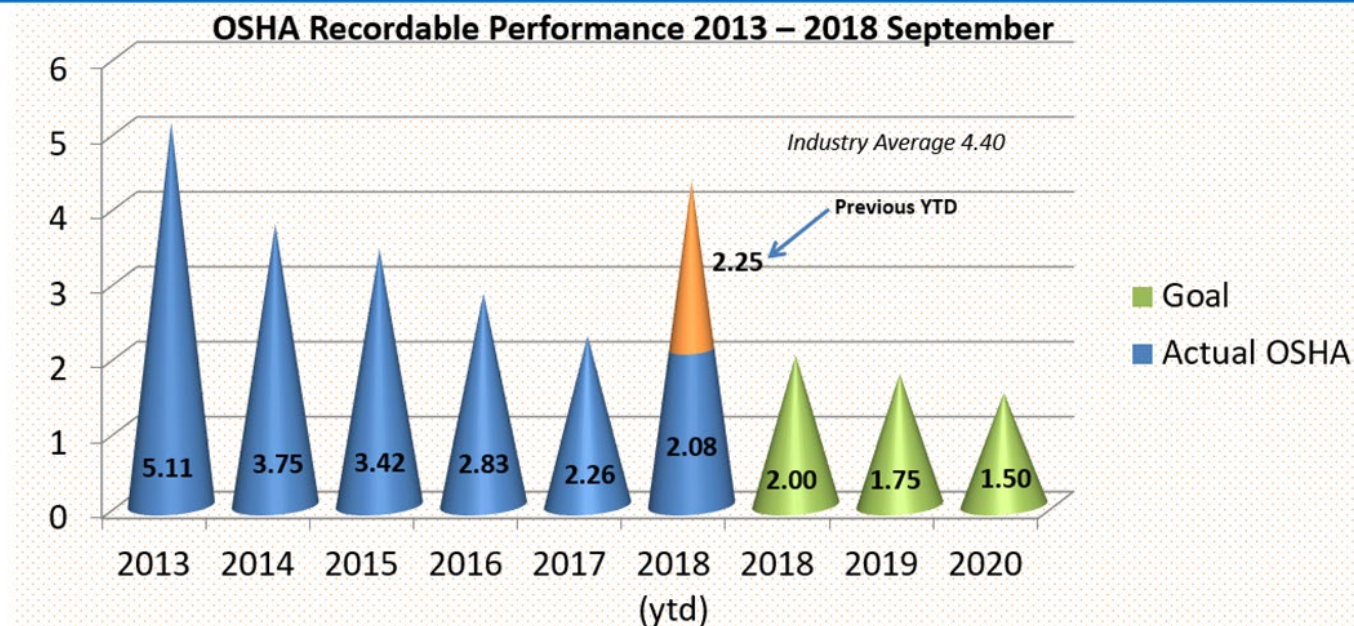


We will have the right team to effectively execute the Village at Southgate plan.

## Safety While on Site

BrightView's management is committed to providing a safe work environment and establishing safe work practices for all our employees and our customers. We demonstrate this commitment to safety through a continuing program of education and training, accident prevention, reporting, investigation and analysis, and the development of positive attitudes about safety and awareness about safety by all employees. BrightView has made the safety of its employees a primary consideration in operating its business and believes that safety is a primary job responsibility of all employees. This is magnified when working around an education setting and the number of students, visitors and staff that use the site daily. Our focus on the safety by our team members on each other, clients, and their surroundings have made BrightView one of the premier companies in our industry. Let us help Village at Souhgate be a safer environment through our vigilance and discipline!

## Safety Performance and Priorities



## 2018 PRIORITIES





## Your Full Service Landscape Expert

BrightView offers your cemetery the highest-quality landscape and snow services with a worry-free, dependable service commitment. As the nation's leading landscape service-company, we consistently bring excellent landscapes to life at thousands of clients' properties, fostering collaborative relationships to drive clients' success.

A full service landscape company, BrightView can mobilize quickly to respond to special requests that may fall outside of the scope of landscape maintenance. In addition to landscape maintenance, our expertise extends to:



Design	Develop	Maintain	Enhance
<ul style="list-style-type: none"> <li>• Landscape Architecture &amp; Planning</li> <li>• Design Build</li> <li>• Program Management</li> </ul>	<ul style="list-style-type: none"> <li>• Planting</li> <li>• Hardscaped</li> <li>• Pools &amp; Water Features</li> <li>• Compliance</li> <li>• Tree Growing &amp; Moving</li> </ul>	<ul style="list-style-type: none"> <li>• Landscape</li> <li>• Tree Care</li> <li>• Specialty Turf</li> <li>• Exterior Maintenance</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancements</li> <li>• Sustainability</li> <li>• Water Management</li> </ul>

## A Landscape Plan Designed for Your Property

Every property is different and thus has a unique set of maintenance needs. We evaluated the Village at Southgate community and took into consideration the issues you identified to create the maintenance plan below designed to keep your property looking its best year-round.

<b>TURF FREQUENCY</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>OPTIONAL</b>
Mow				●	●	●	●	●	●	●			
Trim				●	●	●	●	●	●	●			
Backpack blowing				●	●	●	●	●	●	●			
Edge				●	●	●	●	●	●	●			
Aeration				●									
Fertilizer					●		●		●				
Pre-emergent Weed control				●									
Post-emergent Weed control					●			●					
Disease Control (As Needed)													●
Insect Control (As Needed)													●
<b>SHRUBS AND BEDS FREQUENCY</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>OPTIONAL</b>
Weed control				●	●	●	●	●	●	●			
Pre-emergent weed control			●										
Post-emergent Weed control					●			●					
Spot Treatments (As Needed)				●	●	●	●	●	●	●			
Fertilization				●				●					
Prune		●											
Disease Control (As Needed)													●
Insect Control (As Needed)													●
<b>TREE FREQUENCY</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>OPTIONAL</b>
Round up Tree Rings						●			●				
Pruning up to 12' hgt.					●								●
Insect Control (As Needed)													●
<b>MISCELLANEOUS FREQUENCY</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>OPTIONAL</b>
Debris/ Litter Removal	●	●	●	●	●	●	●	●	●	●	●	●	
Pet Waste Removal	●	●	●	●	●	●	●	●	●	●	●	●	
Native Mow/ Basins				●	●	●	●	●	●	●			
Fall Clean-up											●		
Spring Clean-up			●										
Curb/Gutter Weed Control				●	●	●	●	●	●	●			
<b>IRRIGATION FREQUENCY</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>OPTIONAL</b>
Check and Adjust				●	●	●	●	●	●	●			
Spring Start Up			●										
Winterization										●			
<b>SEASONAL COLOR FREQUENCY</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>OPTIONAL</b>
Change Out													●
Bed Preparation													●
Fertilization													●

## Property Accountability Tool

Our estimating process includes “Mapping” every portion of your property from large to small turf areas to mulch/rock beds and native areas. Equipment needs and individual employee responsibilities are assigned based on what is appropriate for each task and area of the District, which in turn, establishes a timeline for completing individual tasks. Below is our mapping for the Village at Southgate community.



## In House Design Tools

We are continually finding ways to be a better resource for our clients means identifying and utilizing the best technology and practices.

By taking a photo and create a 2D 'Snapshot' of an area and show what it would look like planted with selected plant material. This helps to take some of the guesswork out of whether clients will be happy with a landscape once it is installed. It is our goal to install the landscape vision of each of our clients. The 2D software tool helps tremendously with the visualization and conceptualization of the landscape at mature growth.

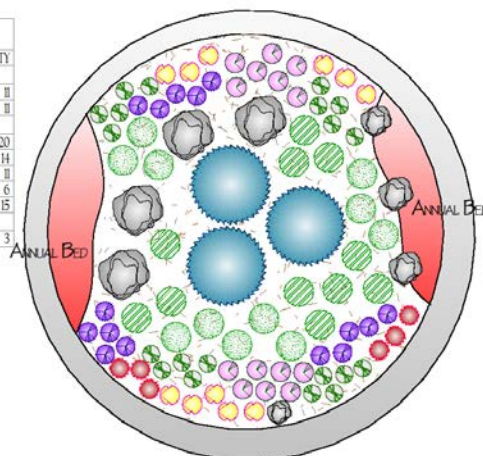


Before Rendering



After Rendering

LEGEND		
COMMON NAME	QTY	
FLOWER, GRASS		
GRASS, KARL FOERSTER	11	
GRASS, RED SWITCH	11	
FLOWER, PERENNIAL		
DAISY, SHASTA, ALASKA	20	
CONEFLOWER, PURPLE	14	
DAILLY, HYPERION	11	
GALLARDA, BURGUNDY	6	
PENTSTEMON, ROCKY MOUNTAIN	15	
TREE, EVERGREEN		
SPRUCE, BABY BLUE EYES	3	



Revision #:	Scale:	Landscape Plan: 1	Landscape Design by: Leigh DuFresne
Date: 8/9/2017	1" = 5'	Lifetime Fitness Roundabout	BrightView



## Emergency Response Team Ready When You Need Us

With hundreds of locations, we can dispatch faster than other landscape service providers in the event of a catastrophic situation, including severe weather conditions.

When a catastrophe occurs, Duncan, will personally draw on resources and pull equipment from within the BrightView network to ensure your property is quickly, properly and safely serviced.

**Resources from branch offices will be available in the event of an emergency to ensure our customers have access to crews and equipment quickly.**



## Sustainability

### Recycling:

Rather than send our landscape wastes such as grass clippings (for sites with turf to mow) and other biodegradable materials to landfills as was done in the past, all of our branches here in Colorado are mulching them in place. By mulching the grass clippings on site, 25% to 35% of the total nitrogen from the clippings is returned to the ground.

Recycling the leaves on site adds one-half pound of nitrogen back to the soil per 1,000 sq. ft. of turf area per year. By chopping leaves on site BrightView is returning organic matter, which acts like a fertilizer to the soil.

Tree removals and high pruning practices include chipping up the waste and reusing the materials as mulch or recycling all debris deepening on the species and health of the plant.

We recycle 99% of your green waste that is removed from our sites!

### Natural Landscapes:

Our landscape designers/architects and account managers are versed in the design and application of native landscapes for new and refurbished properties.

The many benefits of the native landscape, in addition to aesthetics, are: soil erosion control, plants requiring less maintenance/water and therefore less fuel. Heartier area specific plants require less fertilizer and less irrigation/water.

### Selection of Native/Xeric Plants to be installed:

For disease resistance: reduce chemical production and application

For pest resistance: reduce chemical production and application

For drought resistance: reduce water consumption

Slow growing varieties require less pruning and follow-up care.

Use varieties that are appropriate to the environment





## Saving Water Makes Cents

Water is money and every drop counts. Thus, we will water your plant material based on actual need, no more, no less. Our water management expertise has helped our customers save significant amounts of water, which translates to significant savings. We will start with a thorough assessment of your current irrigation system and offer our recommendations for better managing your water supply. This includes:

- Perform a detailed irrigation evaluation of your current system
- Calculate potential savings based on past water usage and landscape needs
- Create a customized water management plan that ensures uniform coverage, reduced runoff and efficient operation
- Assess plant palette and make recommendations that can reduce overall water consumption
- Recommend smart controller options appropriate for your property with detailed information on pricing, water savings and other additional benefits you can expect
- Monitor existing and/or new system for stuck valves, breaks and other inefficiencies to prevent water-use waste and damage



Irrigation management technology



Irrigation analysis

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## Certifications

- Irrigation Association Certified
- ISA Certified Arborist
- Chemical Applicators and Qualified Supervisor
- PhDs Horticulture Professionals
- Certified Landscape Technicians (CLT)
- Snow & Ice Management Association (SIMA)
- Backflow Certified Technicians
- Landscape Irrigation Auditor
- Driver Certification
- LEED AP
- Licensed Landscape Architects
- Certified Landscape Manager (CLM)
- Certified Landscape Professional (CLP)

## Client Service Team for Your Company

The team selected to maintain the Village at Southgate community, has the skills and experience necessary to meet your specific needs and expectations.

YOUR SUPPORT TEAM	SERVICES PROVIDED
Branch Manager Luis Caballero	<ul style="list-style-type: none"> <li>Ensures quality and efficient landscape management for clients</li> <li>Responsible for supporting the entire market's successful operation</li> </ul>
Account Manager Duncan Hickey	<ul style="list-style-type: none"> <li>Accountable for customer satisfaction</li> <li>Primary customer contact</li> <li>Ensures compliance to job specifications and quality</li> </ul>
Production Manager Ricardo Baylon Rivera	<ul style="list-style-type: none"> <li>Ensure quality and efficient landscape management for clients</li> <li>Consistently improves best practices within the service branch</li> <li>Lead and support all branch personnel</li> </ul>
Crew Leader TBD	<ul style="list-style-type: none"> <li>Ensure readiness of workers, tools and materials</li> <li>Trains field personnel</li> <li>Performs and leads job specifications</li> </ul>

## Competitive Pricing That Fits Your Budget

We are committed to fulfilling the specific landscape needs of the Village at Southgate community, while providing the service you expect at a price point that fits your budget. BrightView will provide the following competitive pricing per specifications as noted.

### Base Management

Base Management Monthly Price	<b>\$6,308</b>
Base Management Yearly Fee Total	<b>\$75,696</b>

### Itemized Breakdown of Services

#### 12 Month Contract

Service Code	Description	Occurrence
MOW	Mow Turf 36 in.	26
MOW	Mow Turf 48 in.	26
MOW	String Trim Turf Native	2
MOW	String Trim Turf	26
EDGE C/W	Hard Edge Curbs & Walks	13
EDGE C/W	Hard Edge Blow/Clean-up	26
PERENNIAL	Perennial Care	1
POLICE	Police Grounds Winter	22
POLICE	Police Grounds Growing Season	30
BED POST	Spray Beds Post-Emergent	26
T&L	Travel and Load	26
PRUNE	Prune Shrubs	2
TREESPOT	Spot Prune Trees	1

LEAF	Fall Clean Up	2
PRUNE GR	Prune Ornamental Grasses	1
SPRING	Spring Clean-up	1
MOW BASIN	Mow Basin	2
BED WEED	Weed Beds Weekly	26
AERATE	Aerate Turf SA	1
IR START	Start Up Irrigation	1
IR WINTR	Winterize Irrigation	1
IRRIG	Inspect Irrigation	24
BED PRE	Pre-emerge Beds	1
BED PRE	Pre-emerge Treerings	2
Pet Stations	Empty Full Bags & Replace	53
TURFAPP	Liq Post-E	1
TURFAPP	Gran Fert Liq Pre-E Liq Post-E	1



## 2020-21' Proposed BrightView Snow Pricing

Service	Minimum	Unit	2020-21' Proposed Pricing
Truck with Plow	N/A	hour	\$119
Snow Rader	N/A	hour	\$99
ATV / Small Sidewalk Blade	N/A	hour	\$99
Utility Vehicle UTV / Large Blade	N/A	hour	\$114
Skid Steer	N/A	hour	\$161
Dump Truck for Hauling	N/A	hour	\$163
Front-End loader	N/A	hour	\$315
Backhoe 12'	N/A	hour	\$244
Hand Shoveling	N/A	hour	\$65
Sidewalk Ice Melt	N/A	BAG	\$49
Ice Slicer	N/A	lb./ton	\$281
Truck with Spreader	N/A	hour	\$119
Delineators installed	\$250	Ea.	\$9

## DLIN CONSTRUCTION SERVICES

P.O. Box 601  
Kittredge, CO 80457

**Estimate**

Date	Estimate #
6/20/2020	1329

Name / Address
SDMS Judy L. Leyshon 141 Union Boulevard, Suite 150 Lakewood, Co 80228-1898

			Project
Description	Frequency	Rate	Total
Estimate of Costs for the Ongoing Landscape Maintenance of The Village at Southgate located in Brighton, Colorado (Aug-Oct) Scope of work to include:			
Mow, Trim, Blow - Irrigated Turf Areas	14	2,400.00	33,600.00
Edging - Irrigated Turf Areas (Bi-Weekly)	7	600.00	4,200.00
Fertilization - Irrigated Turf Areas	1	1,400.00	1,400.00
Litter Pick Up - Landscaped Area (Under Const May Require Additional Mobilization)	1	1,000.00	1,000.00
Fall Clean Up - Landscaped Areas (Includes Cutting Back Perennial Flowers, and Pruning of Shrubs and Trees)	1	1,000.00	1,000.00
Aeration - Irrigated Turf Areas	1	1,900.00	1,900.00
Chemical Weed Control - Landscaped Beds, Sidewalks, and Curb/Gutter	1	3,500.00	3,500.00
Broadleaf Weed Spray (September)	1	2,700.00	2,700.00
Remove/Replace Trash/Bags, Pet Cleanup Bags	14	75.00	1,050.00
Irrigation Winterization/Sprinkler Blow-Outs (110 Zones @ \$20 Per Zone)	1	2,200.00	2,200.00
Additional Services (Not Included In Base Contract Price) As Needed Upon Approval T&M ie., Manual Weed Control, Tree Well Maintenance, Pre Emergent Applications, Native Area Maintenance (Mowing, Trash), Irrigation Service/Repairs, Insect and Disease Control, Large Debris Removal etc.			
We are pleased to submit our bid for the job as captioned above. We will perform the scope of work as we understand the scope of work to be performed. All work will be completed in a professional and timely manner. Additional work not included in the estimate will be executed only upon written orders and charged at Time and Materials.			
		<b>Total</b>	\$52,550.00

# VILLAGES AT SOUTHGATE

July 1st, 2020







Metco Landscape, Inc.  
2200 Rifle St.  
Aurora, CO 80011  
303.421.3100  
[www.metcolandscape.com](http://www.metcolandscape.com)

Metco Landscape is pleased to present this proposal for landscape maintenance services to Villages At Southgate. Our proposal includes all of the products and services required to meet and/or exceed the expectations outlined by your RFP.

For over 30 years, Metco has maintained a commitment to providing the highest quality installation and maintenance services throughout Colorado. Having supported over 500 companies in the region, Metco has developed a reputation for delivering the area's premier landscape maintenance services. Our experienced, knowledgeable staff of over 550 associates; modern fleet of over 200 vehicles; combined with our proven track record of safety and quality work allows Metco to deliver unrivaled support and services to our customers.

At Metco, we are committed to delivering clear, competent and open communications throughout the lifecycle of our partnership with Company. Please feel free to contact us with any questions or concerns as it relates to the contents of this proposal or any of the services outline. We look forward to working with you and your team.

Sincerely,

Bradley Schuster  
VP Maintenance  
[brads@metcolandscape.com](mailto:brads@metcolandscape.com)

Melissa Stevenson  
VP Sales & Marketing  
[melissas@metcolandscape.com](mailto:melissas@metcolandscape.com)

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selection of vendor(s) to provide services as outlined in this proposal. For permission requests, please contact the point of contact at the address below.

For questions or concerns regarding this proposal, including but not limited to the award of contract and provisions outlined in the above copyright notice please contact:

**Steve Castiglione**

Business Development

Metco Landscape, Inc.

2200 Rifle St.

Aurora, CO 80011

Steve Castiglione

[stevec@metcolandscape.com](mailto:stevec@metcolandscape.com)

Metco understands that based on past experiences, the areas of proactive communication, proper expectations management and follow through, and breadth of services are critical to a successful partnership with Company. Metco's proposal aims to not only meet and exceed these expectations but deliver highest value services in the market. Metco differentiates itself in the market across several key dimensions:

- Breadth of Services – From hardscape to softscape, native to turf, irrigation to snow removal, installation to maintenance, Metco offers the convenience of one-stop support
- Scale Capacity – Metco owns and maintains nearly 1000 pieces of equipment and vehicles to satisfy all your service needs. With over 550 personnel on staff, no one in the Front Range can match our support levels
- Education and Expertise – Quality starts with planning and extends through execution and billing. We select our associates based on their vast experience and invest continually in keeping them at the leading edge of landscaping and horticultural trends.
- Customized Solutions – No two properties are the same. Soil conditions, drainage, pedestrian traffic and sunlight can all significantly impact your landscaping investment. Developing a tailored solution that accounts for these differences sets Metco apart.
- Locally Owned and Operated – From the beginning, Metco has never forgotten its Colorado roots. Mark Tomko, our founder and CEO has maintained an active ownership interest since Day One. With four conveniently located branches, Metco is able to deliver unmatched service across the Front Range
- Financial Strength – As the largest privately held landscaper in Colorado, Metco is well positioned to support our clients now and well into the future.
- Proactive Service – Unmatched service starts by gaining a clear understanding of our customer's expectations. A dedicated account manager ensures proactive communication and engagement. Consistent delivery provides peace of mind.

Metco stands behind every tree we install, lawn we mow and mulch garden bed we maintain. We believe our solutions offer the highest lifecycle value for your landscaping and maintenance dollar. We encourage you to reach out to any of our customers to better understand how we have continually exceeded their expectations.

## I. ABOUT METCO

Metco Landscape was founded in 1987 with a few mowers and a mission to build lasting relationships through quality-landscape services. Since then, founder Mark Tomko and team have continued to honor the Metco promise, “We Are There When You Need Us.”



Metco operates out of its headquarters in Aurora, CO and 4 conveniently located branch offices across the Front Range of Colorado. As the largest privately held landscaper in Colorado (and Top 30 in US), Metco has the scale and scope of services to meet the needs of businesses large and small. However, with deep multi-generational roots in Colorado we never lose sight of that personal touch that many others have forgotten.

Metco’s services include homebuilder services, commercial landscape installation, maintenance and snow removal. We will do whatever it takes to meet every deadline and get every landscape job done right the first time. Our customers feel like family because landscaping is more than plants, sod and trees, it is a living example of our Colorado lifestyle and culture.

### a. Core Principals

COMPETENCY

CHARACTER

CARE

Metco’s Core Principles are more than words on a piece of paper. They are the ideas and expectations that each Metco associate share and adhere to. These guiding principles dictate behavior and help us to determine if we are on the **right** path by creating an unwavering guide.

**Competency** Metco’s team consists of seasoned, experienced professionals committed to the highest levels of quality possible

**Character** Our people are driven by integrity, are trustworthy and committed to open clear communication with everyone we interact with

**Care** We take pride in caring for our employees, our customers and our community

## **b. Why Metco**

### ***Maintenance***

Your landscaping creates a first and lasting impression in people's minds. Balancing the aesthetic appeal with the cost of sustaining and protecting your investment remains one of the most important decisions you can make. Success depends on finding a partner that understands your needs and can translate those into a consistent repeatable program. For nearly 30 years, Metco has consistently met and exceeded the needs of our customers.

### ***Holistic Program***

Colorado presents a unique set of challenges to maintaining your landscaping investment. From spring fertilization and pre-emergent weed control to winter shrub and tree pruning, Metco delivers against your holistic needs. Mowing, fertilization, pest control, aeration, insect & disease control, shrub pruning, tree trimming, flower enhancements, mulching, irrigation and more are all available through the Metco team.

### ***Tailored Solutions***

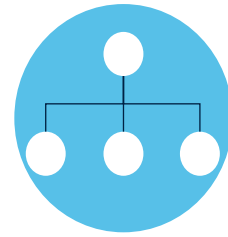
No two properties are the same. Soil conditions, drainage, pedestrian traffic and light can all significantly impact your landscaping investment. Developing a tailored solution that accounts for these differences while balancing your personal desires sets Metco apart. From initial design and value engineering programs with our team, to ongoing enhancement and improvement recommendations, Metco is committed to finding the right solution to meet and exceed your needs.

### ***Unmatched Service***

While we may all use similar brands of equipment, exemplary service sets Metco apart from the different maintenance vendors you can work with. Unmatched service starts by gaining a clear understanding of our customer's expectations. A dedicated account manager ensures proactive communication and engagement. Consistent delivery provides peace of mind. Finally, tapping into certified experts in tree, lawn and shrub care guarantees protection of your valuable landscaping investments.

### c. Team Structure

Metco leverages a local branch structure to ensure that our clients receive the optimal level of customized support. **Branch Managers** oversee all aspects of the operation from initial sale through to account management and ongoing support. They act as an initial point of escalation for account managers should the need arise. When necessary they coordinate with corporate and other branches to guarantee the appropriate resources are dedicated across our key accounts.



Metco's initial interactions with clients are handled by **Business Development** personnel. Business Development handles the initial sale process and works diligently to make sure we understand your needs and requirements from day one. They coordinate with Branch Managers to develop a customized proposal for your account and individual properties. They will drive the contracting process and sit down with the operations team during handover to make sure your needs are appropriately captured and addressed in the plan.

Your main point of contact will be your **Account Manager**. Each account within a branch has a dedicated Account Manager assigned for your locations. Any problems or issues that arise will be handled by your account manager in a timely and highly responsive manner. The account managers walk each property in your portfolio at least once per month and will send monthly site reports as well as recommended improvements and enhancements. Should you require additional products or services (e.g., seasonal flowers) you will work with your account manager to receive pricing and proposals. They will communicate weekly with your designated onsite contact to share the upcoming week's service and activities as well as complete work. Finally, account managers act as the primary liaison between our customers and onsite crews.

Onsite crews are managed by a **Field Manager**. Field managers are the primary driver of quality and safety on your property. At the beginning of each season they meet with account management to understand the strategic needs of each property and lay out a plan of support. They sit down with account managers to understand any changes in customer needs and expectations. They augment corporate performance, quality and safety training programs with in the field education and continuous improvement. They remain onsite to provide supervision while the field crews are onsite.

Finally, an **Irrigation Tech** with specialized training and education will oversee your water management program for the entire year. Although they work with onsite crews proactively to maintain your system and hopefully head off issues before they arise, they remain on call for emergencies. They will facilitate interactions with equipment manufacturers and distributors as required.

#### **d. Transition Plan**



Metco prides itself on exceeding your expectations from initial sale through end of season cleaning and winterization. In most cases we are picking up on either installation or maintenance work provided by another vendor. Driving a smooth transition from that vendor and from our sales team to Metco operations makes all the difference in guaranteeing successful delivery throughout the season.

Your Business Development resource will have already spent time with you understanding your expectations, pain points from prior experiences, and strategic objectives for the relationship. This feedback has been shared with our operations team and are incorporated into this response. Upon award, your Business Development lead will further document this input as they create an onboarding package for your account manager and field management team. The entire team will meet as part of the Transition Prep Process and share the onboarding package, support information and expectations.

The Account Manager will then conduct an Onboarding Meeting with you and your team to review the package, specifications, expectations and perform a site walk to capture any additional input and note any special conditions requiring signature and sign/off. Final expectations will be set, and a production plan will be developed accordingly. Roughly 30 days after the start of service, your Account Manager and Business Development lead will conduct a preliminary satisfaction call to understand initial performance and any required adjustments.

## II. Safety Commitment & Program

Metco takes a holistic approach when it comes to the safety of our employees, your customers and associates, and your property. The core elements of this program include:

- Training and Education
- Equipment Selection and Maintenance
- Personal Protection Equipment (PPE)
- Ongoing Certification
- Site Inspection and Maintenance



Our Account and Field Management teams carry extensive experience and training on best practices for site and operations safety. During the course of the year, they and their teams undertake a variety of classroom and field-based safety training to make sure all personnel are fully aware of best practices and Metco's standards.

Purchasing and utilizing state-of-the art equipment that is maintained at the highest levels is the second core element of Metco's safety program. Metco has an extremely large list of equipment that is self-owned and self-maintained and is not required to rent subpar equipment like many of our competitors. In addition, Metco employs 8 full time mechanics to keep our fleet and equipment running at peak conditions. Metco's standard issued PPE includes:

- Cap and Safety Glasses
- Dust Mask
- Ear Protection
- Safety Vest & Gloves
- Work Boots

Metco also complies with all major safety regulations and regularly employs 3<sup>rd</sup> Party Certification organizations to guarantee this compliance. A sample of safety related certifications held by the company and our personnel include but are not limited to:

- OSHA 10 Hour Construction Safety and Health
- Trench and Shoring Services Safety
- CPR Certification
- OSHA Workplace Safety Inspections
- Smith System Driving Certification
- Colorado Department of Agriculture - Qualified Supervisors

Finally, Metco's cleaning, pruning and maintenance activities ensure your property not only looks aesthetically pleasing but creates a safe environment for your employees and customers. Additional safety aspects are covered in Metco's Snow Removal services (if snow service included in bid proposal).



### III. Insurance



Metco maintains liability and workman's compensation in compliance with and excess of local, state and federal requirements. In the event that Metco is notified of award, it shall provide proof of Insurance Coverage in accordance with your requirements within twenty-one (21) calendar days after notification or within such approved extended period. The following minimum limits are maintained during the duration of the Contract:

- Commercial General Liability: \$1,000,000 per occurrence
- Automobile Liability: \$1,000,000 combined single limit
- Worker's Compensation: \$1,000,000 per occurrence
- Employer's Liability: \$1,000,000 each



Villages At Southgate  
LANDSCAPE MAINTENANCE PROPOSAL

2020 SERVICES

	8/1/20	7/30/21
MAINTENANCE SERVICE	FREQUENCY	TERM
MOW, TRIM, BLOW - IRRIGATED TURF AREAS	26	APRIL - OCTOBER
EDGING - IRRIGATED TURF AREAS (BI-WEEKLY)	14	APRIL - OCTOBER
LITTER PICK UP - LANDSCAPED AREAS (SUMMER)	26	APRIL - OCTOBER
LITTER PICK UP - LANDSCAPED AREAS (WINTER)	24	OCTOBER - APRIL
SITE INSPECTIONS	12	JANUARY - DECEMBER
SPRING CLEAN UP - LANDSCAPED AREAS (INCLUDES CUTTING BACK PERENNIAL GRASSES)	1	APRIL
SHRUB/TREE PRUNING (UNDER 10') - AESTHETIC	2	JUNE & SEPTEMBER
CORE AERATION - IRRIGATED TURF AREAS	1	APRIL/MAY
FALL CLEAN UP - LANDSCAPED AREAS (INCLUDES CUTTING BACK PERENNIAL FLOWERS)	1	NOVEMBER
FERTILIZATION & WEED CONTROL SERVICE	FREQUENCY	TERM
MANUAL WEED CONTROL - LANDSCAPED BEDS	26	APRIL - OCTOBER
CHEMICAL WEED CONTROL - LANDSCAPED BEDS, SIDEWALKS AND CURB/GUTTER	7	APRIL - OCTOBER
TREE WELL MAINTENANCE (CHEMICAL APPLICATION)	2	APRIL - OCTOBER
PRE-EMERGENT APPLICATION - MULCH AND ROCK BEDS, IRRIGATED TURF AREAS AS NEEDED	1	APRIL
BROADLEAF WEED SPRAY - IRRIGATED TURF AREAS	3	APRIL/MAY, JULY & SEPT
FERTILIZATION - IRRIGATED TURF AREAS	3	APRIL/MAY, JULY & SEPT
IRRIGATION SERVICE	FREQUENCY	TERM
IRRIGATION ACTIVATION	1	APRIL
IRRIGATION SITE VISITS	20	APRIL - OCTOBER
IRRIGATION WINTERIZATION	1	OCTOBER
TOTAL CONTRACT PRICE:		\$30,921.00
MONTHLY PAYMENT AMOUNT (JANUARY - DECEMBER):		\$2,576.75

ADDITIONAL SERVICES (NOT INCLUDED IN BASE CONTRACT PRICE)	FREQUENCY	COST
FALL AERATION	UPON APPROVAL	
NATIVE AREA MAINTENANCE (MOWING, TRASH)	UPON APPROVAL	T & M
NATIVE AREA WEED CONTROL	UPON APPROVAL	T & M
ANNUAL FLOWER INSTALLATION AND MAINTENANCE	UPON APPROVAL	T & M
IRRIGATION SYSTEM REPAIR	UPON APPROVAL	T & M
INSECT AND DISEASE CONTROL	UPON APPROVAL	T & M
TREE WRAP/UNWRAP	UPON APPROVAL	T & M
WINTER WATERING EACH	UPON APPROVAL	T & M
LARGE DEBRIS REMOVAL	UPON APPROVAL	T & M

2200 Rifle Street ~ Aurora, CO 80011 ~ (303)421-3100 Office ~ (303)421-1120 Fax

Steve Castiglione

Thank You!