

# 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	2025/May 2025
Jared Seidenberg	Secretary/Treasurer	2025/May 2025
Ronald Meier	Assistant Secretary	2025/May 2025
Justin Cooper	Assistant Secretary	2023/May 2023
Travis Sperr	Assistant Secretary	2023/May 2023

**DATE:** **November 2, 2022**

**TIME:** **11:00 A.M.**

**PLACE:** THE DISTRICT'S REGULAR MEETING LOCATION IS 1700 BROADWAY, SUITE 640, DENVER COLORADO. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE see the below referenced Zoom Meeting information.

Zoom Information:

<https://us02web.zoom.us/j/7601691090?pwd=R3B3cjMwdG5XeHlVNENwNU5MdDRDZz09>

Meeting ID: 760 169 1090

Passcode: 488323

Dial In: 1-719-359-4580

### 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.

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D. Review and consider approval of Minutes from the October 27, 2021 Special Meeting and the September 30, 2022 Special Meeting (enclosure).

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### II. FINANCIAL MATTERS

A. Ratify the payment of claims for the period beginning November 1, 2021 through October 31, 2022, in the amount of \$\_\_\_\_\_ (to be distributed).

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- B. Review and accept the Unaudited Financial Statements through the period ending September 30, 2022 (to be distributed).

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- C. Consider engagement of Dazzio & Associates, P.C. to prepare the 2022 Audit, for an amount not-to-exceed \$4,900 (enclosure).

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- D. Conduct Public Hearing to consider Amendment to 2022 Budget and consider adoption of Resolution to Amend the 2022 Budget and Appropriate Expenditures.

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- E. Conduct Public Hearing on the proposed 2023 Budget and consider adoption of Resolutions to Adopt the 2023 Budget and Appropriate Sums of Money and Set Mill Levies (for General Fund \_\_\_\_, Debt Service Fund \_\_\_\_ and Other Fund(s)\_\_\_\_) (enclosures – preliminary assessed valuation, Resolutions and 2023 Budget).

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- F. Consider authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

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- G. Schedule July 2023 Board meeting to approve the 2022 Audit.

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### III. LEGAL MATTERS

- A. Consider adoption of 2023 Annual Administrative Resolution (enclosure).

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- B. Consider approval of 2022 Resolution Waiving Workers' Compensation Insurance for 2023 (enclosure).

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- C. Review and consider adoption of Resolution Calling May 2, 2023 Election for Directors, appointing Designated Election Official ("DEO") and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. Self-Nomination Forms are due by February 24, 2023 (enclosure). Discuss the need for ballot issues and/or questions.

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IV. STATUS OF DEVELOPMENT

- A. Update on status of Development.
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V. OTHER BUSINESS

- A. Consider approval of proposal from Neighborhood Lawn Care for landscape services (enclosure).
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VI. ADJOURNMENT ***THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2022***

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.

## **RECORD OF PROCEEDINGS**

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### **MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT HELD SEPTEMBER 30, 2022**

The special meeting of the Board of Directors of the Village at Southgate Metropolitan District (referred to hereafter as the “Board”) was convened on Friday, the 30th day September 30, 2022, at 1:00 P.M. This District Board meeting was held via Zoom. The meeting was open to the public.

#### **ATTENDANCE**

##### **Directors In Attendance Were:**

Kevin Amolsch  
Jared Seidenberg  
Ronald Meier  
Justin Cooper

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

##### **Also In Attendance Were:**

Peggy Ripko and Larry Loften; Special District Management Services, Inc.

Dianne 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**

Ms. Ripko 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. Ripko distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

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

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### **PUBLIC COMMENTS**

There were no public comments.

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### **FINANCIAL MATTERS**

**2021 Budget Amendment Hearing:** The President opened the public hearing to consider an amendment to the 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider an amendment to the 2021 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 discussion, the Board determined that an amendment to the 2021 Budget was not necessary.

**2021 Audit:** Mr. Schilling reviewed the 2021 draft Audited Financial Statements with the Board.

Following review and discussion, upon motion duly made by Director Meier, seconded by Director Amolsch and, upon vote, unanimously carried, the Board approved the 2021 Audited Financial Statements and authorized execution of the Representations Letter.

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### **OTHER BUSINESS**

There were no other matters at this time.

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### **ADJOURNMENT**

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

Respectfully submitted,

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

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT HELD OCTOBER 27, 2021

The special meeting of the Board of Directors of the Village at Southgate Metropolitan District (referred to hereafter as the “Board”) was convened on Wednesday, the 27th day of October, 2021, at 11:00 A.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held via Zoom. The meeting was open to the public.

#### ATTENDANCE

##### Directors In Attendance Were:

Kevin Amolsch  
Jared Seidenberg  
Justin Cooper

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

##### Also In Attendance Were:

Matt Cohrs; Special District Management Services, Inc.

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

Mr. Cohrs 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:** Mr. Cohrs distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

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

**Minutes:** The Board reviewed the Minutes of the July 15, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Cooper, seconded by Director Seidenberg and, upon vote, unanimously carried, the Minutes of the July 15, 2021 Special Meeting were approved, as presented.

### **PUBLIC COMMENTS**

There were no public comments.

### **FINANCIAL MATTERS**

**Payment of Claims:** Mr. Schilling reviewed with the Board the payment of claims for the period beginning May 15, 2021 through October 13, 2021, in the amount of \$196,477.20.

Following discussion, upon motion duly made by Director Seidenberg, seconded by Director Meier and, upon vote, unanimously carried, the Board ratified approved the payment of claims, as presented.

**Unaudited Financial Statements:** The Board reviewed the unaudited financial statements for the period ending August 31, 2021.

Following review, the Board accepted the unaudited financial statements for the period ending August 31, 2021.

**Engagement of Dazzio & Associates, PC for preparation of 2021 Audit:** The Board discussed the engagement of Dazzio & Associates, P.C. for preparation of 2021 Audit not to exceed the amount of \$4,900.00.

Following review and discussion, upon motion duly made by Director Amolsch, seconded by Director Cooper and, upon vote, unanimously carried, the Board approved the engagement of Dazzio & Associates, P.C. for preparation of 2021 Audit not to exceed the amount of \$4,900.00.

**2021 Budget Amendment Hearing:** The President opened the public hearing to consider an amendment to the 2021 Budget and discuss related issues.

## RECORD OF PROCEEDINGS

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It was noted that publication of Notice stating that the Board would consider an amendment to the 2021 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 discussion, upon motion duly made by Director Seidenberg, seconded by Director Meier and, upon vote, unanimously carried, the Board adopted the Resolution to amend the 2021 Budget.

**2022 Budget Hearing:** The President opened the public hearing to consider the proposed 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2022 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 discussion, the Board considered the adoption of Resolution to Adopt the 2022 Budget and Appropriate Sums of Money, and Set Mill Levies for General Fund at 11.133 mills, the Debt Service Fund at 44.531 mills, and other fund(s) of 0.000 mills for a total mill levy of 55.664 mills. Upon motion duly made by Director Cooper, seconded by Director Meier and, upon vote, unanimously carried, the Board adopted the Resolution to Adopt the 2022 Budget and Appropriate Sums of Money, and Set Mill Levies. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

**Assessed Valuation Committee:** The Board discussed the appointment of an Assessed Valuation Committee if there are any changes to the assessed valuation.

Following discussion, upon motion duly made by Director Seidenberg, seconded by Director Amolsch and, upon vote, unanimously carried, the Board approved the appointment of an Assessed Value Committee.

**July 2022 Board meeting:** The Board discussed the July 2022 Board meeting to approve the 2021 Audit. 2022 Board meetings were scheduled for the 4<sup>th</sup> Wednesday in July and October, 2022.

**Resolution Pursuant to 32-1-1001(1)(j):** The Board considered a Resolution pursuant to 32-1-1001(1)(j) to impose transfer fees on properties within the District.

## RECORD OF PROCEEDINGS

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Following discussion, upon motion duly made by Director Meier, seconded by Director Amolsch and, upon vote, unanimously carried, the Board adopted the Resolution pursuant to 32-1-1001(1)(j) to impose transfer fees on properties within the District.

### **LEGAL MATTERS**

**2022 Annual Administrative Resolution:** The Board considered the adoption of 2022 Annual Administrative Resolution.

Following discussion, upon motion duly made by Director Amolsch, seconded by Director Cooper and, upon vote, unanimously carried, the Board adopted the 2022 Annual Administrative Resolution.

**Compliance Resolution:** The Board considered the adoption of Compliance Resolution.

Following discussion, upon motion duly made by Director Seidenberg, seconded by Director Meier and, upon vote, unanimously carried, the Board adopted the Compliance Resolution.

**2022 Resolution Waiving Workers' Compensation Insurance for 2022:** The Board considered the approval of the 2022 Resolution Waiving Workers' Compensation Insurance for 2022.

Following discussion, upon motion duly made by Director Amolsch, seconded by Director Cooper and, upon vote, unanimously carried, the Board approved the 2022 Resolution Waiving Workers' Compensation Insurance for 2022.

**Resolution No. 2021-10-07; Resolution Calling a Regular Election for Directors on May 3, 2022, appointing the Designated Election Official ("DEO"), and authorizing the DEO to perform all tasks required for the conduct of mail ballot election:** The Board considered the adoption of the Resolution No. 2021-10-07; Resolution Calling a Regular Election for Directors on May 3, 2022, appointing the Designated Election Official ("DEO"), and authorizing the DEO to perform all tasks required for the conduct of mail ballot election. The Board also discussed the need for ballot issues and/or questions.

Following consideration, upon motion duly made by Director Meier, seconded by Director Cooper and, upon vote, unanimously carried, the Board adopted the Resolution No. 2021-10-07; Resolution Calling a Regular Election for Directors on May 3, 2022, appointing the Designated Election Official ("DEO"), and authorizing the DEO to perform all tasks required for the conduct of mail ballot election.

## RECORD OF PROCEEDINGS

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**Update on Legislation:** Attorney Miller discussed with the Board an update on current legislation.

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### **STATUS OF DEVELOPMENT**

**Update on Status of Development:** No discussion.

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### **OTHER BUSINESS**

**Addendum to Agreement for Landscaping Services:** The Board reviewed the Addendum to the Agreement for Landscaping Services between the District and Metco Landscape, Inc.

Following discussion, upon motion duly made by Director Meier, seconded by Director Cooper and, upon vote, unanimously carried, the Board ratified approval of the Addendum to the Agreement for Landscaping Services between the District and Metco Landscape, Inc.

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### **ADJOURNMENT**

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

Respectfully submitted,

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



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**Dazzio & Associates, PC**  
**Certified Public Accountants**

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October 26, 2022

To the Board of Directors and Management  
Village at SouthGate Metropolitan District  
c/o Special District Management Services, Inc.  
141 Union Blvd., Suite 150  
Lakewood, Colorado 80228

We are pleased to confirm our understanding of the services we are to provide Village at SouthGate Metropolitan District (the District) for the year ended December 31, 2022.

**Audit Scope and Objectives**

We will audit the financial statements of the governmental activities and each major fund and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2022.

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

- 1) Schedule of Revenues, Expenditures and Changes in Fund Balance –Budget and Actual – Debt Service Fund

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

- 1) Summary of Assessed Valuation, Mill Levy and Property Taxes Collected

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

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

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

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

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

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

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

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

#### **Audit Procedures—Internal Control**

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

#### **Audit Procedures—Compliance**

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

#### **Responsibilities of Management for the Financial Statements**

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

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

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

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

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

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

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

Stephen Dazzio is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$4,900. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

### **Reporting**

We will issue a written report upon completion of our audit of the District's financial statements which, if applicable, will also address other information in accordance with *AU-C 720, The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

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

Very truly yours,

*Dazzio & Associates, P.C.*

Dazzio & Associates, PC

RESPONSE:

This letter correctly sets forth the understanding of Village at SouthGate Metropolitan District.

Management signature: \_\_\_\_\_

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

Date: \_\_\_\_\_

Board signature: \_\_\_\_\_

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

Date: \_\_\_\_\_

# CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **413 - VILLAGE AT SOUTHGATE METRO DIST**

IN ADAMS COUNTY ON 8/25/2022

New Entity: No

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

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

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$7,873,950
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$8,764,550
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$8,764,550
5. NEW CONSTRUCTION: **	\$2,179,480
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND ( 29-1-301(1)(b) C.R.S.): ##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

\* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

\*\* New construction is defined as: Taxable real property structures and the personal property connected with the structure.

# Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

## Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

## USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2022

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$116,109,273
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$31,359,203
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS : 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022	
IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES:	
HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.	



## 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, 2023, including the estimate of comparative information for the year ending December 31, 2022, and the actual comparative information for the year ending December 31, 2021, 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, 2021 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, 2021. Dazzio & Associates, PC audited the financial statements for the year ended December 31, 2021, whose report was dated September 12, 2022.

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.

Highlands Ranch, Colorado  
December \_\_\_, 2022

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

	<b>ACTUAL 2021</b>	<b>ADOPTED BUDGET 2022</b>	<b>ADOPTED BUDGET 2022</b>
<b>ASSESSED VALUATION</b>			
Adams County			
Certified Assessed Value	<u>\$ 4,270,860</u>	<u>\$ 7,873,950</u>	<u>\$ 8,764,550</u>
<b>MILL LEVY</b>			
General - Operations Mill Levy	11.133	11.133	11.309
Debt Service - Senior Bonds Mill Levy	<u>44.531</u>	<u>44.531</u>	<u>45.236</u>
Total mill levy	<u>55.664</u>	<u>55.664</u>	<u>56.545</u>
<b>PROPERTY TAXES</b>			
General Fund	\$ 47,547	\$ 87,661	\$ 99,118
Debt Service - Senior Bonds Mill Levy	<u>190,186</u>	<u>350,635</u>	<u>396,473</u>
Levied property taxes	237,733	438,296	495,591
Adjustments to actual/rounding	-	-	-
Actual/budgeted property taxes	<u>\$ 237,733</u>	<u>\$ 438,296</u>	<u>\$ 495,591</u>
<b>PROPERTY TAXES BY FUND</b>			
General Fund	\$ 47,547	\$ 87,661	\$ 99,118
Debt Service	<u>190,186</u>	<u>350,635</u>	<u>396,473</u>
	<u>\$ 237,733</u>	<u>\$ 438,296</u>	<u>\$ 495,591</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**  
**2023 BUDGET AS ADOPTED**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

	<b>ACTUAL 2021</b>	<b>ESTIMATED 2022</b>	<b>ADOPTED BUDGET 2022</b>	<b>ADOPTED BUDGET 2023</b>
<b>BEGINNING FUND BALANCE</b>	<u>\$ (775)</u>	<u>\$ (11,482)</u>	<u>\$ 1,539</u>	<u>\$ 24,696</u>
<b>REVENUE</b>				
Property tax	47,516	87,661	87,661	99,118
Specific ownership tax	3,716	6,133	6,785	6,935
Net investment income	69	11	-	100
Total revenue	<u>51,301</u>	<u>93,805</u>	<u>94,446</u>	<u>106,153</u>
<b>OTHER FINANCING SOURCES</b>				
Developer Advance	7,662	-	-	-
Total other financing sources	<u>7,662</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds available	<u>58,188</u>	<u>82,323</u>	<u>95,985</u>	<u>130,849</u>
<b>EXPENDITURES</b>				
General Government				
Legal	26,214	15,862	30,000	30,000
Accounting	7,242	11,819	7,500	12,000
Audit	4,700	4,700	4,700	5,000
Management services	18,952	13,580	14,000	14,000
Engineering/consulting	8,624	6,926	5,000	5,800
Insurance	2,515	2,515	2,800	2,800
Office supplies and postage	99	-	100	100
Election	-	470	5,000	5,000
Bank service charges	174	120	200	200
Dues and subscriptions	436	320	500	500
Treasurer's fees	714	1,315	1,315	1,487
Contingency	-	-	10,000	10,000
Total expenditures	<u>69,670</u>	<u>57,627</u>	<u>81,115</u>	<u>86,887</u>
Total expenditures requiring appropriation	<u>69,670</u>	<u>57,627</u>	<u>81,115</u>	<u>86,887</u>
<b>ENDING FUND BALANCE</b>	<u>\$ (11,482)</u>	<u>\$ 24,696</u>	<u>\$ 14,870</u>	<u>\$ 43,962</u>
<b>EMERGENCY RESERVE</b>	<u>\$ 1,539</u>	<u>\$ 2,815</u>	<u>\$ 2,834</u>	<u>\$ 3,185</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  
OPERATIONS AND MAINTENANCE FEE - SPECIAL REVENUE FUND  
2023 BUDGET AS ADOPTED  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

	<b>ACTUAL 2021</b>	<b>ESTIMATED 2022</b>	<b>ADOPTED BUDGET 2022</b>	<b>ADOPTED BUDGET 2023</b>
<b>BEGINNING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 14,262</u>	<u>\$ -</u>	<u>\$ 80,203</u>
<b>REVENUE</b>				
Operations and maintenance fees	93,075	188,205	180,000	207,360
Silo and barn rental fees	200	1,175	1,000	2,000
Operations contribution	-	5,500	-	-
Total revenue	<u>93,275</u>	<u>194,880</u>	<u>181,000</u>	<u>209,360</u>
Total funds available	<u>93,275</u>	<u>209,142</u>	<u>181,000</u>	<u>289,563</u>
<b>EXPENDITURES</b>				
General Government				
Legal	2,930	1,925	1,500	2,000
Accounting	502	-	2,000	-
Management services	27,528	25,997	15,000	26,000
Landscape maintenance:				
Monthly contract	7,730	32,500	32,500	36,000
Repairs	-	-	-	15,000
Snow removal	-	15,000	15,000	15,000
Utilities:				
Water	39,097	52,566	55,000	60,000
Electrical - Silo	905	681	1,100	700
Electrical - Barn	321	270	350	300
Contingency	-	-	10,000	10,000
Total expenditures	<u>79,013</u>	<u>128,939</u>	<u>132,450</u>	<u>165,000</u>
Total expenditures requiring appropriation	<u>79,013</u>	<u>128,939</u>	<u>132,450</u>	<u>165,000</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 14,262</u>	<u>\$ 80,203</u>	<u>\$ 48,550</u>	<u>\$ 124,563</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  
2023 BUDGET AS ADOPTED  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

	<b>ACTUAL 2021</b>	<b>ESTIMATED 2022</b>	<b>ADOPTED BUDGET 2022</b>	<b>AMENDED BUDGET 2022</b>	<b>ADOPTED BUDGET 2023</b>
<b>BEGINNING FUND BALANCE</b>	\$ 770,222	\$ 762,523	\$ 753,476	\$ 762,523	\$ 770,111
<b>REVENUE</b>					
Property tax	190,059	350,635	350,635	350,635	396,473
Specific ownership tax	14,862	24,535	27,138	27,138	27,738
Facility fees	120,000	-	-	-	-
Interest income	676	7,337	800	7,400	7,400
Total revenue	<u>325,597</u>	<u>382,507</u>	<u>378,573</u>	<u>385,173</u>	<u>431,611</u>
Total funds available	<u>1,095,819</u>	<u>1,145,030</u>	<u>1,132,049</u>	<u>1,147,696</u>	<u>1,201,722</u>
<b>EXPENDITURES</b>					
Bank service charges	81	221	800	800	300
Treasurer's fees	2,855	5,260	5,260	5,260	5,947
2018A Senior Bonds:					
Principal	-	-	-	-	35,000
Interest	233,438	233,438	233,438	233,438	233,437
2018B Subordinate Bonds:					
Interest	90,922	130,000	105,000	130,000	134,000
Paying agent fees	6,000	6,000	6,000	6,000	6,000
Contingency	-	-	5,000	13,000	28,000
Total expenditures	<u>333,296</u>	<u>374,919</u>	<u>355,498</u>	<u>388,498</u>	<u>442,684</u>
Total expenditures requiring appropriation	<u>333,296</u>	<u>374,919</u>	<u>355,498</u>	<u>388,498</u>	<u>442,684</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 762,523</u>	<u>\$ 770,111</u>	<u>\$ 776,551</u>	<u>\$ 759,198</u>	<u>\$ 759,038</u>
<b>REQUIRED RESERVE</b>	<u>\$ 343,906</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>	<u>\$ 343,906</u>
<b>MAXIMUM SURPLUS AMOUNT</b>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</u>	<u>\$ 415,000</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  
2023 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 2023 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 56.545 as adjusted for the changes in the residential assessment rate as a result of the Gallagher Amendment to the Colorado Constitution. The 56.545 mills is comprised of the Required Mill Levy for the Limited Tax General Obligation Bonds Series 2018A and Subordinate Limited Tax General Obligation Bonds Series 2018B in the Debt Service Fund of 45.236 mills and the Operations Mill Levy of 11.309 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 8% 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. For 2023 the District does not anticipate collecting any facility fees as the final facility fees were received in 2021.

*Operations and Maintenance Fees*

Effective June 1, 2021, the District imposed a monthly maintenance fee of \$60 per single family home, which is billed quarterly in the amount of \$180 per single family home.

**VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

*Investment Income*

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

**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.

*Utilities and Maintenance Expenditures*

The District is responsible for the water service charges related to certain open space parcels. The District is also responsible for electrical services for a barn and silo, landscape maintenance, and snow removal. The 2023 expenses are based on 2022 costs incurred by the District.

**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 8 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 2023, 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 estimated 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.

RESOLUTION NO. 2022 - 11 - \_\_

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE VILLAGES AT SOUTHGATE METROPOLITAN DISTRICT  
TO ADOPT THE 2023 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 2023 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, 2022, 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 November 2, 2022. The meeting was held via Zoom video call.

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 2023 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 2nd day of November, 2022.

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

---

President

ATTEST:

---

Secretary

(SEAL)

**EXHIBIT A**  
(Budget)

**CERTIFICATION:**

I, \_\_\_\_\_, 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 2023, duly adopted at a meeting of the Board of Directors the Villages at Southgate Metropolitan District: held on November 2, 2022.

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

RESOLUTION NO. 2022 - 11 - \_\_\_\_  
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 2023 annual budget in accordance with the Local Government Budget Law on November 2, 2022; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2023 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 2023 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 2023 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 2nd day of November, 2022.

---

Secretary

(SEAL)

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

**VILLAGE AT SOUTHGATE METROPOLITAN  
DISTRICT**

**ANNUAL ADMINISTRATIVE RESOLUTION  
(Effective January 1, 2023)**

WHEREAS, the District was organized under the provisions of Title 32, Colorado Revised Statutes, as a special district and is located entirely within the boundaries of City of Brighton, County of Adams, Colorado (the “Approving Jurisdiction”); and

WHEREAS, the Board of Directors of the District (the “Board”) has a duty to perform certain obligations to assure the efficient operation of the District; and

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

WHEREAS, the Directors of a District 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., every Board shall elect officers of the District; and

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

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

1. The Board designates Brighton Standard Blade as the 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 therein in accordance with applicable statutes.
2. The Board determines that Directors shall not receive compensation for services as Directors, in accordance with §§ 32-1-902(3)(a)(I) & (II), C.R.S.
3. The Board hereby elects the following officers for the District:

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

Travis Speer

Assistant Secretary

4. The Board designates the following location as the District's physical posting place for notices of meetings, in addition to any website, social media account, or other official online presence of a District approved by each Board, pursuant to § 24-6-402(2)(c), C.R.S.:

Northwest Corner of the District.

5. The Board determines to hold regular meetings on

Fourth Wednesday of October at 11:00 A.M.,

by video conference or telephone conference, the notice of which shall include the method or procedure, including the conference number, link, passcode or other necessary information to allow member of the public to attend.

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

ADOPTED AND APPROVED ON November 2, 2022, to become effective as of January 1, 2023.

VILLAGE AT SOUTHGATE  
METROPOLITAN DISTRICT

\_\_\_\_\_  
Kevin Amolsch, President

ATTEST:

\_\_\_\_\_  
Jared Seidenberg, Secretary/Treasurer



RESOLUTION OF THE BOARD OF DIRECTORS OF  
VILLAGE AT SOUTHGATE METROPOLITAN DISTRICT  
CALLING AN ELECTION FOR MAY 2, 2023

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 3, 2022 (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 2, 2023, 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. Dianne Miller, 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 February 28, 2023, 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 November 2, 2022, to be immediately effective.

VILLAGE AT SOUTHGATE METROPOLITAN  
DISTRICT

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Kevin Amolsch, President

ATTEST:

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Jared Seidenberg, Treasurer/Secretary



**Neighborhood Lawn Care**  
Brighton, Colorado  
halderete@nlawncafe.com  
303-917-1296

Enhancement Proposal for  
**Village at Southgate**  
Multiple items

Date: 10/7/2022

We are presenting a proposal for landscape work at **Village at Southgate**  
We have visited your site and measured the areas of work and see this as an opportunity to benefit each other. Our proposal includes the following:

NO.	ITEM DESCRIPTION	SIZE	QTY	UNIT	SUBTOTAL
1	Removal of all dead trees existing as 8/8/2022 Flush cut or case by case		1		7,250.00
2	Removal of tree stakes		1		800.00
3	Removal of dead plants		1		2,820.00
4	Native Spray		1		3,250.00
5	Crabgrass spray		1		1,300.00
6	Tree fertilizer and insecticide		1		9,600.00
<b>Total</b>					<b>\$25,020.00</b>



**Neighborhood Lawn Care**  
Brighton, Colorado  
halderete@nlawncares.com  
303-917-1296

**STIPULATIONS:**

- This quoted price is good for 30 days. Prices and availability are subject to change at the start of the following New Year.
- Proof of insurance can be provided upon request
- Does not include demo, rough grading or topsoil placement; grades to be within 0.1' in all landscaped areas except as specifically stated in this proposal.
- All plant material is subject to availability. If a specific plant is not available, owner/representative is to select from available substitutes.
- Winter watering has not been included in this proposal but is required for all plants. Documentation of winter watering during our warranty period will be required.
- Payment on all invoices is net 30 days unless stated otherwise.

Thank you for allowing **Neighborhood Lawn Care** to submit this proposal for your project, we are happy to assist you with your needs and please feel free to contact us with any questions.

Contractor  
**Neighborhood Lawn Care**  
Brighton Colorado  
Hector Alderete  
303-917-1296

**Client approval:**

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

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

Date Signed: \_\_\_\_\_

Neighborhood Lawn Care  
Hector Alderete 303-917-1296



141 Union Boulevard, Suite 150  
Lakewood, CO 80228-1898  
303-987-0835 • Fax: 303-987-2032

## MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski  
Executive Vice-President

DATE: September 2, 2022

RE: Notice of 2023 Rate Increase

A rectangular box containing a handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement ("Agreement") between the District and Special District Management Services, Inc. ("SDMS"), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by the CPI (8.5%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.