

# LARKRIDGE METROPOLITAN DISTRICT NO. 1

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: 303-987-0835 800-741-3254  
Fax: 303-987-2032  
Website: <https://larkridgemd1-2.colorado.gov/>

## NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors</u>	<u>Office</u>	<u>Term/Expiration</u>
Shell D. Cook	President	2025/May 2025
Jonathan Perlmutter	Treasurer	2023/May 2023
Jay Perlmutter	Assistant Secretary	2023/May 2023
Douglas Ernst	Assistant Secretary	2025/May 2025
Brian S. Heinze	Assistant Secretary	2023/May 2023
Ann E. Finn	Secretary (not an elected position)	

DATE: October 26, 2022

TIME: 10:00 a.m.

PLACE: ***Physical Location***  
Jordon Perlmutter & Co.  
1601 Blake Street, Suite 600  
Denver, Colorado 80202

***Conference Call***  
Phone Number: 1-669-900-6833  
Meeting ID: 434 948 0582  
Passcode: 355867

### I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

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B. Confirm quorum, location of the meeting and posting of meeting notices and designate 24-hour posting location. Approve Agenda.

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C. Review and approve the Minutes of the June 7, 2022 Regular Meeting (enclosure).

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D. Consider Regular Meeting dates for 2023 (suggested dates are June 6, 2023 and October 10, 2023). Review and consider approval of Resolution No. 2022-10-\_\_\_; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices (enclosure).

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- E. Discuss §32-1-809, C.R.S., Transparency Notice reporting requirements and mode of eligible elector notification (2023 SDA Website).
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II. PUBLIC COMMENTS

- A. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes.
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III. FINANCIAL MATTERS

- A. Review and ratify approval of payment of claims for periods indicated below (enclosures):

Fund	Period ending June 9, 2022	Period ending July 13, 2022	Period ending August 11, 2022	Period ending Sept. 12, 2022
General	\$ 9,311.19	\$ 15,243.55	\$ 13,715.79	\$ 9,077.87
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Total</b>	<b>\$ 9,311.19</b>	<b>\$ 15,243.55</b>	<b>\$ 13,715.79</b>	<b>\$ 9,077.87</b>

Fund	Period ending October 11, 2022
General	\$ 4,097.38
Debt	\$ -0-
Capital	\$ -0-
<b>Total</b>	<b>\$ 4,097.38</b>

- B. Review and accept unaudited quarterly financial statements through the period June 30, 2022 and the schedule of cash position statement updated October 14, 2022 (enclosure).
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- C. Conduct Public Hearing to consider Amendment to 2022 Budget. If necessary, consider adoption of Resolution No. 2022-10-\_\_ ; Resolution to Amend the 2022 Budget and Appropriate Expenditures (enclosure).
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- D. Conduct Public Hearing on the proposed 2023 Budget and consider adoption of Resolution No. 2022-10-\_\_ ; Resolution to Adopt the 2023 Budget and Appropriate Sums of Money and Resolution No. 2022-10-\_\_ ; Resolution to Set Mill Levies for General Fund \_\_\_\_\_, Debt Service Fund \_\_\_\_\_, and Other Fund(s) \_\_\_\_\_ for a total mill levy of \_\_\_\_\_ (enclosures – preliminary AV, draft 2023 Budget, and Resolutions).
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E. Authorize District Accountant to prepare, appoint Board Member to sign, the DLG-70 Mill Levy Certification of Tax Levies form for certification to the Board of County Commissioners and other interested parties.

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F. Consider appointment of District Accountant to prepare 2024 Budget.

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G. Consider engagement of Dazzio & Associates, P.C. for preparation of 2022 Audit, in the amount of \$5,700 (enclosure).

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H. Review and approve CliftonLarsonAllen LLP 2023 Scope of work.

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#### IV. LEGAL MATTERS

A. Discuss May 2, 2023 Regular Director Election and consider adoption of Resolution No. 2022-10-\_\_ ; 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 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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B. Incurrence of the District’s General Obligation Refunding Loan, Series 2022:

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1. Review Schedule of Events (timeline enclosed).

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2. Ratify approval of Bond Counsel Engagement Letter between the District and Kutak Rock LLP (enclosure).

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3. Ratify approval of Placement Agent Agreement between the District and Piper Sandler & Co (enclosure).

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4. Review and consider approval of the engagement of Butler Snow LLP for an opinion letter, in the amount of \$7,500 (enclosure).

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5. Acknowledge Term Sheet between the District and Zions Bancorporation, N.A., d/b/a Vectra Bank Colorado (enclosure).

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6. Acknowledge Forward Rate Lock Agreement between the District and Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (enclosure).
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7. Ratify approval of Lender Letter between the District and Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (enclosure).
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- C. Consider adoption of a Resolution authorizing the issuance of its General Obligation Refunding Loan, Series 2022, in a maximum original principal amount of \$12,800,000 with Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado, and approving forms of a loan agreement, promissory note, paying agent or custodial agreement, placement agent agreement and other financing documents; authorizing the District to execute and deliver such documents and perform its obligations thereunder; ratifying the District's execution and delivery of documents relating to the Refunding Loan and prior actions with respect thereto; making pertinent determinations and findings in connection with the Refunding Loan; authorizing incidental action; and repealing prior inconsistent action (to be distributed).
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- D. Discuss status of conveyance of Easements.
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1. Review and consider approval of the engagement of Fidelity National Title Insurance Company (to be distributed).
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## V. OPERATIONS

- A. Discuss Operation and Maintenance Agreement between the District and Thornton 164 LLC.
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- B. Consider approval of Service Agreement with Terracare Associates, LLC for landscape maintenance services (enclosure).
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- C. Discuss District's Operation and Maintenance Services for 2023 and consider approval of necessary service agreements for related services.
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## VI. CONTINUATION/ADJOURNMENT

- A. Discuss continuation of meeting, or scheduling of special meeting and adjournment.
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VII. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2022.**

Additional Enclosure:

- Notice of rate increase from Special District Management Services, Inc.
- Notice of rate increase from McGeady Becher P.C.

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE LARKRIDGE METROPOLITAN DISTRICT NO. 1 HELD JUNE 7, 2022

A Regular Meeting of the Board of Directors (referred to hereafter as the “Board”) of Larkridge Metropolitan District No. 1 (the “District”) was convened on Tuesday, the 7th day of June, 2022 at 11:00 a.m. at Jordon Perlmutter & Co., 1601 Blake Street, Suite 600, Denver, Colorado 80202 and via conference call. The meeting was open to the public.

#### ATTENDANCE

#### Directors In Attendance Were:

Shell D. Cook  
Jonathan Perlmutter (via telephone)  
Jay Perlmutter  
Douglas Ernst  
Brian S. Heinze

#### Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

MaryAnn M. McGeady, Esq. and Kate Olson, Esq.; McGeady Becher P.C.

Alex Fink; CliftonLarsonAllen LLP

David Dansky; Foster Graham Milstein & Calisher (via telephone)

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

**Disclosure of Potential Conflicts of Interest:** The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Finn noted that a quorum was present and requested that members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was noted that all Directors’ Disclosure Statements had been filed.

#### ADMINISTRATIVE MATTERS

**Agenda:** Ms. Finn distributed for the Board’s review and approval a proposed Agenda for the District’s Regular Meeting.

## RECORD OF PROCEEDINGS

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

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

**Designation of 24-Hour Posting Location:** Following discussion, upon motion duly made by Director Cook, seconded by Director Ernst, and upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted at least 24 hours prior to each meeting on the District's website at: <https://larkridgemd1-2.colorado.gov/> or if posting on the website is unavailable, notice will be posted at the southwest corner of the intersection of State Highway 7 and North Washington Street.

**Minutes:** The Board reviewed the Minutes of the October 12, 2021 Special Meeting. Following discussion, upon motion duly made by Director Cook, seconded by Director Jay Perlmutter and, upon vote, unanimously carried, the Board approved the Minutes of the October 12, 2021 Special Meeting.

**May 3, 2022 Election:** Ms. Finn noted for the Board that the May 3, 2022 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. Directors Cook and Ernst were deemed elected to 3-year terms ending in May 2025.

**Appointment of Officers:** The Board entered into discussion regarding the appointment of officers. Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Cook and, upon vote, unanimously carried, the following officers were appointed:

## RECORD OF PROCEEDINGS

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President	Shell D. Cook
Treasurer	Jonathan Perlmutter
Secretary	Ann E. Finn (non-elected position)
Assistant Secretary	Jay Perlmutter
Assistant Secretary	Douglas Ernst
Assistant Secretary	Brian S. Heinze

**2022 Special District Association’s Annual Conference:** Ms. Finn discussed the SDA Conference with the Board and noted the information concerning the details of the conference will be emailed to them once the information is available.

### **PUBLIC COMMENTS**

There were no public comments.

### **FINANCIAL MATTERS**

**Claims:** The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period ending October 21, 2021	Period ending Nov. 18, 2021	Period ending Dec. 17, 2021	Period ending January 19, 2022
General	\$ 10,005.84	\$ 4,809.27	\$ 11,580.50	\$ 6,721.35
Debt	\$ 2,000.00	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Total</b>	<b>\$ 12,005.84</b>	<b>\$ 4,809.27</b>	<b>\$ 11,580.50</b>	<b>\$ 6,721.35</b>

Fund	Period ending February 08, 2022	Period ending March 08, 2022	Period ending April 08, 2022	Period ending May 11, 2022
General	\$ 5,181.22	\$ 4,567.05	\$ 4,110.19	\$ 8,371.41
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Total</b>	<b>\$ 5,181.22</b>	<b>\$ 4,567.05</b>	<b>\$ 4,110.19</b>	<b>\$ 8,371.41</b>

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

**Unaudited Financial Statements:** Mr. Fink reviewed with the Board the Schedule of Cash Position Statement dated March 31, 2022. Following review and discussion, upon motion duly made by Director Ernst, seconded by Director Cook and, upon vote, unanimously carried, the Board accepted the Schedule of Cash Position Statement dated March 31, 2022.

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



## RECORD OF PROCEEDINGS

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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 Ernst moved to adopt the Resolution to Amend 2021 Budget, amending the Debt Service fund from \$843,000 to \$850,000. Director Jonathan Perlmutter seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-06-01 to Amend the 2021 Budget, amending the Debt Service Fund from \$843,000 to \$850,000. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

**2021 Audit:** Mr. Fink reviewed with the Board the draft 2021 Audit. Following review and discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Ernst, and upon vote, unanimously carried, the Board approved the 2021 Audited Financial Statements and authorized execution of the Representations Letter, subject to final legal review and receipt of an unmodified opinion letter from Auditor.

### **LEGAL MATTERS**

#### **Loan issuance:**

*Loan Committee:* The Board entered into discussion regarding the creation of a Loan/Bond Committee to provide consultants direction concerning the proposed loan. Following review and discussion, upon motion duly made by Director Cook, seconded by Director Heinze, and upon vote, unanimously carried, the Board appointed Directors Jay Perlmutter and Ernst to the Loan Committee.

*Piper Sandler & Co. Engagement Letter:* The Board considered approval of the Piper Sandler & Co. engagement letter for placement agent services. Following review and discussion, upon motion duly made by Director Cook, seconded by Director Jay Perlmutter, and upon vote, unanimously carried, the Board approved the Piper Sandler & Co. engagement letter for placement agent services.

*Schedule of Events:* The Board reviewed and discussed the proposed Schedule of Events for the bank loan proposal. No action was taken by the Board.

*Request for Proposals:* The Board considered authorizing the issuance of a Request for Proposals for the proposed bank loan. Following discussion, upon motion duly made by Director Cook, seconded by Director Jay Perlmutter, and upon vote, unanimously carried, the Board authorized the committee members to approve and execute the Request for Proposals.

*Other Necessary Actions:* The Board considered authorizing other necessary actions.

## RECORD OF PROCEEDINGS

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Following review and discussion, upon motion duly made by Director Cook, seconded by Director Jay Perlmutter, and upon vote, unanimously carried, the Board authorized other necessary actions related to the bank loan.

**Conveyance of Easements**: Attorney Olson discussed with the Board the status of the conveyance of Easements and noted she is working with the title company and Attorney Dansky on finalizing the title commitments.

\_\_\_\_\_

### **OPERATIONS**

**Operations and Maintenance Agreement between Thornton 164 LLC and the District**: The Board deferred discussion and no action was taken by the Board at this time.

**Service Agreement for Locate Services**: The Board deferred discussion and no action was taken by the Board 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 Cook, seconded by Director Ernst and, upon vote, unanimously carried, the Special Meeting was adjourned.

Respectfully submitted,

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

**RESOLUTION NO. 2022-10-\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE LARKRIDGE METROPOLITAN DISTRICT NO. 1  
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND  
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.

C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.

E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Larkridge Metropolitan District No. 1 (the “**District**”), Adams County, Colorado:

1. That the provisions of Section 32-1-903(1.5), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting meetings at a physical location pursuant to Section 32-1-903(1.5), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2023 shall be held on June 6, 2023 and October 10, 2023 at 11:00 a.m., at Jordon Perlmutter & Co., 1601 Blake Street, Suite 600, Denver, Colorado 80202 and via conference call.

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the physical location and/or method or procedure for attending meetings of the District Board virtually (including the conference number or link) shall appear on the agenda(s) of said meetings.

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

7. That the District has established the following District Website, <https://larkridgemd1-2.colorado.gov/>, and the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to meetings pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

8. That, if the District is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) Southwest corner of the intersection of State Highway 7 and North Washington Street

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

**[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING  
DATES, TIME, AND LOCATION, AND DESIGNATING LOCATION FOR 24-HOUR  
NOTICES]**

RESOLUTION APPROVED AND ADOPTED on October 11, 2022.

**LARKRIDGE METROPOLITAN  
DISTRICT NO. 1**

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

Attest:

\_\_\_\_\_  
Secretary

Check No/Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
<b>2643</b>						
06/09/2022	City of Thornton	859.5 5-2022	Utilities	1-7475	9.40	9.40
Total 2643:						9.40
<b>2644</b>						
06/09/2022	City of Thornton	748.5 5-2022	Utilities	1-7475	189.88	189.88
Total 2644:						189.88
<b>2645</b>						
06/09/2022	City of Thornton	16448.5 5-2022	Utilities	1-7475	438.04	438.04
Total 2645:						438.04
<b>2646</b>						
06/09/2022	City of Thornton	16590.5 5-2022	Utilities	1-7475	295.16	295.16
Total 2646:						295.16
<b>2647</b>						
06/09/2022	CliftonLarsonAllen LLP	3287081	Accounting	1-7000	1,909.27	1,909.27
Total 2647:						1,909.27
<b>2648</b>						
06/09/2022	McGeady Becher P.C.	698M 4-2022	Legal	1-7460	1,294.09	1,294.09
Total 2648:						1,294.09
<b>2649</b>						
06/09/2022	Special Dist Mgmt Services	5-2022	District Manage	1-7440	1,362.32	1,362.32
06/09/2022	Special Dist Mgmt Services	5-2022	Elections	1-7300	103.60	103.60
Total 2649:						1,465.92
<b>2650</b>						
06/09/2022	Terracare Associates	CD50209550	Maintenance	1-7470	192.50	192.50
06/09/2022	Terracare Associates	CD50216025	Maintenance	1-7470	1,015.07	1,015.07
06/09/2022	Terracare Associates	CD50216887	Maintenance	1-7470	746.82	746.82
06/09/2022	Terracare Associates	CD50216910	Maintenance	1-7470	616.00	616.00
06/09/2022	Terracare Associates	CD50216960	Maintenance	1-7470	1,139.04	1,139.04
Total 2650:						3,709.43
Grand Totals:						9,311.19

Larkridge Metropolitan District No. 1  
June-22

	General	Debt	Capital	Totals
Disbursements	\$ 9,311.19			\$ 9,311.19
Total Disbursements from Checking Acct	\$ 9,311.19	\$ -		\$ 9,311.19

Check No/Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
<b>2651</b>						
07/13/2022	City of Thornton	16590.5 6-2022	Utilities	1-7475	197.40	197.40
Total 2651:						197.40
<b>2652</b>						
07/13/2022	City of Thornton	16448.5 6-2022	Utilities	1-7475	242.52	242.52
Total 2652:						242.52
<b>2653</b>						
07/13/2022	City of Thornton	859.5 6-2022	Utilities	1-7475	19.40	19.40
Total 2653:						19.40
<b>2654</b>						
07/13/2022	City of Thornton	748.5 6-2022	Utilities	1-7475	122.20	122.20
Total 2654:						122.20
<b>2655</b>						
07/13/2022	CliftonLarsonAllen LLP	3312752	Accounting	1-7000	1,544.24	1,544.24
07/13/2022	CliftonLarsonAllen LLP	3341606	Accounting	1-7000	1,044.54	1,044.54
Total 2655:						2,588.78
<b>2656</b>						
07/13/2022	McGeady Becher P.C.	698M 5-2022	Legal	1-7460	6,087.19	6,087.19
Total 2656:						6,087.19
<b>2657</b>						
07/13/2022	Special Dist Mgmt Services	6-2022	District Manage	1-7440	2,087.20	2,087.20
07/13/2022	Special Dist Mgmt Services	6-2022	Elections	1-7300	14.80	14.80
Total 2657:						2,102.00
<b>2658</b>						
07/13/2022	Terracare Associates	CD50223555	Maintenance	1-7470	1,035.37	1,035.37
07/13/2022	Terracare Associates	CD50224925	Maintenance	1-7470	2,420.29	2,420.29
07/13/2022	Terracare Associates	CD50224946	Maintenance	1-7470	418.00	418.00
Total 2658:						3,873.66
<b>2659</b>						
07/13/2022	UNCC	222060897	Contingency	1-7890	10.40	10.40
Total 2659:						10.40
Grand Totals:						15,243.55



Larkridge Metropolitan District No. 1  
July-22

	General	Debt	Capital	Totals
Disbursements	\$ 15,243.55			\$ 15,243.55
<u>Total Disbursements from Checking Acct</u>	<u>\$ 15,243.55</u>	<u>\$ -</u>		<u>\$ 15,243.55</u>

Check No/Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
<b>2660</b>						
08/11/2022	City of Thornton	16590.5 7-2022	Utilities	1-7475	310.20	310.20
Total 2660:						310.20
<b>2661</b>						
08/11/2022	City of Thornton	748.5 7-2022	Utilities	1-7475	204.92	204.92
Total 2661:						204.92
<b>2662</b>						
08/11/2022	City of Thornton	859.5 7-2022	Utilities	1-7475	19.40	19.40
Total 2662:						19.40
<b>2663</b>						
08/11/2022	City of Thornton	16448.5 7-2022	Utilities	1-7475	904.28	904.28
Total 2663:						904.28
<b>2664</b>						
08/11/2022	CliftonLarsonAllen LLP	3371775	Accounting	1-7000	2,292.15	2,292.15
Total 2664:						2,292.15
<b>2665</b>						
08/11/2022	Dazzio & Associates	555	Audit	1-7020	5,500.00	5,500.00
Total 2665:						5,500.00
<b>2666</b>						
08/11/2022	McGeady Becher P.C.	698M 6-2022	Legal	1-7460	2,262.50	2,262.50
Total 2666:						2,262.50
<b>2667</b>						
08/11/2022	Special Dist Mgmt Services	7-2022	District Manage	1-7440	1,149.57	1,149.57
08/11/2022	Special Dist Mgmt Services	7-2022	Elections	1-7300	29.60	29.60
Total 2667:						1,179.17
<b>2668</b>						
08/11/2022	Terracare Associates	CD50230966	Maintenance	1-7470	1,035.37	1,035.37
Total 2668:						1,035.37
<b>2669</b>						
08/11/2022	UNCC	222070887	Contingency	1-7890	7.80	7.80
Total 2669:						7.80
Grand Totals:						13,715.79

Larkridge Metropolitan District No. 1  
August-22

	General	Debt	Capital	Totals
Disbursements	\$ 13,715.79			\$ 13,715.79
Total Disbursements from Checking Acct	\$ 13,715.79	\$ -		\$ 13,715.79

Check No/Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
<b>2670</b>						
09/12/2022	City of Thornton	859.5 8-2022	Utilities	1-7475	19.40	19.40
Total 2670:						19.40
<b>2671</b>						
09/12/2022	City of Thornton	16448.5 8-2022	Utilities	1-7475	618.52	618.52
Total 2671:						618.52
<b>2672</b>						
09/12/2022	City of Thornton	748.5 8-2022	Utilities	1-7475	197.40	197.40
Total 2672:						197.40
<b>2673</b>						
09/12/2022	City of Thornton	16590.5 8-2022	Utilities	1-7475	280.12	280.12
Total 2673:						280.12
<b>2674</b>						
09/12/2022	CliftonLarsonAllen LLP	3403554	Accounting	1-7000	886.99	886.99
Total 2674:						886.99
<b>2675</b>						
09/12/2022	Colorado Special Districts P	23WC-60413-0	Insurance and B	1-7360	450.00	450.00
Total 2675:						450.00
<b>2676</b>						
09/12/2022	McGeady Becher P.C.	698M 7-2022	Legal	1-7460	2,120.92	2,120.92
Total 2676:						2,120.92
<b>2677</b>						
09/12/2022	Special Dist Mgmt Services	8-2022	District Manage	1-7440	910.74	910.74
Total 2677:						910.74
<b>2678</b>						
09/12/2022	Terracare Associates	CD50233306	Maintenance	1-7470	591.00	591.00
09/12/2022	Terracare Associates	CD50234365	Maintenance	1-7470	1,957.01	1,957.01
09/12/2022	Terracare Associates	CD50239120	Maintenance	1-7470	1,035.37	1,035.37
Total 2678:						3,583.38
<b>2679</b>						
09/12/2022	UNCC	222080870	Contingency	1-7890	10.40	10.40
Total 2679:						10.40
Grand Totals:						9,077.87

Larkridge Metropolitan District No. 1  
September-22

	General	Debt	Capital	Totals
Disbursements	\$ 9,077.87			\$ 9,077.87
Total Disbursements from Checking Acct	\$ 9,077.87	\$ -		\$ 9,077.87

Check No/Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
<b>2680</b>						
10/11/2022	City of Thornton	748.5 9-2022	Utilities	1-7475	189.88	189.88
Total 2680:						189.88
<b>2681</b>						
10/11/2022	City of Thornton	859.5 9-2022	Utilities	1-7475	28.69	28.69
Total 2681:						28.69
<b>2682</b>						
10/11/2022	City of Thornton	16448.5 9-2022	Utilities	1-7475	280.12	280.12
Total 2682:						280.12
<b>2683</b>						
10/11/2022	City of Thornton	16590.5 9-2022	Utilities	1-7475	295.16	295.16
Total 2683:						295.16
<b>2684</b>						
10/11/2022	McGeady Becher P.C.	698M 8-2022	Legal	1-7460	434.82	434.82
Total 2684:						434.82
<b>2685</b>						
10/11/2022	RLI Surety	0936274	Insurance and B	1-7360	250.00	250.00
Total 2685:						250.00
<b>2686</b>						
10/11/2022	Special Dist Mgmt Services	9-2022	District Manage	1-7440	1,572.94	1,572.94
Total 2686:						1,572.94
<b>2687</b>						
10/11/2022	Terracare Associates	CD50245930	Maintenance	1-7470	1,035.37	1,035.37
Total 2687:						1,035.37
<b>2688</b>						
10/11/2022	UNCC	222090874	Contingency	1-7890	10.40	10.40
Total 2688:						10.40
Grand Totals:						4,097.38

Larkridge Metropolitan District No. 1  
October-22

	General	Debt	Capital	Totals
Disbursements	\$ 4,097.38			\$ 4,097.38
Total Disbursements from Checking Acct	\$ 4,097.38	\$ -		\$ 4,097.38

**LARKRIDGE METROPOLITAN DISTRICT NO. 1**

**FINANCIAL STATEMENTS**

**JUNE 30, 2022**



**LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

	General	Debt Service	Total
<b>ASSETS</b>			
First Bank checking	\$ 28,670	\$ -	\$ 28,670
First Bank savings	891	-	891
UMB - 2012A Interest Fund	-	188,595	188,595
UMB - 2012 Reserve Fund	-	529,225	529,225
Property tax receivable from TDA	53,852	400,925	454,777
Receivable from County Treasurer	1,603	11,932	13,535
<b>TOTAL ASSETS</b>	<b>\$ 85,016</b>	<b>\$ 1,130,677</b>	<b>\$ 1,215,693</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 23,437	\$ -	\$ 23,437
Total Liabilities	23,437	-	23,437
 <b>FUND BALANCES</b>			
Total Fund Balances	61,579	1,130,677	1,192,256
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 85,016</b>	<b>\$ 1,130,677</b>	<b>\$ 1,215,693</b>

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

**LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2022**

**GENERAL FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Interest income	\$ 16	\$ 26	\$ 10
Property taxes	1,627	2,042	415
Property taxes received through TDA	110,094	108,824	(1,270)
Specific ownership tax	7,938	3,117	(4,821)
<b>TOTAL REVENUES</b>	<u>119,675</u>	<u>114,009</u>	<u>(5,666)</u>
<b>EXPENDITURES</b>			
Accounting	25,300	10,514	14,786
Audit	5,750	-	5,750
Contingency	2,326	-	2,326
County Treasurer's fee	24	25	(1)
District management	20,000	7,089	12,911
Dues and membership	400	372	28
Election expense	2,500	945	1,555
Insurance	4,200	3,817	383
Landscape maintenance	15,000	8,047	6,953
Legal	28,000	22,930	5,070
Miscellaneous	-	111	(111)
Repay developer advance	10,000	-	10,000
Signage maintenance	8,500	-	8,500
Utilities	5,000	1,904	3,096
<b>TOTAL EXPENDITURES</b>	<u>127,000</u>	<u>55,754</u>	<u>71,246</u>
<b>NET CHANGE IN FUND BALANCES</b>	(7,325)	58,255	65,580
<b>FUND BALANCES - BEGINNING</b>	<u>19,696</u>	<u>3,324</u>	<u>(16,372)</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 12,371</u>	<u>\$ 61,579</u>	<u>\$ 49,208</u>

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

## **SUPPLEMENTARY INFORMATION**

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE SIX MONTHS ENDED JUNE 30, 2022**

**DEBT SERVICE FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Interest income	\$ 554	\$ 449	\$ (105)
Property taxes	12,113	15,206	3,093
Property taxes received through TDA	819,589	810,191	(9,398)
Specific ownership tax	59,093	23,205	(35,888)
<b>TOTAL REVENUES</b>	<u>891,349</u>	<u>849,051</u>	<u>(42,298)</u>
<b>EXPENDITURES</b>			
Bond interest - Series 2012A	510,625	255,313	255,312
Bond principal - Series 2012A	335,000	-	335,000
Contingency	2,943	-	2,943
County Treasurer's fee	182	183	(1)
Paying agent fees	2,250	-	2,250
<b>TOTAL EXPENDITURES</b>	<u>851,000</u>	<u>255,496</u>	<u>595,504</u>
<b>NET CHANGE IN FUND BALANCES</b>	40,349	593,555	553,206
<b>FUND BALANCES - BEGINNING</b>	<u>533,513</u>	<u>537,122</u>	<u>3,609</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 573,862</u>	<u>\$ 1,130,677</u>	<u>\$ 556,815</u>

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**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Larkridge Metropolitan District No. 1 (District), a quasi-municipal corporation, was organized by order and decree of the District Court for Adams County on May 18, 2004, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Thornton, Colorado. The District was established to provide water, storm sewer and sanitary sewer, streets and traffic safety protection, parks and recreation, transportation, mosquito control and other powers.

At the organizational election for the District, the voters approved authorization to increase property taxes up to \$100,000 annually, as necessary, to pay for the operations and maintenance expenditures of the District. Total debt authorization was also approved in the amount of \$12,595,000 for streets, water, sewer and storm drainage improvements, \$13,095,000 for intergovernmental agreements, and \$13,095,000 for refunding debt. At an election held November 2, 2004, the voters of the District approved an additional authorization in the amount of \$4,000,000 for streets, water, sewer and storm drainage improvements, \$4,000,000 for intergovernmental agreements, and \$4,000,000 for refunding debt. On May 8, 2012, a majority of the qualified electors of the District approved authorization to increase property taxes up to \$1,000,000 annually, as necessary, to pay for operations and maintenance expenditures of the District and authorized the District's indebtedness be increased in an amount not to exceed \$51,285,000, at an interest rate not to exceed 12% per annum.

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

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

**Revenues**

**Property Taxes**

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

The calculation of the taxes levied is displayed at the adopted total mill levy of 38.000 mills.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues** (continued)

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.0% of the property taxes collected by the General and Debt Service Funds, including the Property taxes received through TDA (see below).

**Property Taxes Received Through TDA**

The District has entered into a Tax Increment Sharing Agreement with the Thornton Development Authority (Authority), dated as of June 9, 2004, regarding the sharing of Tax Increment Revenues generated within the District. The Tax Increment Sharing Agreement provides that in consideration for the District providing public improvements and services, the Authority agrees that the portion of revenues which it receives as a result of ad valorem property tax increments, which are attributable to the District's current and future levy of ad valorem taxes on property within the Development and encompassed by the Urban Renewal Plan, shall be segregated upon receipt and shall be remitted by the Authority to the District within 45 days of the end of each quarter. The District will use such property tax revenue to pay debt service on the bonds or to reimburse the Bank for draws on the Letter of Credit.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.10%.

**Expenditures**

**Administrative and Operating Expenditures**

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, meeting expense, landscaping, maintenance and other administrative expenses.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5 % of property tax collections.

**Debt Service**

Principal and interest payments in 2022 are provided based on the debt amortization schedule from the Series 2012 General Obligation Refunding & Improvement Bonds (discussed under Debt and Leases).

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

On August 31, 2012, the District issued \$10,000,000 of General Obligation Refunding and Improvement Bonds Series 2012A and \$1,100,000 of General Obligation Bonds (Taxable Convertible to Tax-Exempt) Bonds Series 2012B. The Series 2012A and 2012B Bonds were issued for the purpose of refunding the Series 2004 Bonds, financing a portion of the costs of public improvements and the costs of issuing the bonds. The Series 2012A and 2012B Bonds were issued at a rate of 5.375% per annum, payable June 1 and December 1. The Series 2012A Bonds mature on December 1, 2034, and the Series 2012B Bonds matured on December 1, 2020.

The Series 2012A Bonds are subject to redemption prior to maturity at the option of the District on December 1, 2022, without redemption premium.

On August 31, 2012, the District issued \$1,940,000 of Subordinate Limited Tax Bonds (Taxable Convertible to Tax-Exempt) Series 2012C Bonds. The Series 2012C Bonds were issued for the purpose of financing the acquisition of public improvements. The Series 2012C Bonds were issued at a rate of 7% per annum. The Series 2012C Bonds will be paid from District funds from remaining funds after the payment of the Series 2012A Bonds as outlined in the bond resolution (Senior Bond Resolution).

For the Series 2012A, the District shall certify a debt service mill levy that will produce tax revenue sufficient to pay the debt requirements as they come due and, if necessary, replenish the reserve fund, with a maximum levy of 50 mills.

For the Series 2012C Bonds, the District shall certify a debt service mill levy that will produce tax revenue sufficient to pay the debt requirements as they come due, but not in excess of 31 mills (after taking into account all other revenue available under the Senior Bond Resolution).

The District's current debt service schedule for the Series 2012A Bonds is attached. Currently, pledged revenue of the District is not sufficient to pay the scheduled debt service payments for the Series 2012C Bonds.

The District has no operating or capital leases.

**Reserves**

**Debt Service Reserve**

The Debt Service Reserve Fund Requirement is \$529,225.

**Emergency Reserve**

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

**This information is an integral part of the accompanying budget.**

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**General Obligation Refunding & Improvement Bonds - Series 2012A  
Interest Rate - 5.375%, Dated August 31, 2012  
Payable June 1 and December 1, Principal Due December 1**

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	<b>Series 2012A - \$10,000,000 Tax-Exempt</b>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 335,000	\$ 510,625	\$ 845,625
2023	460,000	492,619	952,619
2024	490,000	467,895	957,895
2025	580,000	441,556	1,021,556
2026	620,000	410,381	1,030,381
2027	650,000	377,056	1,027,056
2028	700,000	342,119	1,042,119
2029	735,000	304,494	1,039,494
2030	785,000	264,987	1,049,987
2031	825,000	222,794	1,047,794
2032	880,000	178,450	1,058,450
2033	925,000	131,150	1,056,150
2034	1,515,000	81,431	1,596,431
	<u>\$ 9,500,000</u>	<u>\$ 4,225,557</u>	<u>\$ 13,725,557</u>

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**Larkridge Metropolitan District No. 1**  
**Schedule of Developer Advances**

	<b>Balance at December 31, 2020*</b>	<b>Additions*</b>	<b>Payments*</b>	<b>Balance at December 31, 2021*</b>
Developer advance payable	\$ 460,239	\$ 10,000	\$ -	\$ 470,239
Accrued interest on advances	434,297	32,351	-	466,648
	<u>\$ 894,536</u>	<u>\$ 42,351</u>	<u>\$ -</u>	<u>\$ 936,887</u>
	<b>Balance at December 31, 2021*</b>	<b>Additions*</b>	<b>Payments*</b>	<b>Balance at December 31, 2022*</b>
Developer advance payable	\$ 470,239	\$ -	\$ 10,000	\$ 460,239
Accrued interest on advances	466,648	32,917	-	499,565
	<u>\$ 936,887</u>	<u>\$ 32,917</u>	<u>\$ 10,000</u>	<u>\$ 959,804</u>

\*Estimated amounts

**Schedule of Debt Service - Series 2012C**

	<b>Balance at December 31, 2020*</b>	<b>Additions*</b>	<b>Payments*</b>	<b>Balance at December 31, 2021*</b>
Series 2012C - Unpaid principal	\$ 1,940,000	\$ -	\$ -	\$ 1,940,000
Series 2012C - Accrued interest	883,052	197,614	-	1,080,666
	<u>\$ 2,823,052</u>	<u>\$ 197,614</u>	<u>\$ -</u>	<u>\$ 3,020,666</u>
	<b>Balance at December 31, 2021*</b>	<b>Additions*</b>	<b>Payments*</b>	<b>Balance at December 31, 2022*</b>
Series 2012C - Unpaid principal	\$ 1,940,000	\$ -	\$ -	\$ 1,940,000
Series 2012C - Accrued interest	1,080,666	211,447	-	1,292,113
	<u>\$ 3,020,666</u>	<u>\$ 211,447</u>	<u>\$ -</u>	<u>\$ 3,232,113</u>

\*Estimated amounts

**LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**Schedule of Cash Position**  
**June 30, 2022**  
**Updated as of October 14, 2022**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<b><u>First Bank - Checking</u></b>			
Balance as of 06/30/22	\$ 28,669.76	\$ -	\$ 28,669.76
Subsequent activities:			
07/14/22 - Vouchers Payable 2651-2659	(15,243.55)	-	(15,243.55)
08/12/22 - Transfer from Savings	56,295.65	-	56,295.65
08/15/22 - Vouchers Payable 2660 - 2669	(13,715.79)	-	(13,715.79)
09/15/22 - Vouchers Payable 2670 - 2679	(9,077.87)	-	(9,077.87)
10/11/22 - Vouchers Payable 2670 - 2679	(4,097.38)	-	(4,097.38)
<i>Anticipated Balance</i>	<u>42,830.82</u>	<u>-</u>	<u>42,830.82</u>
<b><u>First Bank - Savings</u></b>			
Balance as of 06/30/22	891.34	0.08	891.42
Subsequent activities:			
07/10/22 - Ptax Deposit - June	1,602.69	11,931.60	13,534.29
07/15/22 - Transfer to Trustee	-	(11,931.68)	(11,931.68)
07/22/22 - TDA Q2 Deposit	53,851.62	400,924.82	454,776.44
07/29/22 - Interest Income	-	3.31	3.31
08/10/22 - Ptax Deposit - July	1,470.81	10,950.15	12,420.96
08/12/22 - Transfer to Checking	(56,295.65)	-	(56,295.65)
08/12/22 - Transfer to Trustee	-	(400,928.13)	(400,928.13)
08/31/22 - Interest Income	-	39.76	39.76
09/10/22 - Ptax Deposit - August	676.91	5,039.12	5,716.03
09/30/22 - Interest Income	-	1.50	1.50
10/03/22 - Transfer to Trustee	-	(16,030.53)	(16,030.53)
10/10/22 - Ptax Deposit - September	975.08	7,258.84	8,233.92
<i>Anticipated Transfer to Trustee</i>	-	(7,258.84)	(7,258.84)
<i>Anticipated Balance</i>	<u>3,172.80</u>	<u>-</u>	<u>3,172.80</u>
<b><u>UMB Reserve Fund-Restricted for DS - 139264.7</u></b>			
Balance as of 06/30/22	-	529,225.00	529,225.00
Subsequent activities:			
07/31/22 - Interest Income	-	43.50	43.50
08/31/22 Interest Income	-	84.10	84.10
09/30/22 - Interest Income	-	139.23	139.23
<i>Anticipated Balance</i>	<u>-</u>	<u>529,491.83</u>	<u>529,491.83</u>
<b><u>UMB 2012A Interest Fund - 139264.1</u></b>			
Balance as of 06/30/22	-	188,594.92	188,594.92
Subsequent activities:			
07/15/22 - Transfer from 1st Bank Savings	-	11,931.68	11,931.68
07/31/22 - Bank Fees	-	(7.54)	(7.54)
07/31/22 - Interest Income	-	251.19	251.19
08/12/22 - Transfer from 1st Bank Savings	-	400,928.13	400,928.13
08/31/22 - Bank Fees	-	(16.13)	(16.13)
08/31/22 - Interest Income	-	831.33	831.33
09/30/22 - Bank Fees	-	(52.57)	(52.57)
09/30/22 - Interest Income	-	1,287.92	1,287.92
10/03/22 - Transfer from 1st Bank Savings	-	16,030.53	16,030.53
<i>Anticipated Transfer from 1st Bank Savings</i>	-	7,258.84	7,258.84
<i>Anticipated Balance</i>	<u>-</u>	<u>627,038.30</u>	<u>627,038.30</u>
<b><u>UMB Series 2012 A B C Bond Payment Fund - 139264.2</u></b>			
Balance as of 06/30/22	-	0.25	0.25
Subsequent activities:			
<i>Anticipated Balance</i>	<u>-</u>	<u>0.25</u>	<u>0.25</u>
<b>Total Anticipated Balance</b>	<b><u>\$ 46,003.62</u></b>	<b><u>\$ 1,156,530.38</u></b>	<b><u>\$ 1,202,534.00</u></b>

**Yield Information as of 06/30/22**  
1st Bank - 0.02%  
UMB invested in C-Safe - 1.46%

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

**LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**Property Taxes Reconciliation**  
**2022**

	Current Year							Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	TIF Increment	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	Y-T-D
January	\$ 1,076.92	\$ -	\$ (1,061.47)	\$ 5,089.01	\$ -	\$ (0.23)	\$ 5,104.23	0.11%	0.11%	\$ 5,026.61	0.07%	0.07%
February	217,876.81	185.25	(214,933.13)	5,435.65	17.09	(47.19)	8,534.48	22.77%	22.88%	10,891.80	32.86%	32.93%
March	262,521.30	(1,900.45)	(256,879.95)	5,422.03	177.82	(59.45)	9,281.30	27.23%	50.11%	6,989.21	10.20%	43.13%
April	25,907.25	68.37	(25,602.86)	61.21	1.40	(5.62)	429.75	2.71%	52.82%	8,976.49	15.08%	58.21%
May	112,117.48	3.34	(110,511.72)	5,090.01	-	(24.14)	6,674.97	11.71%	64.54%	6,129.52	0.35%	58.56%
June	332,401.83	-	(324,021.05)	5,224.26	-	(70.75)	13,534.29	61.00%	125.53%	9,522.62	33.12%	91.68%
July	-	-	-	-	-	-	-	0.00%	125.53%	6,523.13	8.34%	100.02%
August	-	-	-	-	-	-	-	0.00%	125.53%	6,516.63	0.00%	100.02%
September	-	-	-	-	-	-	-	0.00%	125.53%	7,127.94	0.01%	100.02%
October	-	-	-	-	-	-	-	0.00%	125.53%	5,853.50	0.02%	100.04%
November	-	-	-	-	-	-	-	0.00%	125.53%	5,991.86	0.00%	100.04%
December	-	-	-	-	-	-	-	0.00%	125.53%	5,339.32	0.00%	100.04%
<b>\$</b>	<b>951,901.59</b>	<b>(1,643.49)</b>	<b>(933,010.18)</b>	<b>26,322.17</b>	<b>196.31</b>	<b>(207.38)</b>	<b>43,559.02</b>	<b>125.53%</b>	<b>125.53%</b>	<b>84,888.63</b>	<b>100.04%</b>	<b>100.04%</b>

	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied	Mills Levied	Assessed Valuation
<b>Property Tax</b>						
General Fund	\$ 1,627	11.84%	\$ 2,042.38	125.53%	4.500	\$ 25,199,470
Debt Service Fund	\$ 12,113	88.16%	15,205.54	125.53%	33.500	(24,837,900)
	<u>\$ 13,740</u>	<u>100.00%</u>	<u>\$ 17,247.92</u>	<u>125.53%</u>	<u>38.000</u>	<u>\$ 361,570</u>
<b>Specific Ownership Tax</b>						
General Fund	\$ 7,938	11.84%	\$ 3,117.15	39.27%		
Debt Service Fund	\$ 59,093	88.16%	23,205.02	39.27%		
	<u>\$ 67,031</u>	<u>100.00%</u>	<u>\$ 26,322.17</u>	<u>39.27%</u>		
<b>Treasurer's Fees</b>						
General Fund	\$ 24	11.84%	\$ 24.56	102.32%		
Debt Service Fund	\$ 182	88.16%	182.82	100.45%		
	<u>\$ 206</u>	<u>100.00%</u>	<u>\$ 207.38</u>	<u>100.67%</u>		

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

RESOLUTION TO AMEND 2022 BUDGET  
LARKRIDGE METROPOLITAN DISTRICT NO. 1

WHEREAS, the Board of Directors of the Larkridge Metropolitan District No. 1 adopted a budget and appropriated funds for the fiscal year 2022 as follows:

General Fund	\$	127,000
Debt Service Fund	\$	851,000

WHEREAS, the necessity has arisen for additional expenditures in the General Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2022; and

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

WHEREAS, funds are available for such expenditures in the General Fund from a developer advance.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Larkridge Metropolitan District No. 1 shall and hereby does amend the adopted Budget for the fiscal year 2022 and adopts a supplemental budget and appropriation for the General Fund for the fiscal year 2022, as follows:

Debt Service Fund	\$885,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

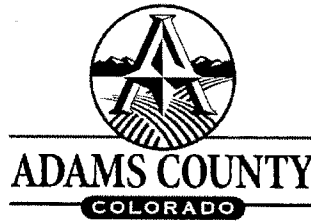
DATED this 26th day of October, 2022.

LARKRIDGE METROPOLITAN DISTRICT NO. 1

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

Secretary

Ken Musso  
ASSESSOR



Assessor's Office  
4430 South Adams County Parkway  
2nd Floor, Suite C2100  
Brighton, CO 80601-8201  
PHONE 720.523.6038  
FAX 720.523.6037  
www.adcogov.org

SEP 06 2022

August 31, 2022

LARKRIDGE METRO DISTRICT 1  
SPECIAL DISTRICT MANAGEMENT SERVICES INC  
Attn: ANN E FINN  
141 UNION BLVD STE 150  
LAKEWOOD CO 80228-1898

To ANN E FINN:

Enclosed is the corrected 2022 preliminary valuation. This valuation was adjusted due to an error in the increment on line 3. A final certification of value will be sent out on or before December 10, 2022.

This value is subject to change by the County Board of Equalization, Board of Assessment Appeals and the State Board of Equalization as provided by law.

Sincerely,

A handwritten signature in black ink, appearing to be 'KM' followed by a long horizontal stroke, representing Ken Musso.

Ken Musso  
Adams County Assessor  
KM/rmb

# CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: 228 - LARKRIDGE METRO DISTRICT 1

IN ADAMS COUNTY ON 8/25/2022

New Entity: No

<b>USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY</b>
--

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:	\$361,570
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$24,825,270
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$24,505,830
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$319,440
5. NEW CONSTRUCTION: **	\$0
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)(l)(B) C.R.S.):	\$7,025.06

\* 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.

<b>USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY</b>
---

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: @	\$79,422,057
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
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
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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): **	\$96,402
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\*\* 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.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2023**

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/10/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 520,253	\$ 553,209	\$ 540,446	\$ 540,446	\$ 538,450
REVENUES					
Property taxes	13,591	13,740	17,248	10,378	13,097
Specific ownership tax	71,488	67,031	26,322	52,644	71,249
Interest income	205	570	475	52	10,650
Property taxes TDA	867,622	929,683	919,015	929,683	989,668
Developer advance	10,000	-	-	-	-
Total revenues	<u>962,906</u>	<u>1,011,024</u>	<u>963,060</u>	<u>992,757</u>	<u>1,084,663</u>
Total funds available	<u>1,483,159</u>	<u>1,564,233</u>	<u>1,503,506</u>	<u>1,533,203</u>	<u>1,623,113</u>
EXPENDITURES					
General Fund	96,959	127,000	55,754	111,707	122,000
Debt Service Fund	845,754	851,000	255,496	883,046	960,000
Total expenditures	<u>942,713</u>	<u>978,000</u>	<u>311,250</u>	<u>994,753</u>	<u>1,082,000</u>
Total expenditures and transfers out requiring appropriation	<u>942,713</u>	<u>978,000</u>	<u>311,250</u>	<u>994,753</u>	<u>1,082,000</u>
ENDING FUND BALANCES	<u>\$ 540,446</u>	<u>\$ 586,233</u>	<u>\$ 1,192,256</u>	<u>\$ 538,450</u>	<u>\$ 541,113</u>
EMERGENCY RESERVE	\$ 3,400	\$ 3,700	\$ 3,400	\$ 3,500	\$ 3,500
DEBT SERVICE RESERVE FUND	529,225	529,225	529,225	529,225	529,225
TOTAL RESERVE	<u>\$ 532,625</u>	<u>\$ 532,925</u>	<u>\$ 532,625</u>	<u>\$ 532,725</u>	<u>\$ 532,725</u>

No assurance provided. See summary of significant assumptions.



**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/10/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>					
Commercial	\$ 21,931,930	\$ 23,113,270	\$ 23,113,270	\$ 23,113,270	\$ 23,026,270
Agricultural	60	60	60	60	50
State assessed	4,250	5,990	5,990	5,990	5,180
Vacant land	890	890	890	890	890
Personal property	1,660,850	2,079,260	2,079,260	2,079,260	1,792,880
	<u>23,597,980</u>	<u>25,199,470</u>	<u>25,199,470</u>	<u>25,199,470</u>	<u>24,825,270</u>
Adjustments	(23,240,440)	(24,837,900)	(24,837,900)	(24,837,900)	(24,505,830)
Certified Assessed Value	<u>\$ 357,540</u>	<u>\$ 361,570</u>	<u>\$ 361,570</u>	<u>\$ 361,570</u>	<u>\$ 319,440</u>
<b>MILL LEVY</b>					
General	4.500	4.500	4.500	4.500	4.500
Debt Service	33.500	33.500	33.500	33.500	36.500
Total mill levy	<u>38.000</u>	<u>38.000</u>	<u>38.000</u>	<u>38.000</u>	<u>41.000</u>
<b>PROPERTY TAXES</b>					
General	\$ 1,609	\$ 1,627	\$ 1,627	\$ 1,627	\$ 1,437
Debt Service	11,978	12,113	12,112	12,112	11,660
Levied property taxes	<u>13,587</u>	<u>13,740</u>	<u>13,739</u>	<u>13,739</u>	<u>13,097</u>
Adjustments to actual/rounding	4	-	5,152	3,664	-
Refunds and abatements	-	-	(1,643)	(7,025)	-
Budgeted property taxes	<u>\$ 13,591</u>	<u>\$ 13,740</u>	<u>\$ 17,248</u>	<u>\$ 10,378</u>	<u>\$ 13,097</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	\$ 1,609	\$ 1,627	\$ 2,042	\$ 1,228	\$ 1,437
Debt Service	11,982	12,113	15,206	9,150	11,660
	<u>\$ 13,591</u>	<u>\$ 13,740</u>	<u>\$ 17,248</u>	<u>\$ 10,378</u>	<u>\$ 13,097</u>

No assurance provided. See summary of significant assumptions.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/10/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ (12,490)	\$ 19,696	\$ 3,324	\$ 3,324	\$ 9,225
REVENUES					
Property taxes	1,609	1,627	2,042	1,228	1,437
Property taxes TDA	102,697	110,094	108,824	110,094	108,622
Specific ownership tax	8,465	7,938	3,117	6,234	7,820
Interest income	2	16	26	52	150
Total revenues	<u>112,773</u>	<u>119,675</u>	<u>114,009</u>	<u>117,608</u>	<u>118,029</u>
Total funds available	<u>100,283</u>	<u>139,371</u>	<u>117,333</u>	<u>120,932</u>	<u>127,254</u>
EXPENDITURES					
General and administrative					
Accounting	23,071	25,300	10,514	21,000	25,000
Audit	5,500	5,750	-	5,500	6,000
Contingency	-	2,326	-	-	1,828
County Treasurer's fee	24	24	25	18	22
District management	11,266	20,000	7,089	15,000	20,000
Dues and membership	356	400	372	372	450
Election expense	-	2,500	945	1,000	1,000
Insurance	3,813	4,200	3,817	3,817	4,200
Legal	27,578	28,000	22,930	35,000	35,000
Repay developer advance	-	10,000	-	10,000	-
Landscape maintenance	20,755	15,000	8,047	15,000	15,000
Utilities	4,244	5,000	1,904	5,000	5,000
Operations and maintenance					
Signage maintenance	-	8,500	-	-	8,500
Total expenditures	<u>96,959</u>	<u>127,000</u>	<u>55,754</u>	<u>111,707</u>	<u>122,000</u>
Total expenditures and transfers out requiring appropriation	<u>96,959</u>	<u>127,000</u>	<u>55,754</u>	<u>111,707</u>	<u>122,000</u>
ENDING FUND BALANCE	<u>\$ 3,324</u>	<u>\$ 12,371</u>	<u>\$ 61,579</u>	<u>\$ 9,225</u>	<u>\$ 5,254</u>
EMERGENCY RESERVE	<u>\$ 3,400</u>	<u>\$ 3,700</u>	<u>\$ 3,400</u>	<u>\$ 3,500</u>	<u>\$ 3,500</u>
TOTAL RESERVE	<u>\$ 3,400</u>	<u>\$ 3,700</u>	<u>\$ 3,400</u>	<u>\$ 3,500</u>	<u>\$ 3,500</u>

No assurance provided. See summary of significant assumptions.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**DEBT SERVICE FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/10/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 532,743	\$ 533,513	\$ 537,122	\$ 537,122	\$ 529,225
REVENUES					
Property taxes	11,982	12,113	15,206	9,150	11,660
Property taxes TDA	764,925	819,589	810,191	819,589	881,046
Specific ownership tax	63,023	59,093	23,205	46,410	63,429
Developer advance	10,000	-	-	-	-
Interest income	203	554	449	-	10,500
Total revenues	<u>850,133</u>	<u>891,349</u>	<u>849,051</u>	<u>875,149</u>	<u>966,634</u>
Total funds available	<u>1,382,876</u>	<u>1,424,862</u>	<u>1,386,173</u>	<u>1,412,271</u>	<u>1,495,859</u>
EXPENDITURES					
Debt Service					
Miscellaneous	94	-	-	-	-
Bond interest - Series 2012A	527,288	510,625	255,313	510,625	492,619
Bond interest - Series 2012C	6,192	-	-	35,034	-
Bond principal - Series 2012A	310,000	335,000	-	335,000	460,000
Contingency	-	2,943	-	-	4,706
County Treasurer's fee	180	182	183	137	175
Paying agent fees	2,000	2,250	-	2,250	2,500
Total expenditures	<u>845,754</u>	<u>851,000</u>	<u>255,496</u>	<u>883,046</u>	<u>960,000</u>
Total expenditures and transfers out requiring appropriation	<u>845,754</u>	<u>851,000</u>	<u>255,496</u>	<u>883,046</u>	<u>960,000</u>
ENDING FUND BALANCE	<u>\$ 537,122</u>	<u>\$ 573,862</u>	<u>\$ 1,130,677</u>	<u>\$ 529,225</u>	<u>\$ 535,859</u>
DEBT SERVICE RESERVE FUND	<u>\$ 529,225</u>	<u>\$ 529,225</u>	<u>\$ 529,225</u>	<u>\$ 529,225</u>	<u>\$ 529,225</u>
TOTAL RESERVE	<u>\$ 529,225</u>	<u>\$ 529,225</u>	<u>\$ 529,225</u>	<u>\$ 529,225</u>	<u>\$ 529,225</u>

No assurance provided. See summary of significant assumptions.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

Larkridge Metropolitan District No. 1 (District), a quasi-municipal corporation, was organized by order and decree of the District Court for Adams County on May 18, 2004, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District's service area is located in Thornton, Colorado. The District was established to provide water, storm sewer and sanitary sewer, streets and traffic safety protection, parks and recreation, transportation, mosquito control and other powers.

At the organizational election for the District, the voters approved authorization to increase property taxes up to \$100,000 annually, as necessary, to pay for the operations and maintenance expenditures of the District. Total debt authorization was also approved in the amount of \$12,595,000 for streets, water, sewer and storm drainage improvements, \$13,095,000 for intergovernmental agreements, and \$13,095,000 for refunding debt. At an election held November 2, 2004, the voters of the District approved an additional authorization in the amount of \$4,000,000 for streets, water, sewer and storm drainage improvements, \$4,000,000 for intergovernmental agreements, and \$4,000,000 for refunding debt. On May 8, 2012, a majority of the qualified electors of the District approved authorization to increase property taxes up to \$1,000,000 annually, as necessary, to pay for operations and maintenance expenditures of the District and authorized the District's indebtedness be increased in an amount not to exceed \$51,285,000, at an interest rate not to exceed 12% per annum.

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

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

**Revenues**

**Property Taxes**

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

The calculation of the taxes levied is displayed at the adopted total mill levy of 41.000 mills.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues** (continued)

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.0% of the property taxes collected by the General and Debt Service Funds, including the Property taxes received through TDA (see below).

**Property Taxes Received Through TDA**

The District has entered into a Tax Increment Sharing Agreement with the Thornton Development Authority (Authority), dated as of June 9, 2004, regarding the sharing of Tax Increment Revenues generated within the District. The Tax Increment Sharing Agreement provides that in consideration for the District providing public improvements and services, the Authority agrees that the portion of revenues which it receives as a result of ad valorem property tax increments, which are attributable to the District's current and future levy of ad valorem taxes on property within the Development and encompassed by the Urban Renewal Plan, shall be segregated upon receipt and shall be remitted by the Authority to the District within 45 days of the end of each quarter. The District will use such property tax revenue to pay debt service on the bonds or to reimburse the Bank for draws on the Letter of Credit.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 2%.

**Expenditures**

**Administrative and Operating Expenditures**

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, meeting expense, landscaping, maintenance and other administrative expenses.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5 % of property tax collections.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Debt Service**

Principal and interest payments in 2023 are provided based on the debt amortization schedule from the Series 2012 General Obligation Refunding & Improvement Bonds (discussed under Debt and Leases).

**Debt and Leases**

On August 31, 2012, the District issued \$10,000,000 of General Obligation Refunding and Improvement Bonds Series 2012A and \$1,100,000 of General Obligation Bonds (Taxable Convertible to Tax-Exempt) Bonds Series 2012B. The Series 2012A and 2012B Bonds were issued for the purpose of refunding the Series 2004 Bonds, financing a portion of the costs of public improvements and the costs of issuing the bonds. The Series 2012A and 2012B Bonds were issued at a rate of 5.375% per annum, payable June 1 and December 1. The Series 2012A Bonds mature on December 1, 2034, and the Series 2012B Bonds matured on December 1, 2020.

The Series 2012A Bonds are subject to redemption prior to maturity at the option of the District on December 1, 2022, without redemption premium.

On August 31, 2012, the District issued \$1,940,000 of Subordinate Limited Tax Bonds (Taxable Convertible to Tax-Exempt) Series 2012C Bonds. The Series 2012C Bonds were issued for the purpose of financing the acquisition of public improvements. The Series 2012C Bonds were issued at a rate of 7% per annum. The Series 2012C Bonds will be paid from District funds from remaining funds after the payment of the Series 2012A Bonds as outlined in the bond resolution (Senior Bond Resolution).

For the Series 2012A, the District shall certify a debt service mill levy that will produce tax revenue sufficient to pay the debt requirements as they come due and, if necessary, replenish the reserve fund, with a maximum levy of 50 mills.

For the Series 2012C Bonds, the District shall certify a debt service mill levy that will produce tax revenue sufficient to pay the debt requirements as they come due, but not in excess of 31 mills (after taking into account all other revenue available under the Senior Bond Resolution).

The District's current debt service schedule for the Series 2012A Bonds is attached. Currently, pledged revenue of the District is not sufficient to pay the scheduled debt service payments for the Series 2012C Bonds.

The District has no operating or capital leases.

**Reserves**

**Debt Service Reserve**

The Debt Service Reserve Fund Requirement is \$529,225.

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserves** (continued)

**Emergency Reserve**

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2023, as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**General Obligation Refunding & Improvement Bonds - Series 2012A  
Interest Rate - 5.375%, Dated August 31, 2012  
Payable June 1 and December 1, Principal Due December 1**

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	<b>Series 2012A - \$10,000,000 Tax-Exempt</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 460,000	\$ 492,619	\$ 952,619
2024	490,000	467,895	957,895
2025	580,000	441,556	1,021,556
2026	620,000	410,381	1,030,381
2027	650,000	377,056	1,027,056
2028	700,000	342,119	1,042,119
2029	735,000	304,494	1,039,494
2030	785,000	264,987	1,049,987
2031	825,000	222,794	1,047,794
2032	880,000	178,450	1,058,450
2033	925,000	131,150	1,056,150
2034	1,515,000	81,431	1,596,431
	<u>\$ 9,165,000</u>	<u>\$ 3,714,932</u>	<u>\$ 12,879,932</u>

No assurance provided. See summary of significant assumptions.



**Larkridge Metropolitan District No. 1**  
**Schedule of Developer Advances**

	<b>Balance at December 31, 2021*</b>	<b>Additions*</b>	<b>Payments*</b>	<b>Balance at December 31, 2022*</b>
Developer advance payable	\$ 470,239	\$ -	\$ -	\$ 470,239
Accrued interest on advances	466,648	32,917	-	499,565
	<u>\$ 936,887</u>	<u>\$ 32,917</u>	<u>\$ -</u>	<u>\$ 969,804</u>
	<b>Balance at December 31, 2022*</b>	<b>Additions*</b>	<b>Payments*</b>	<b>Balance at December 31, 2023*</b>
Developer advance payable	\$ 470,239	\$ -	\$ -	\$ 470,239
Accrued interest on advances	499,565	32,917	-	532,481
	<u>\$ 969,804</u>	<u>\$ 32,917</u>	<u>\$ -</u>	<u>\$ 1,002,720</u>

\*Estimated amounts

**Schedule of Debt Service - Series 2012C**

	<b>Balance at December 31, 2021*</b>	<b>Additions*</b>	<b>Payments*</b>	<b>Balance at December 31, 2022*</b>
Series 2012C - Unpaid principal	\$ 1,940,000	\$ -	\$ -	\$ 1,940,000
Series 2012C - Accrued interest	1,074,474	211,013	35,034	1,250,453
	<u>\$ 3,014,474</u>	<u>\$ 211,013</u>	<u>\$ 35,034</u>	<u>\$ 3,190,453</u>
	<b>Balance at December 31, 2022*</b>	<b>Additions*</b>	<b>Payments*</b>	<b>Balance at December 31, 2023*</b>
Series 2012C - Unpaid principal	\$ 1,940,000	\$ -	\$ -	\$ 1,940,000
Series 2012C - Accrued interest	1,250,453	223,332	-	1,473,785
	<u>\$ 3,190,453</u>	<u>\$ 223,332</u>	<u>\$ -</u>	<u>\$ 3,413,785</u>

\*Estimated amounts

No assurance provided. See summary of significant assumptions.

**RESOLUTION NO. 2022-10-\_\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**TO ADOPT THE 2023 BUDGET AND APPROPRIATE SUMS OF MONEY**

WHEREAS, the Board of Directors of the Larkridge Metropolitan District No. 1 (“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, a public hearing was held on October 11, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund 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 Larkridge Metropolitan District No. 1:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Larkridge Metropolitan District No. 1 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 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 11th day of October, 2022.

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Secretary

EXHIBIT A  
(Budget)

I, Ann Finn, hereby certify that I am the duly appointed Secretary of the Larkridge Metropolitan District No. 1, 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 of the Larkridge Metropolitan District No. 1 held on October 11, 2022.

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

**RESOLUTION NO. 2022-10-\_\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**TO SET MILL LEVIES**

WHEREAS, the Board of Directors of the Larkridge Metropolitan District No. 1 (“District”) has adopted the 2023 annual budget in accordance with the Local Government Budget Law on October 11, 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 Larkridge Metropolitan District No. 1:

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 11th day of October, 2022.

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Secretary

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



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

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October 14, 2022

To the Board of Directors and Management  
Larkridge Metropolitan District No. 1  
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 Larkridge Metropolitan District No. 1 (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
- 2) Schedule of Debt Service Requirements to Maturity



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 \$5,700. 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 Larkridge Metropolitan District No. 1.

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

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

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

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

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

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

**RESOLUTION NO. 2022-\_\_\_\_ - \_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
LARKRIDGE METROPOLITAN DISTRICT NO. 1  
CALLING A REGULAR ELECTION FOR DIRECTORS  
MAY 2, 2023**

A. The terms of the offices of Directors Brian S. Heinze, Jonathan Perlmutter, and Jay Perlmutter shall expire upon the election of his/her/their successors at the regular election, to be held on May 2, 2023 (“**Election**”), and upon such successors taking office.

B. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect three (3) Directors to serve until the second regular election, to occur May 4, 2027.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Larkridge Metropolitan District No. 1 (the “**District**”) of the County of Adams, Colorado:

1. Date and Time of Election. The Election shall be held on May 2, 2023, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, three (3) Directors shall be elected to serve until the second regular election, to occur May 4, 2027.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Ann E. Finn shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.

6. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with Ann E. Finn, the Designated Election Official of the District, c/o Special District Management Solutions, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, (303)

987-0835, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from Ann E. Finn, the Designated Election Official, c/o Special District Management Solutions, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, (303) 987-0835 and on the District's website: <https://larkridgemd1-2.colorado.gov/>.

8. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on February 28, 2023, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, 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 law.

9. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

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

11. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO RESOLUTION  
CALLING A REGULAR ELECTION FOR DIRECTORS  
MAY 2, 2023]**

RESOLUTION APPROVED AND ADOPTED on \_\_\_\_\_, 2022.

**LARKRIDGE METROPOLITAN  
DISTRICT NO. 1**

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

Attest:

\_\_\_\_\_  
Secretary



**LARKRIDGE METROPOLITAN DISTRICT NO. 1**  
**TAX-EXEMPT GENERAL OBLIGATION REFUNDING LOAN, SERIES 2022**

**TIMELINE – AS OF JULY 22, 2022**

SEPTEMBER 2022						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER 2022						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

NOVEMBER 2022						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

DATE	EVENT	Responsible Party
9/28/2022	Launch Transaction	PA/DC
10/07/2022	Bond Counsel distributes 1 <sup>st</sup> draft loan documents	BC
10/11/2022	City Council Meeting to adopt resolution to approve refunding transaction	All
10/12/2022	Estimated Rate Lock (30-days prior to closing, subject to Lender terms)	D/PA
10/14/2022	Comments due on 1 <sup>st</sup> draft loan documents	All
10/18/2022	Escrow Verification Report Circulated	DA
10/20/2022	Bond Counsel distributes 2 <sup>nd</sup> draft loan documents	BC
10/24-10/28/2022	Board meetings to approve Loan Resolution	D/DC/BC
10/26/2022	Final comments due on 2 <sup>nd</sup> draft of loan documents	All
10/31/2022	Final loan and closing documents circulated	BC
11/01/2022	Pre-Closing	All
<b>11/02/2022</b>	<b>Loan Closing</b>	<b>All</b>
11/11/2022	<i>Expiration of Rate Lock</i>	<i>D</i>

D: District – Larkridge Metropolitan District No. 1  
 DC: District Counsel – McGeedy Becher, P.C.  
 BC: Bond Counsel – Kutak Rock LLP  
 PA: Placement Agent – Piper Sandler & Co.  
 L: Lender – Vectra Bank of Colorado  
 PAC: Placement Agent’s Counsel – TBD  
 LC: Lender’s Counsel – TBD

October \_\_, 2022

Board of Directors  
Larkridge Metropolitan District No. 1  
c/o MaryAnn McGeady, Esq.  
McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, Colorado 80203

Re: Engagement as Bond Counsel to Larkridge Metropolitan District No. 1

Dear Directors:

This letter sets forth our understanding of the engagement of Kutak Rock LLP, Denver, Colorado (“Kutak Rock”), by Larkridge Metropolitan District No. 1 (the “District”), in the City of Thornton, Adams County, Colorado (the “State”), to serve as bond counsel (“Bond Counsel”) in connection with a direct loan to be made to the District (the “Direct Loan”) for the purpose of refunding all of its outstanding General Obligation Refunding and Improvement Bonds, Series 2012A and Subordinate Limited Tax Bonds, Series 2012C. The indebtedness of the Direct Loan will be evidenced by a promissory note issued to the lender of the Direct Loan (the “Note”).

**A. Bond Counsel.** As Bond Counsel, Kutak Rock will provide all necessary and customary legal services traditionally performed by Bond Counsel, including:

1. Conducting due diligence on the District including, without limitation, review and analysis of the District’s service plan, electoral authorization, binding agreements, and other matters relating to the District’s authority to incur the indebtedness of the Direct Loan, issue the Note and impose taxes for the payment thereof, including compliance with Article X Section 20 of the Colorado Constitution and other applicable State law.

2. Providing assistance and advice to the District on other legal matters relating to the Direct Loan and the Note.

3. Participating in discussions with Piper Sandler & Co., in its capacity as the placement agent for the Direct Loan and the Note (“Piper Sandler & Co.”), and its legal counsel (“Placement Agent’s Counsel”) as necessary regarding the structure of the Direct Loan and the Note.

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4. Preparing all necessary documentation for authorizing the District to incur the indebtedness of the Direct Loan, issue the Note and secure the payment thereof, including, without limitation, the loan agreement, promissory note (collectively, the “Loan Documents”), paying agent agreement, custodial agreement and authorizing resolution of the District, together with other financing and closing documents necessary in connection therewith.

5. Inasmuch as the Note evidencing the Direct Loan is expected to be issued as a tax-exempt obligation under federal and state income tax laws, our representation will include analyzing the pertinent facts and circumstances relating thereto, advising the District as to relevant matters, preparing tax documentation, and conducting all necessary filings with the Internal Revenue Service.

6. Making the necessary filings under the Colorado Municipal Bond Supervision Act with respect to the Direct Loan and the Note.

7. Reviewing and commenting on other documentation relating to the Direct Loan and the Note prepared by others.

8. Upon satisfaction of all conditions precedent in connection with the issuance of the Note and closing of the Direct Loan, delivering a legal opinion: (a) with respect to the validity and enforceability of the Loan Documents; (b) to the effect that the Note constitutes a valid and binding obligation of the District, legally enforceable in accordance with the terms of the Loan Documents; and (c) assuming the Note qualifies for tax exemption as described in paragraph 5 above, our opinions will include statements addressing the excludability of interest on the Note for federal and State income tax purposes (the “Kutak Rock Bond Opinion”). As is customary, in rendering the Kutak Rock Bond Opinion, we will rely upon the certified proceedings of the District; certifications of District officials; the opinion of general counsel to the District; opinions of other legal counsel involved in the transaction as to matters relevant to the Direct Loan and the Note; and certifications of other parties to the transaction, as appropriate.

9. Consulting with Board members and officers of the District; General Counsel to the District; the District’s consultants and advisors; Piper Sandler & Co.; Placement Agent’s Counsel; the District’s accountant; and other working group members regarding matters relating to the Direct Loan and the Note.

10. Participating in meetings as necessary.

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## **B. Closing; Delivery of Opinion Letters**

The Kutak Rock Opinion Letter will be executed and delivered in written form on the date of issuance and delivery of the Note and closing of the Direct Loan (collectively, the “Closing”) and will be based upon facts and law existing as of such date.

## **C. Kutak Rock Attorneys**

The firm’s public finance partner who is anticipated to be principally involved in this representation is Kristine Lay. Tax partners, associate attorneys and paralegals will be added to the team as our work progresses, as and if necessary.

## **D. Fees**

1. We estimate that our fee to act as Bond Counsel for the District’s issuance of the Note and incurrence of the indebtedness of the Direct Loan and render our Kutak Rock Opinion Letter will be \$65,000, based on the structure of the overall financing and the amount and nature of the legal work involved necessary to achieve a Closing as currently anticipated.

2. Our Bond Counsel fee will be due and payable by the District at Closing, prior to delivery of the Kutak Rock Opinion Letter, and will include routine out-of-pocket disbursements (such as photocopying charges, delivery expenses, fax charges and postage). Throughout the course of our engagement, any extraordinary disbursements or expenses authorized by the District will be billed directly to the District.

3. If the Closing extends beyond December 31, 2022, or if the anticipated structure of the Direct Loan changes significantly or unforeseen circumstances arise, we would expect to increase our fee if warranted by the delay, unforeseen circumstances or changes. If the Closing does not occur for any reason by January 31, 2023 or the transaction is abandoned by the District prior to that date, Kutak Rock LLP will submit an invoice for our actual time and expenses incurred until the date on which we are directed by the District to stop our work on the Direct Loan financing transaction, and such invoice will be due thirty (30) days after the date on which the invoice is delivered to you. If any amounts due under this letter agreement remain unpaid on March 1, 2023 and other payment arrangements have not been agreed to, interest on such past due amounts will begin to accrue at the rate of 2.5% per annum until all amounts due, including interest, have been paid.

4. If any matters are later assigned to Kutak Rock LLP that will be billed on an hourly basis, we will obtain specific approval from the District to charge our then-current hourly rates and to bill the District separately for out-of-pocket disbursements.

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## **E. Disclosure of Representations**

Kutak Rock LLP will perform its obligations in accordance with the standards of professional responsibility applicable to attorneys. We have represented, and currently do represent, in matters unrelated to the District, other entities that may be involved in the District's bond transactions, including Piper Sandler & Co. We have concluded that such representations do not constitute conflicts of interest under the standards of professional responsibility applicable to attorneys, but we are disclosing these representations to you so that you can communicate to us any concerns or additional information you may have concerning actual or potential conflicts.

## **F. Termination or Withdrawal of Engagement**

The District may terminate this agreement with respect to our engagement by notifying Kutak Rock LLP in writing. Conversely, Kutak Rock LLP may withdraw as counsel to the District and terminate this agreement in a manner that protects the interests of the District in the work being performed by Kutak Rock LLP by notifying the District in writing.

## **G. General**

This engagement letter shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

If the above sets forth our understanding to your satisfaction, please confirm the terms of our engagement by signing, dating and returning the enclosed copy of this letter.

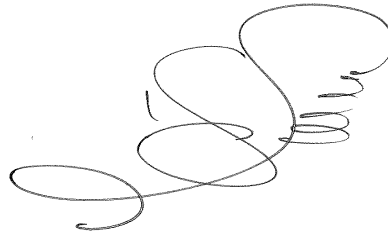
Throughout our representation, we want you to be satisfied with our fees as well as the professional services we perform on your behalf. Accordingly, we invite your inquiry if you have any questions concerning any aspect of our representation.

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This letter may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which shall constitute one and the same instrument.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kristine R. Lay', with a large, stylized initial 'K'.

Kristine R. Lay  
Kutak Rock LLP

CONFIRMED AND AGREED TO AS  
OF THE DATE INDICATED BELOW:

Larkridge Metropolitan District No. 1

By: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**PLACEMENT AGENT AGREEMENT**

**[\$12,485,000]**

**Larkridge Metropolitan District No. 1  
In the City of Thornton, Colorado  
General Obligation Refunding Loan  
Series 2022**

This Placement Agent Agreement (this “**Agreement**”) is entered into as of [\_\_\_\_], 2022 by and between Larkridge Metropolitan District No. 1, in the City of Thornton, Colorado (the “**District**”) and Piper Sandler & Co., Denver, Colorado (the “**Placement Agent**”).

**RECITALS**

**WHEREAS**, the District is a duly and regularly created, established, organized and existing metropolitan district, existing as such under and pursuant to the Constitution and laws of the State of Colorado; and

**WHEREAS**, the Board of Directors of the District (the “**Board**”) has determined that it is in the best interests of the District to authorize, and has authorized, the incurrence of (i) the District’s General Obligation Refunding Loan, Series 2022 (the “**Loan**”) to be incurred by the District and made by Zions Bancorporation, National Association d/b/a Vectra Bank Colorado (the “**Lender**”) pursuant to a Loan Agreement between the District and the Lender dated as of November 2, 2022 (the “**Loan Agreement**”), with the Loan evidenced by a promissory note issued in the form set forth in the Loan Agreement (capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Loan Agreement); and

**WHEREAS**, the Loan is being incurred for the purpose of (i) refunding all of the District’s General Obligation Refunding and Improvement Bonds, Series 2012A, originally issued in the aggregate principal amount of \$10,000,000 and its Subordinate Limited Tax Bonds, Series 2012C, originally issued in the aggregate principal amount of \$1,940,000; and (ii) paying issuance and other costs in connection with the Loan; and

**WHEREAS**, revenues pledged to the payment of the Loan among other revenues, include ad valorem property taxes of the District; and

**WHEREAS**, the Loan will be directly placed by the Placement Agent with the Lender; and

**WHEREAS**, the parties desire to enter into this Agreement to acknowledge and confirm the engagement of the Placement Agent as a placement agent for the Loan as well as to provide for additional detail and clarification of the Placement Agent’s services and compensation; and

**WHEREAS**, this Agreement is intended to be, and shall be, executed in accordance with Municipal Securities Rulemaking Board Rule G-23 to the extent said rule is applicable to the matters set forth herein.

**NOW, THEREFORE**, for and in consideration of the foregoing and the agreements made herein, the parties hereto hereby agree as follows:

**Section 1. Appointment as Placement Agent; Scope of Duties.**

(a) The District hereby confirms the appointment of Piper Sandler & Co., Denver, Colorado as Placement Agent in connection with the placement of the Loan, and the Placement Agent hereby accepts such appointment, all subject to the terms, conditions, and acknowledgements set forth herein.

(b) The parties hereby agree that the Placement Agent's services in such capacity have been and shall be limited to: analyzing the District's credit quality, evaluating potential strategies to achieve the District's goals, assisting the District in soliciting proposals from Lender and bond purchasers, evaluating the terms of the responses received, selecting the proposal deemed most favorable to the District, negotiating the terms of the proposal of the Lender on behalf of the District, discussing with the Lender any financial and other information about the District that is or was provided to the Lender by the District, assisting and supervising the steps necessary to be taken to close the Loan, and providing such closing certificates as may be reasonably requested by bond counsel to the District.

(c) The District hereby acknowledges that since the time the District requested that the Placement Agent provide assistance in connection with the financing to be effected by the incurrence of the Loan, the services provided by the Placement Agent to the District have been consistent with the scope of services described in Section 1(b) hereof.

(d) The District acknowledges that it has made the determination, and also been informed by the Lender, that no disclosure document is necessary or desired in connection with the Loan and, therefore, the Placement Agent's duties shall not include assisting the District in preparation of any disclosure document for use by the Lender in making its credit decision.

(e) The District acknowledges that the Placement Agent has made the following disclosures to the District in satisfaction of certain requirements of MSRB Rule G-23: (i) the Placement Agent is acting as the District's Placement Agent with respect to the Loan, and not as the District's municipal advisor, financial advisor or fiduciary of the District; (ii) the primary role of the Placement Agent is to directly place loans, bonds, or new issue of municipal securities on behalf of the District; and (iii) the Placement Agent, in its capacity as such, has financial and other interests that differ from those of the District.

**Section 2. Compensation for Agent's Services.** As compensation for its services hereunder, the Placement Agent shall receive a fee equal to 2.00% of the Loan with a minimum of \$30,000.00 (the "**Placement Agent Fee**"), payable from the initial draw on the Loan at the closing of the Loan.

**Section 3. Term and Termination.** This Agreement shall become effective upon the execution and delivery hereof by the District and the Placement Agent, and shall continue in full force and effect until the earlier of (i) the date when the Placement Agent receives compensation



for its services hereunder in the amount set forth in Section 2 hereof or (ii) November 2, 2022, unless terminated earlier by mutual agreement of the parties.

**Section 4. Notices.** Any communication under this Agreement shall be deemed sufficiently given if in writing, mailed by first-class mail, postage prepaid and addressed:

**If to the District:** Larkridge Metropolitan District No. 1  
c/o McGeady Becher, P.C.  
450 E. 17<sup>th</sup> Street, Suite 400  
Denver, CO 80203  
Attention: Legal Notices  
Email: [legalnotices@specialdistrictlaw.com](mailto:legalnotices@specialdistrictlaw.com)

**If to the Lender:** Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado  
2000 South Colorado Boulevard, #2  
Denver, Colorado 80222  
Attention: Megan Severs  
Email: [megan.severs@vectrabank.com](mailto:megan.severs@vectrabank.com)

**If to the Placement Agent:** Piper Sandler & Co.  
1200 17th Street, Suite 1250  
Denver, Colorado 80202  
Attention: Michael Lund  
E-mail: [michael.lund@psc.com](mailto:michael.lund@psc.com)

In lieu of mailing a notice to any person set forth above, any party may provide notice by email to any email address set forth above for such person, and any such notices shall be deemed received upon confirmation of electronic receipt in the records of the sender. The parties may designate any further or different address to which any communications under this Agreement shall be sent.

**Section 5. Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. However, the obligations of the respective parties hereto may not be assigned or delegated to any other person without the consent of the other party hereto.

**Section 6. Severability.** If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule or public policy, or any other reason, such circumstances shall not have the effect of rendering the provisions in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

**Section 7. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument. Executed copies hereof may be delivered by email of a pdf document, and, upon receipt, shall be deemed originals

and binding upon the parties hereto. Without limiting or otherwise affecting the validity of executed copies hereof that have been delivered by email of a pdf document, the parties hereto will use commercially reasonable efforts to deliver originals as promptly as possible after execution. Signature pages may be detached and reattached to physically form one document.

**Section 8. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado without giving effect to its rules of choices of law.

**Section 9. Entire Agreement.** It is hereby agreed that this Agreement constitutes the only agreement between the Placement Agent and the District pertaining to the placement of the Loan, and shall supersede and replace any previous engagement letters or agreement(s) between the District and the Placement Agent pertaining to such matter. The only obligations the Placement Agent will have to the District with respect to the Loan are expressly set forth in this Agreement. There are no other prior or contemporaneous oral or written agreements that are not set out in this Agreement. Each party acknowledges and represents that it is not relying on any oral or written promises or representations made by any other party or such party's representative that are not set forth in this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Placement Agent Agreement to be duly executed as of the day and year first above written.

LARKRIDGE METROPOLITAN DISTRICT NO. 1

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: President or Vice President

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Secretary or Assistant Secretary

PIPER SANDLER & CO.

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



October 18, 2022

BY E-MAIL

Tami Yellico, Esq.  
City Attorney  
City of Thornton  
9500 Civic Center Drive  
Thornton, CO 80229

Dear Tami:

We are pleased to confirm our engagement as special counsel to the Thornton Development Authority (the "Authority") in connection with providing an opinion (the "Opinion") regarding the enforceability of Intergovernmental Cooperation Agreement Between the Thornton Development Authority and the Larkridge Metropolitan District No. 1 Regarding Tax Increment Revenues" dated as of June 9, 2004, to the Larkridge Metropolitan District No. 1 (the "District"). We appreciate your confidence in us and will do our best to continue to merit it. This letter sets forth the role we propose to serve and the responsibilities we propose to assume in in connection with the Opinion.

Personnel. Dee Wisor will be principally responsible for the work performed by Butler Snow LLP ("Butler Snow") on your behalf in connection with the engagement and he will report to and take direction from you. Where appropriate, certain tasks may be performed by other attorneys or paralegals. At all times, however, Dee will coordinate, review, and approve all work completed for the Authority.

Scope of Responsibilities. It will be our responsibility to review requisite documents, records and instruments, and applicable law and to give requested Opinion on behalf of the Authority. In representing the Authority in this matter, our services may include research, phone consultations, meetings, preparation of memoranda, and at the conclusion of the financing, we will deliver the Opinion. Our services as special counsel are limited to those contracted for explicitly herein.

Attorney-Client Relationship. In performing our services as special counsel, the Authority will be our client and an attorney-client relationship will exist between us. We will represent the interests of the Authority rather than its Board of Commissioners, its individual members, or the Authority's employees. We assume that other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction.

Conflicts of Interest. Before accepting any new business, the Colorado Rules of Professional Conduct (the "Rules") require us to evaluate whether there exist any ethical

1801 California Street  
Suite 5100  
Denver, Colorado 80202

DEE P. WISOR  
(720) 330-2357  
Dee.Wisor@ButlerSnow.com

T (720) 330-2300  
F (720) 330-2301  
www.butlersnow.com

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constraints to representing the Authority. We have completed a conflicts check within our firm and have found no current conflict between the Authority and our existing clients.

Fee Arrangement. Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, (iv) the skill and experience required to complete the services properly, and (v) the responsibilities we will assume, we estimate that our fee will be \$7,500.

Such fee may vary if material changes in the structure of the financing occur, or if unusual or unforeseen circumstances arise which require a significant increase in our time or our responsibilities. If, at any time, we believe that circumstances require an adjustment of our original fee estimate, we will consult with you and prepare an amendment to this engagement letter.

**The Authority will not be responsible for paying our fees. The Authority acknowledges that our fees and expenses will be paid by the District. We do not believe that such fee arrangement will interfere with our independence of professional judgment or our attorney client relationship with the Authority.**

Document Retention. At or within a reasonable period after the termination of this engagement, we will review the file to determine what materials should be retained as a record of our representation and those that are no longer needed. We will return any original documents obtained from you. Our document retention policy is attached as Exhibit C.

Termination of Engagement. Upon conclusion of this engagement, our responsibilities as special counsel will terminate, and our representation of the Authority and the attorney-client relationship created by this engagement letter will be concluded. Should the Authority seek the advice of special counsel on a post-closing matter or seek other, additional legal services, we would be happy to discuss the nature and extent of our separate engagement at that time.

Approval. If the foregoing terms of this engagement are acceptable to you, please so indicate by returning a copy of this letter signed by the officer so authorized, keeping a copy for your files.

We are pleased to have the opportunity to serve as your special counsel and look forward to a mutually satisfactory and beneficial relationship. If at any time you have questions concerning our work or our fees, we hope that you will contact us immediately.

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BUTLER SNOW LLP

By: Dee P. Wilson

ACCEPTED AND APPROVED:

THORNTON DEVELOPMENT AUTHORITY

By: DocuSigned by:  
Tami Yellico  
68AB059BB4C24C8...

Title: City Attorney

Date: 10/18/2022

Thornton Development Authority  
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LARKRIDGE METROPOLITAN DISTRICT NO. 1 AGREES TO THE TERMS OF THIS ENGAGEMENT, ACKNOWLEDGES THAT BUTLER SNOW LLP REPRESENTS ONLY THE THORNTON DEVELOPMENT AUTHORITY AND NOT THE DISTRICT OR THE BOARD OF DIRECTORS OF THE DISTRICT IN CONNECTION WITH THIS ENGAGEMENT AND AGREES TO PAY THE FEES AND EXPENSES OF BUTLER SNOW LLP AS DESCRIBED ABOVE.

ACCEPTED AND AGREED TO BY:

LARKRIDGE METROPOLITAN DISTRICT NO. 1

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

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

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

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**EXHIBIT A**  
**NOTICE TO CLIENTS OF BUTLER SNOW'S**  
**RECORD RETENTION & DESTRUCTION POLICY FOR CLIENT FILES**

Butler Snow maintains its client files electronically. Ordinarily, we do not keep separate paper files. We will scan documents you or others send to us related to your matter to our electronic file for that matter and will ordinarily retain only the electronic version while your matter is pending. **Unless you instruct us otherwise, once such documents have been scanned to our electronic file, we will destroy all paper documents provided to us.** If you send us original documents that need to be maintained as originals while the matter is pending, we ordinarily will scan those to our client file and return the originals to you for safekeeping. Alternatively, you may request that we maintain such originals while the matter is pending. If we agree to do that, we will make appropriate arrangements to maintain those original documents while the matter is pending.

At all times, records and documents in our possession relating to your representation are subject to Butler Snow's Record Retention and Destruction Policy for Client Files. Compliance with this policy is necessary to fulfill the firm's legal and ethical duties and obligations, and to ensure that information and data relating to you and the legal services we provide are maintained in strict confidence at all times during and after the engagement. All client matter files are subject to these policies and procedures.

At your request, at any time during the representation, you may access or receive copies of any records or documents in our possession relating to the legal services being provided to you, excluding certain firm business or accounting records. We reserve the right to retain originals or copies of any such records or documents as needed during the course of the representation.

Unless you instruct us otherwise, once our work on this matter is completed, we will designate your file as a closed file on our system and will apply our document retention policy then in effect to the materials in your closed files. At that time, we ordinarily will return to you any original documents we have maintained in accordance with the preceding paragraph while the matter was pending. Otherwise, we will retain the closed file materials for our benefit and subject to our own policies and procedures concerning file retention and destruction. Accordingly, if you desire copies of any documents (including correspondence, e-mails, pleadings, contracts, agreements, etc.) related to this matter or generated while it was pending, you should request such copies at the time our work on this matter is completed.

You will be notified and given the opportunity to identify and request copies of such items you would like to have sent to you or someone else designated by you. You will have



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30 days from the date our notification is sent to you to advise us of any items you would like to receive. You will be billed for the expense of assimilating, copying and transmitting such records. We reserve the right to retain copies of any such items as we deem appropriate or necessary for our use. Any non-public information, records or documents retained by Butler Snow and its employees will be kept confidential in accordance with applicable rules of professional responsibility.

Any file records and documents or other items not requested within 30 days will become subject to the terms of Butler Snow's Record Retention and Destruction Policy for Client Files and will be subject to final disposition by Butler Snow at its sole discretion. Pursuant to the terms of Butler Snow's Record Retention and Destruction Policy for Client Files, all unnecessary or extraneous items, records or documents may be removed from the file and destroyed. The remainder of the file will be prepared for closing and placed in storage or archived. It will be retained for the period of time established by the policy for files related to this practice area, after which it will be completely destroyed. This includes all records and documents, regardless of format.

While we will use our best efforts to maintain confidentiality and security over all file records and documents placed in storage or archived, to the extent allowed by applicable law, Butler Snow specifically disclaims any responsibility for claimed damages or liability arising from damage or destruction to such records and documents, whether caused by accident; natural disasters such as flood, fire, or wind damage; terrorist attacks; equipment failures; breaches of Butler Snow's network security; or the negligence of third-party providers engaged by our firm to store and retrieve records.



**TERM SHEET**  
**Private Placement**  
**Larkridge Metropolitan District No.1**  
**2022 Unlimited Tax General Obligation Loan**

**(Subject to Final Credit Approval / Not A Commitment)**

This Term Sheet shall serve as a guide for the general terms and structure for a Direct Purchase by Zions Bancorporation, N.A dba Vectra Bank Colorado of a private placement of the Series 2022 Larkridge Metropolitan District No. 1 Unlimited Tax General Obligation Loan. The terms within this Term Sheet may be amended and adjusted going forward by agreement between the Parties as due diligence on the transaction is completed and new issues or concerns arise regarding covenants, structure, financial ratio levels, and Loan mechanics, amortization, etc.

The terms outlined in this Term Sheet are for discussion purposes only. The credit has not yet been formally approved by the Bank and does not obligate the Bank or the District to enter into the proposed financing. The issuance of a commitment is subject to the District's satisfying the Bank's credit standards and internal policies, and formally approving the financing request. Therefore, the Bank shall not be liable to the District for damages or specific performance as a result of this letter or its attachments. The terms and conditions proposed in this Term Sheet are confidential and may not be shown or disclosed by you except to those individuals who have a need to know as a result of being involved in the proposed transaction.

<u>Obligors:</u>	Larkridge Metropolitan District No. 1 ("District")
<u>Bank:</u>	Zions Bancorporation, N.A. dba Vectra Bank Colorado (the "Bank")
<u>Placement Agent:</u>	Piper
<u>Bond Counsel:</u>	Kutak
<u>Bank Counsel:</u>	Sherman & Howard – Tiffany Leichman
<u>Trustee/Custodian:</u>	Zions Bancorporation, National Association
<u>Tax Status:</u>	Tax-Exempt
<u>Par Value:</u>	\$12,405,000
<u>Purpose:</u>	Refund 2012A and 2012C Bonds.
<u>Amortization</u>	Twenty (20) years from Date of Closing.
<u>Payment:</u>	The loan will pay interest semi-annually on the first day of June and December, commencing December 1 <sup>st</sup> , 2022, and principal annually commencing on December 1 <sup>st</sup> , 2023 with the final principal and interest due on the Maturity Date.
<u>Pledged Revenue:</u>	The loan will be secured by an irrevocable pledge of the District's debt service mill levy, S.O. Taxes, and all other legally available funds.
<u>Interest Rate:</u>	The District has the ability to choose between a 10-year and a 20-year rate as outlined below:



A division of Zions Bancorporation, N.A. Member FDIC

Option 1: Ten-year term: The taxable rate will be the 10yr Treasury + 1.60%. As of 6/23/2022, the taxable rate is 4.75%, the tax-exempt rate is 3.80%. The tax-exempt floor is 3.80%. After the ten-year term, if the loan isn't paid in full, the rate will reset for the remaining ten years at the 10yr Treasury +1.80%, subject to a 3.5% floor.

Option 2: Twenty-year term: The taxable rate will be the 10yr Treasury + 1.70%. As of 6/23/2022, the taxable rate is 4.85%, the tax-exempt rate is 3.90%. The tax-exempt floor is 3.90%.

All Interest calculations will be Actual over 360.

Tax Exempt Rate: The Loan if deemed a Tax-Exempt obligation, as described under Section 265(b) of the Code, subject to the opinion of Bond Counsel, will be priced at 80% of the Taxable Rate

Default Interest Rate: Upon a material default of the Notes that remains uncured for 30 days after receipt of notice of default, the Notes, at the option of the Bank, shall accrue interest at a Default Rate, which shall not exceed a rate equal to the lesser of the Wall Street Journal Prime Rate plus 4.00%, or 18%.

Commitment Fee: .50% of the commitment to be paid at closing.

Rate Lock Fee: The District may request to lock the rate. Rate lock pricing is quoted daily from finance. The rate lock fee will be credited towards the commitment fee should the transaction close within the rate lock period.

Prepayment Fee: The Loan shall be subject to the following prepayment restrictions:

- i. Commencing with the closing of the loan on the ten-year term, the District will not be able to prepay the loan for the first five years.
- ii. Commencing with the closing of the loan on the twenty-year term, the District will not be able to prepay the loan for the first ten years.

Additional Debt: No additional debt without Bank consent.

Required Mill Levy: Annually, the District will calculate, for the subsequent year, the projected revenue based upon the sum of; Projected District Property Tax Revenue resulting from a mill levy sufficient to meet scheduled debt service.

Determination of Taxability: If the interest on the Tax-Exempt Bonds is deemed taxable by the Internal Revenue Service, the interest rate on the Tax-Exempt Bonds shall increase to the Taxable Rate.

Flow of Funds: The District shall cause all Pledged Revenue to be deposited into the Revenue Account maintained by the District with the Custodian immediately upon receipt from the Adams County Treasurer. Upon receipt by the Trustee, funds from the Debt Service Fund shall be applied as follows:

- i. To payment of Custodian's fees.

- ii. To the payment of all past due interest, and principal, and any other collection or other fees due the Bank under the Agreement.
- iii. To the Payment of all current interest and principal.
- iv. Released to the District to use for any lawful purpose

The following representations, warranties and covenants shall be part of the agreement to be entered into by the District and the Bank with respect to the Loan. Other additional covenants may be added or these may be adjusted going forward by agreement between the Bank and the District as new issues or concerns arise regarding Loan covenants, structure, financial ratio levels, etc. Loan covenant compliance will be tested in the manner and at the times as set forth in the loan documents.

Primary Reps, Warranties and Covenants:

- i. General Counsel and Bond Counsel will give their standard Opinion for this type of transaction.
- ii. The District will not grant any lien or otherwise encumber the pledged revenues.
- iii. The District / Developer will not convert vacant commercial land to agricultural land.
- iv. The District will issue the Loan as an unlimited tax general obligation of the District per the Service Plan.
- v. Annually, no later than December 15<sup>th</sup>, the District shall certify a mill levy equal to the mill levy sufficient to meet the scheduled debt service requirement of the subsequent year, subject to statutory limitation, and provide a copy of such together with a copy of the annual budget of the District.
- vi. Annually, the District shall provide the Bank with copies of its unqualified annual audit not later than 270 days following the end of each fiscal year.
- vii. Within 90 days of 6/30 and 12/31, the District shall submit to the Bank semi-annual financial statements including a statement of revenues and expenses including annual budget, and a schedule of assets and liabilities including the General Fund and all sub funds.
- viii. As soon as available, but in no event later than August 30<sup>th</sup> of each year, the District shall furnish to the Bank the preliminary certified "actual value" and assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy) for such calendar year;
- ix. As soon as available, but in no event later than December 15<sup>th</sup> of each year, the District shall furnish to the Bank the final certified assessed valuation of all property subject to the Required Mill Levy (including taxable property within the District and excluded property subject to the Required Mill Levy), as calculated, recorded and certified by the Assessor on or before December 15 of such calendar year;
- x. Other covenants considered standard for this type of transaction and industry to be negotiated in good faith between the Parties during the due diligence period and 2022 Note approval and documentation process.



A division of Zions Bancorporation, N.A. Member FDIC

Events of Default:

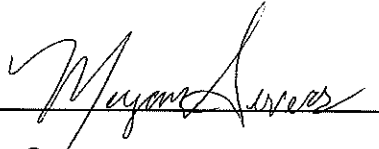
Events of Default for this loan include but not limited to:

- i. Failure of District to pay the principal or interest on the Loan when due or any other amount due and payable to the Bank under the District or the Loan documents;
- ii. Any pledge or other security interest pledged as security for the loan fails to be fully enforceable with the priority required hereunder;
- iii. Failure of the District to pay Pledged Revenues into the Revenue Account or cooperate with the Bank to verify same.
- iv. Bankruptcy or similar issue of the District or any other entity that is party to the Loan documents or agreements related to the security for the proposed financing that impairs the Pledged Revenues; and
- v. Any other actions or in-actions by the District that would otherwise constitute a breach of the provisions of the Trust or the Loan documents, including such actions or in-actions that, with the passage of time, would constitute a breach thereunder.



**Term Sheet Acceptance**

By signing below, we hereby accept the Terms and Conditions outlined within this Term Sheet, subject to normal adjustments agreed upon by both parties.

By: 

Megan Severs  
Senior Vice President  
Public Sector Finance  
Vectra Bank Colorado

Accepted and agreed to this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Larkridge Metro District No. 1

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

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

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

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

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

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



## FORWARD RATE LOCK AGREEMENT

THIS FORWARD RATE LOCK AGREEMENT (this "Agreement") is entered into and effective as of October 4, 2022 by and between Larkridge Metropolitan District No. 1 ("Borrower"), and Zions Bancorporation, N.A. dba Vectra Bank Colorado ("Lender"), with reference to the following facts:

### RECITALS

WHEREAS, at the request of Borrower, Lender and Borrower have been in discussion regarding a term loan (the "Loan") to be made by Lender to Borrower for the purpose of refunding the Borrower's current outstanding bonds.

WHEREAS, Borrower has requested that Lender lock in advance the fixed interest rate per annum to be in effect during the term of the Loan or, if the fixed interest rate is subject to adjustment or reset during the term, the initial partial term of the Loan during which such rate will apply (the "Rate Lock"), notwithstanding that (i) a written loan commitment has not been issued by Lender to Borrower or (ii) all of the conditions to close and fund the Loan which may be set forth in any commitment issued by Lender or in the final loan documents for the Loan have not yet been satisfied by Borrower; and

WHEREAS, Lender is willing to agree to a Rate Lock for the Loan in accordance with the terms and conditions set forth in this Agreement.

### TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual promises and agreements of the parties hereto and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. No Commitment to Lend. Borrower acknowledges and agrees that (a) neither Lender's agreement to enter into the Rate Lock nor anything else in this Agreement shall constitute or be deemed a commitment to lend, either express or implied, and does not impose any obligation on Lender to issue a commitment or make the Loan and (b) Lender's decision to issue any such commitment, and the terms and conditions thereof, shall be at Lender's sole and absolute discretion.

2. Rate Lock. Borrower and Lender agree to the Rate Lock in accordance with the terms and conditions set forth in this Agreement and in the confirmation attached hereto as Exhibit A and incorporated herein by this reference (the "Confirmation"). The Confirmation will set forth, among other things, the Fixed Rate at which the rate per annum for the Loan shall be locked, the principal amount of the Loan to which the Fixed Rate applies if approved (the "Locked Principal Amount"), the effective date of the Rate Lock (the "Rate Lock Date"), the term during which the Rate Lock is effective (the "Rate Lock Period") and the date on which the Rate Lock expires (the



“Rate Lock Expiration Date”). The Rate Lock shall be effective for a period of **30** calendar days following the Rate Lock Date. The Rate Lock shall terminate on the Rate Lock Expiration Date.

3. Rate Lock Fee. In consideration for Lender’s agreement to the Rate Lock, and as a condition precedent thereto, Borrower shall be required to pay Lender a fee equal to **\$93,000** (the “Rate Lock Fee”), which shall be non-refundable and deemed fully earned as of the date of the Rate Lock Date, whether or not the Loan is closed and funded; *provided, however*, that Borrower will be entitled to a refund of the Rate Lock Fee to the extent any failure of the parties to close and fund the Loan is caused by Lender’s breach or default under the terms of any written commitment letter executed by and binding on the parties. The parties hereto agree and acknowledge that the Rate Lock Fee is a reasonable and appropriate compensation to Lender for the costs, expenses and risks of loss or damages incurred by Lender in issuing the Rate Lock. If the Rate Lock Fee is not paid in full by Borrower or any other condition precedent to the Rate Lock shall not have been satisfied on or before the Rate Lock Date, this Agreement shall automatically terminate (except for Borrower’s obligations of indemnity under Section 5, which shall survive any termination or expiration of this Agreement) and Lender shall have no obligation to agree to the Fixed Rate or any other rate for the Loan in accordance with the Rate Lock or otherwise.

4. Representation and Warranties. Borrower hereby represents, warrants, acknowledges and agrees, as of the date hereof and at all times until the Loan is closed and funded, that (a) this Agreement does not violate or conflict with any applicable law or regulation, organizational document or other document, instrument or agreement binding upon or affecting Borrower and all consents and approvals have been obtained, (b) Lender has been and will be acting on an arm’s length basis with Borrower and not as Borrower’s agent, fiduciary, broker, advisor or consultant with respect to the Rate Lock or the Loan and Borrower, in agreeing to the terms and conditions hereof or the Loan, is not acting upon the advice of Lender or any of its representatives, (c) Borrower is aware of the risks associated with the Rate Lock and is willing to assume those risks, (d) nothing in this Agreement (including without limitation the Confirmation) shall constitute a commitment to lend, either express or implied, nor shall it limit, impair, supersede or in any way supplant any commitment to extend the Loan that may be issued (which commitment has been or shall be issued following Lender’s full and complete underwriting, diligence, documentation and credit committee approval), and (e) the actual principal amount of the Loan shall be determined by Lender, in its sole discretion, in accordance with the terms of its underwriting requirements.

5. Indemnity. Borrower hereby agrees to indemnify, defend and hold Lender harmless from and against all damages, losses, liability, claims, costs, fees and expenses (including without limitation reasonable attorneys’ fees and disbursements) incurred by Lender under or by reason of this Agreement or the Rate Lock. Borrower’s agreements and obligations under this Section 5 shall survive the termination or expiration of this Agreement.

6. Miscellaneous. The interest of the Borrower hereunder may not be transferred or assigned without Lender’s prior written consent. No amendment, modification or waiver of or under this Agreement shall be effective unless it is in writing signed by the parties hereto. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado without reference to principles of conflict of laws. The obligations of Borrower hereunder are absolute, unconditional and irrevocable and are not subject to any offset, defense, claim or counterclaim. This Agreement represents the entire agreement and understanding of the



parties, and supersedes all oral communications and prior writings, with respect to its subject matter hereof. This Agreement may be executed in one or more counterparts, each of which, when so executed, shall be deemed to be an original and all of which, taken together, shall constitute one and the same agreement. The obligations of Borrower pursuant to this Agreement are independent of its obligations contained in any commitment letter issued by Lender or the final loan documents executed by Borrower for the Loan, even in the event of a termination of the Rate Lock.

IN WITNESS WHEREOF, the parties have duly executed this Forward Rate Lock Agreement as of the date first above written.

Borrower:

Larkridge Metropolitan District No. 1  
a \_\_\_\_\_

By: Shell D. Cook  
Name: SHELL D. COOK  
Title: President

Lender:

Zions Bancorporation, N.A. dba Vectra Bank  
Colorado

By: Coby Walberg  
Name: Coby Walberg  
Title: Vice President

EXHIBIT A

CONFIRMATION OF FIXED INTEREST RATE LOCK

This Confirmation is being furnished to Borrower pursuant to that certain Forward Rate Lock Agreement, dated as of October 4, 2022 (the "Forward Rate Lock Agreement"), and is the "Confirmation" referred to in the Forward Rate Lock Agreement. This Confirmation will confirm the terms of a Rate Lock as provided therein. Capitalized terms used herein shall have the meanings set forth in the Forward Rate Lock Agreement.

The terms of the Rate Lock are hereby confirmed as follows:

- |                               |   |
|-------------------------------|---|
| 1. Transaction Type:          | Tax-Exempt Bank Note  |
| 2. Rate Lock Fee:             | \$93,000  |
| 3. Fixed Rate:                | 5.315% (taxable)<br>4.252% (tax-exempt)   |
| 4. Locked Principal Amount:   | \$12,400,000  |
| 5. Partial Term:              | 20 years from closing date of Loan  |
| 5. Rate Lock Date:            | October 4, 2022   |
| 6. Rate Lock Period:          | 30 days   |
| 7. Rate Lock Expiration Date: | November 3, 2022  |
| 8. Other Terms and Conditions | The rate lock fee is to be paid upon execution of the Rate Lock Agreement. The wire instructions are below:<br><br>Zions Bancorporation, N.A. dba Vectra Bank<br>Colorado<br>Account #: 8645001586<br>ABA#: 102003154<br>Account Name: Pre-paid Fee Account<br>Reference: Larkridge Metro District and Kim Sexton |

Lender:

Zions Bancorporation, N.A. dba Vectra Bank  
Colorado

By: Coby Walberg  
Name: Coby Walberg  
Title: Vice President

AGREED AND ACCEPTED:

Borrower:

Larkridge Metropolitan District No. 1

a \_\_\_\_\_

By: Shell D. Cook

Name: SHELL D. COOK

Title: President

**LENDER LETTER**

**[\$12,485,000]**

**Larkridge Metropolitan District No. 1  
In the City of Thornton, Colorado  
General Obligation Refunding Loan  
Series 2022**

The undersigned hereby agrees, represents, certifies, and acknowledges to Larkridge Metropolitan District No. 1, in the City of Thornton, Colorado (the “**District**”), as follows (capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed thereto by that certain Loan Agreement dated as of November 2, 2022, between the District and Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (the “**Lender**”)):

1. The undersigned is a duly appointed, qualified, and acting representative of the Lender and is authorized to cause the Lender to make the agreements, representations, certifications, and acknowledgements contained herein by execution of this Lender Letter on behalf of the Lender.

2. The Lender has sufficient knowledge, experience, and expertise in financial and business matters, including the lending of moneys to governmental entities, the purchase and ownership of municipal bonds and other obligations, to be able to evaluate the risks and merits of making of the Loan, the credit of the District, the collateral and the loan terms and that the Lender will make its own independent credit analysis and decision to purchase the Loan based on independent examination and evaluation of the transaction and the information deemed appropriate, without reliance on Piper Sandler & Co. or its affiliates, its directors, officers, employees, attorneys or agents, and the Lender is able to bear the economic and financial risks of the Loan.

3. The Lender (a) is a bank<sup>1</sup> (including any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; or a municipal entity with funds that are, at least in part, proceeds of, or fully or partially secure or pay, the purchaser’s issue of municipal obligations), savings and loan association, insurance company, or registered investment company; or an investment adviser registered either with the Securities and Exchange Commission under Section 203 of the Investment Advisers Act of 1940 or with a state securities commission (or any agency or office performing like functions); or any other entity (whether a natural person, corporation, partnership, trust, or otherwise) with total assets of at least

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<sup>1</sup> (A) a banking institution organized under the laws of the United States or a Federal savings association, as defined in section 2(5) of the Home Owners' Loan Act (12 USCS § 1462(5)), (B) a member bank of the Federal Reserve System, (C) any other banking institution or savings association, as defined in section 2(4) of the Home Owners' Loan Act (12 USCS § 1462(4)), whether incorporated or not, doing business under the laws of any State or of the United States, a substantial portion of the business of which consists of receiving deposits or exercising fiduciary powers similar to those permitted to national banks under the authority of the Comptroller of the Currency pursuant to the first section of Public Law 87-722 (12 U.S.C. 92a), and which is supervised and examined by State or Federal authority having supervision over banks or savings associations, and which is not operated for the purpose of evading the provisions of this title, and (D) a receiver, conservator, or other liquidating agent of any institution or firm included in clauses (A), (B), or (C) of this paragraph.” 15 U.S.C.S. § 78c(a)(6).

\$50 million; and (b) is a financial institution or institutional investor within the meaning of §32-1-103, C.R.S., and an (i) “accredited investor,” as that term is defined under sections 3(b) and 4(2) of the Securities Act of 1933, as amended, by regulation adopted thereunder by the U.S. Securities and Exchange Commission or (ii) a “Qualified Institutional Buyer” as defined in Rule 144A under the 1933 Act; and (c) it is capable of evaluating investment risks and market value independently, both in general and with regard to transactions and investment strategies in municipal financial products; and (d) it is exercising independent judgment in evaluating: (i) the recommendation of the Placement Agent, if any, or its associated persons; and (ii) the quality of execution of the Lender’s transactions by the Placement Agent; and (e) the Lender has timely access to material information that is available publicly through established industry sources as defined in Municipal Securities Rulemaking Board (MSRB) Rule G-47<sup>2</sup>;

4. The Lender understands that no official statement, prospectus, offering circular, or other offering statement is being provided with respect to the Loan and has concluded that the receipt of any such offering document prior to the making of the Loan is not necessary or required in order for the Lender to make an informed decision with respect to the making of the Loan. The Lender has made its own inquiry and analysis with respect to the District, the Loan and the security therefor, and other material factors affecting the security for and payment of the Loan. The Lender acknowledges that the District will be subject to certain ongoing reporting requirements enumerated in the Loan Agreement, however the District will not be entering into a separate continuing disclosure agreement to provide ongoing disclosure with respect to the Loan.

5. The Lender acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the District, and has been afforded a full opportunity to ask questions and receive answers from knowledgeable individuals concerning the District, the Loan and the security therefor; and the risks related to the Loan as it has deemed necessary in connection with its decision to make the Loan. None of the District nor its counsel or other advisors has refused to disclose any information that the Lender requested.

6. The Lender understands that the Note (i) is not registered under the Securities Act of 1933 and is not registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (ii) is not listed on any stock or other securities exchange, (iii) carries no rating from any credit rating agency and that no credit rating has been sought or obtained with respect to the Loan, (iv), may not be a negotiable instrument under the Uniform Commercial Code, and (v) will not be readily marketable.

7. The Note is being acquired by the Lender for its own account for investment purposes only, with a present intent to hold the securities until maturity, early redemption or mandatory tender and not with a present view toward resale or distribution, pledging, fractionalization, subdivision or other disposition thereof; provided, however, that the Lender

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<sup>2</sup> Pursuant to MSRB Rule G-47 established industry sources shall include the MSRB’s Electronic Municipal Market Access (“EMMA”®) system, rating agency reports, and other sources of information relating to municipal securities transactions generally used by brokers, dealers, and municipal securities dealers that effect transactions in the type of municipal securities at issue.

reserves the right to sell, transfer, or redistribute the Note, but agrees that any such sale, transfer, or distribution by the Lender shall be subject to the terms of the Loan Agreement.

8. The Lender acknowledges that the District and others will rely upon the truth and accuracy of the agreements, representations, certifications, and acknowledgements contained herein, and that all such agreements, representations, certifications, and acknowledgements shall survive the execution of this Lender Letter, the execution and delivery of the Loan Agreement, and the issuance of the Note.

9. The Lender acknowledges that in connection with the Loan: (i) Piper Sandler & Co. as Placement Agent has acted at arm's length, is not an agent or financial advisor of, and owes no fiduciary duties to the Lender or any other person irrespective of whether the Placement Agent has advised or is advising the Lender on other matters, and (ii) the Lender represents it has had the opportunity to consult with its own legal counsel and to negotiate this Certificate prior to execution. The Lender waives to the fullest extent permitted by law any claims it may have against the Placement Agent arising from an alleged breach of fiduciary duty in connection with the placement of the Loan.

10. The Lender understands that the District and Piper Sandler & Co., and their respective counsel and Bond Counsel will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consents to such reliance.

[Signature appears on following page.]

IN WITNESS WHEREOF, the undersigned has executed and delivered this Lender Letter, as of the date first set forth above.

**ZIONS BANCORPORATION D/B/A VECTRA  
BANK COLORADO**

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

## SERVICE AGREEMENT FOR LANDSCAPE MAINTENANCE

THIS SERVICE AGREEMENT FOR LANDSCAPE MAINTENANCE (“**Agreement**”) is entered into and effective as of the 26<sup>th</sup> day of October, 2022, by and between **LARKRIDGE METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **TERRACARE ASSOCIATES, LLC**, a Colorado limited liability company (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

### RECITALS

A. The District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan.

B. Pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District.

C. The Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the “**Services**”), and is willing to provide such Services to the District for reasonable consideration.

D. The Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the District.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

### I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

(a) Perform the Services, safely and in accordance with the highest standard of care, skill, and diligence provided by a professional consultant in performance of work similar to the Services.

(b) Be properly qualified to perform the Services. The Consultant does hereby warrant that the quality of the Services shall be as specified in this Agreement, shall conform in all respects to the requirements of this Agreement and shall be free of defects and deficiencies.

(c) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required under Section 4.2 hereof.



(d) Advise the District of the status of the Services required by this Agreement on a regular basis and work in coordination with the District's consultants to assure that the District has the most complete information available for the exercise of the District's powers and discretionary authority.

(e) Refrain from entering into any contract, oral or written, in the name of the District, and from incurring any debt, liability or obligation for or on behalf of the District. All obligations incurred by the Consultant shall be obligations of the Consultant and the Consultant shall hold the District harmless therefrom.

## 1.2 Limitations on Authority.

(a) The Consultant shall have no right or authority, expressed or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement or specifically authorized or ratified by the board of directors of the District as reflected in the minutes of the District board meetings. The Consultant shall at all times conform to the stated policies established and approved by the District.

(b) Independent Contractor Status. The Consultant is an independent contractor, as provided in Section 8-40-202(2)(b)(I)-(IV), C.R.S., as amended, and nothing herein contained shall constitute or designate the Consultant or any of its employees, agents, subcontractors or suppliers as employees of the District. The Services to be performed by the Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District, except the payments to be made by the District to the Consultant for the Services performed as provided herein. The District shall not be responsible for the Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. **The Consultant is not entitled to workers' compensation benefits and the Consultant is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

1.3 Compliance with Applicable Law. The Consultant shall provide the Services set forth herein in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the District.

1.4 No Right or Interest in District Assets. The Consultant shall have no right or interest in any of the District's assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

1.5 Work Product. "**Work Product**" shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available for the District's use, and shall provide such copies to the District upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is

and shall remain the property of the District. If requested by the District, Consultant shall execute and deliver such documents as shall be necessary in the District's sole discretion, to assign, transfer and convey all rights in the Work Product to the District or its assignee. If Consultant fails to execute any documents required under this Section 1.5, then Consultant hereby irrevocably appoints the District its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.5. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the District immediately upon termination of this Agreement.

## II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto, unless otherwise approved in advance by the District through a written change order in form substantially as attached hereto as **Exhibit C** ("Change Order").

2.2 Monthly Invoices and Payments. The Consultant shall submit to the District a monthly invoice, in a form acceptable to the District. Invoices shall be submitted and paid no more frequently than once a month.

2.3 Expenses. The Consultant is responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as set forth in **Exhibit B**, unless otherwise approved in advance by the District in writing.

2.4 Subject to Annual Budget and Appropriation; District Debt. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds is subject to annual budgeting and appropriation. Nothing herein constitutes or creates an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

## III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, **for services commencing on April 1, 2023 and expiring on November 31, 2023**. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination.

(a) The District may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the District at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

(b) Notwithstanding any provision herein to the contrary, the Agreement shall terminate automatically and be of no further force or effect upon the occurrence of (a) the Consultant's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; or (b) administrative dissolution (or other legal process not initiated by the Consultant dissolving the Consultant as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process.

The District shall pay the Consultant for all Services satisfactorily performed through the termination date.

#### IV. INDEMNIFICATION AND INSURANCE

4.1 Indemnification. The Consultant hereby agrees to indemnify, defend and hold the District and its affiliated entities or other persons or entities designated by the District, and their respective directors, trustees, officers, members, managers, agents and employees (collectively, the "**Indemnitees**"), harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys' fees and costs, arising out of death or bodily injury to persons or damage to property, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Consultant and/or its agents, representatives, subcontractors, or suppliers.

4.2 Insurance Requirements. The Consultant shall procure, at its sole cost and expense, the insurance coverages set forth below, which insurance shall be placed with insurance companies rated at least "A:XIII" by A.M. Best Company. The Consultant shall give notice to the District at least thirty (30) days prior to the cancellation or nonrenewal of such policies. The Consultant shall give notice to the District within five (5) business days, or as soon as practicable, of any modification of any such policies. Consultant's cost of maintaining the insurances required hereunder shall not be considered a reimbursable expense of the Consultant. The Consultant shall, upon request, promptly furnish the District with copies of policies obtained pursuant to this Section 4.2. Prior to commencing the Services, the Consultant shall furnish the District with certificates evidencing such insurance and provided further, however, with respect to the Workers' Compensation Insurance required below, the Consultant must furnish to the District, prior to the commencement of any Services, duly executed and validated forms as prescribed by the state authority having jurisdiction evidencing that such insurance is in full force and effect. The District shall not pay any invoices until Consultant provides the certificates evidencing such insurance and Workers' Compensation coverage.

(a) Liability Insurance Coverage.

(i) Workers' Compensation Insurance. A Workers' Compensation Insurance Policy in form and substance reasonably acceptable to the District and in an amount not less than the statutory benefits, including Employer's Liability Insurance with limits of liability of not less than (i) \$500,000 for bodily injury by accident, each accident; (ii) \$500,000 for bodily injury by disease, each employee; and (iii) \$500,000 aggregate liability for disease. The Workers' Compensation Insurance Policy, or an endorsement to such policy, must include a waiver of subrogation in favor of the District.

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the District, which policy shall include, without limitation, the District as an additional insured, a waiver of subrogation endorsement in favor of the District, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the District, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the District; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

(iii) Automobile Liability Insurance. An Automobile Liability Insurance Policy written on a per accident basis, in form and substance reasonably acceptable to the District. The Automobile Liability Insurance Policy must provide coverage for all owned, hired, rented and nonowned automobiles, and must include uninsured motorist coverages. The Automobile Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each accident for bodily injury and/or property damage.

(iv) Excess Liability Insurance. An Excess Liability Insurance Policy written in excess of the coverages provided by the insurance policies described in the preceding Subsections 4.2(a)(i) - (iii), in form and substance reasonably acceptable to the District, which policy will include the District as additional insured. The Excess Liability Insurance Policy must be written with a combined single limit of not less than \$1,000,000 for each occurrence of bodily injury/or property damage and annual aggregate.

(b) Failure to Obtain and Obligation to Maintain Insurance. If the Consultant fails to furnish and maintain insurance as required by this Section 4.2, the District may purchase such insurance on behalf of the Consultant and deduct the cost of such insurance premium(s) from the compensation otherwise owed to the Consultant, and the Consultant shall furnish to the District any information needed to obtain such insurance. Except as otherwise expressly provided herein, all insurance policies required by the terms of this section shall be kept in full force and effect until the date of final payment to the Consultant for the Services specified in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the foregoing insurance requirements are in no way intended to, and will not in any manner, limit or qualify the liabilities and/or indemnities assumed by the Consultant under or pursuant to this Agreement.

(c) Effect of Approval or Acceptance of Insurance. District acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

## V. MISCELLANEOUS

5.1 Assignment. The Consultant shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and of no effect.

5.2 Modification; Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Consultant unless the same is in writing and duly executed by the Parties.

5.3 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

5.4 Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

5.5 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of Adams, Colorado.

5.6 Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Consultant any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Consultant shall be for the sole and exclusive benefit of the District and the Consultant.

5.8 Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via FedEx or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Larkridge Metropolitan District No. 1  
c/o Special District Management Services, Inc.  
141 Union Boulevard, #150  
Lakewood, CO 80228  
Phone: (720) 214-3967  
Email: [afinn@sdmsi.com](mailto:afinn@sdmsi.com)  
Attn: Ann Finn

With a Copy To: McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203  
Phone: (303) 592-4380  
Email: [legalnotices@specialdistrictlaw.com](mailto:legalnotices@specialdistrictlaw.com)

To Consultant: Terracare Associates, LLC  
15603 E Fremont Drive, Suite B  
Centennial, CO 80112  
Phone: (303) 901-9561  
Email: [aeriell.earleywine@myterracare.net](mailto:aeriell.earleywine@myterracare.net)  
Attn: Aeriell Earleywine

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with FedEx or other nationally recognized overnight air courier service, upon electronic confirmation of email transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

5.9 Default/Remedies. If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Agreement, and if such failure of performance continues for a period of thirty (30) days following written notice of default from the other Party (or such additional period of time as may reasonably be required to cure such default; provided that the curative action is commenced within such thirty (30) day period and is diligently and continuously pursued to completion), then the non-defaulting Party, at its option, may elect (i) to treat this Agreement as remaining in full force and effect; or (ii) terminate this Agreement as of any specified date. The non-defaulting Party shall additionally be entitled to exercise all remedies available at law or in equity. In the event of any litigation or other proceeding to enforce the terms, covenants or conditions hereof, the non-defaulting Party in any such litigation or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.10 Instruments of Further Assurance. Each Party covenants it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

5.12 Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

5.13 Inurement. This Agreement shall inure to and be binding on the heirs, executors, administrator, successors, and permitted assigns of the Parties hereto.

5.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

5.15 Conflicts. If any term or provision(s) in any Exhibit attached as part of this Agreement conflicts with any term or provision(s) in the body of this Agreement, the term or provision(s) contained in the body of this Agreement shall control.

**[SIGNATURE PAGE FOLLOWS]**

[SIGNATURE PAGE TO SERVICE AGREEMENT]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Consultant:  
**TERRACARE ASSOCIATES, LLC**  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as \_\_\_\_\_ of Terracare Associates, LLC.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

District:  
**LARKRIDGE METROPOLITAN  
DISTRICT NO. 1**  
By: \_\_\_\_\_  
Shell D. Cook, President

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022, by Shell D. Cook, as President of Larkridge Metropolitan District No. 1.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public



**EXHIBIT A  
SCOPE OF SERVICES**

**SERVICE SUMMARY**

SERVICE	QUANTITY
ROUTINE MAINTENANCE (MOW, TRIM, WEEDING, CLEAN UP)	24
SIDEWALK AND CURB EDGING	12
SPRING CLEAN-UP	1
FALL CLEAN-UP	2
CUTTING ORNAMENTAL GRASSES (WHEN APPLICABLE)	1
TURF FERTILIZATION	2
POST EMERGENT WEED CONTROL- TURF AREAS	2
PRE-EMERGENT WEED CONTROL- BED AREAS	1
BED AREA AND HARDSCAPE WEED CONTROL	24
TURF AERATION	2
SEASONAL PRUNING - SHRUBS UNDER 10'	2
ROSE PRUNING	3
PRUNING- LOW LIMBS ON TREES UNDER 10'	1
IRRIGATION SYSTEM ACTIVATION	1
IRRIGATION SYSTEM INSPECTION AND ADJUSTMENT	26
IRRIGATION SYSTEM WINTERIZATION	1

**ROUTINE MAINTENANCE**

a) MOWING

All manicured turf areas to be mowed at an approximate height of 3 – 3-1/2” during the growing season. Mowing will vary in frequency when the turf is growing at a slower rate in the spring and in the fall. Clippings will be mulched, and excessive clumps will be distributed or gathered and removed. Catchers will be used only where deemed necessary by Contractor.

b) TRIMMING

Areas inaccessible to mowers will be string trimmed. The Contractor will use care in utilizing string trimmers however, the Customer acknowledges that structures may be damaged by long term use of string trimmers.

c) EDGING

All concrete walks and curbs adjacent to turf areas will be edged with a steel-bladed edger. Contractor will use care in utilizing edging equipment however, the Customer acknowledges that irrigation system components or items buried beneath the surface may be damaged.

d) WEEDING

Beds will be weeded using a combination of hand pulling and chemical control. Unless specified in this agreement, maintaining annual floral beds are contracted separately.

e) CLEAN-UP

At the time of mowing, all turf and bed areas will be policed for loose trash and debris. Policing does not include parking lots, vandalism, removing biohazards and cleaning-up from storms or other acts of God. Grass clippings will be blown from walks, porches, and curb lines.

**SPRING CLEAN-UP**

Dependent upon the dates of this Agreement, the Contractor shall be responsible for gathering and removal of leaves from manicured turf and bed areas one (1) time in the spring. At such time select perennials and ornamental grasses shall be cut back to near ground level.

**FALL CLEAN-UP**

Dependent upon the dates of this Agreement, manicured turf and bed areas will have leaves and debris removed in the fall after all leaves have dropped. This is performed on two (2) occasions in October and/or November approximately 10-14 days apart. At such time, select perennials shall be cut back to near ground level and may include ornamental grasses if deemed appropriate by Contractor.

**TURF FERTILIZATION, INSECT & DISEASE**

a) Contactor will determine and administer an appropriate fertilization program for manicured turf areas based upon the season, turf conditions and timing of this Agreement's term.

b) Unless specified differently within this Agreement, turf insect and disease control applications are not included but may be proposed separately at an additional cost.

**CHEMICAL CONTROL PLAN**

a) The Contractor shall provide chemical applications targeted toward common weeds in manicured turf areas. Select weed species may require separate applications not included in this agreement.

b) Dependent upon the dates of this Agreement, one (1) pre-emergent application for problematic mulch bed and rock bed areas may be included at the Contractor's discretion depending upon seasonal conditions.

- c) Non-selective post emergent weed applications will be made to sidewalk cracks, curb lines and bed areas on a regular basis throughout the contract term.
- d) A grass free area will be established chemically around trees in turf areas and maintained seasonally.
- e) Unless specified differently within this Agreement, Integrated Pest Management (IPM), which can include services such as topical spraying, injections, and fertilizations, is not included in this agreement but may be proposed separately at an additional cost.

### **TURF AERATION**

Performed in the spring and/or fall, core aeration is beneficial in breaking up soil compaction and allowing air, water, and nutrients to enter the root zone. See the Service Summary for occurrences when applicable.

### **TREE AND SHRUB PRUNING**

- a) Contractor shall perform aesthetic (shearing and shaping) pruning of deciduous and evergreen shrubs under ten feet (10'). Pruning select species, such as flowering varieties, will occur so as not to discourage blooming. Follow up pruning to maintain certain clearances may be performed at the Contractors discretion. The number of pruning occurrences is shown on the service summary at the end of this Agreement.

Low limbs on trees and shrubs under ten feet (10') which overhang sidewalks and drives will be pruned to maintain clearances as determined by Contractor. This applies to trees which have been maintained in this manner. Tree suckers will be removed continuously to maintain a neat appearance.

Trees and shrubs over ten feet (10') in height are not included in this contract.

Pruning shall be accomplished with proper tools and equipment. Debris resulting from all pruning operations shall be collected and removed by Contractor before departing the worksite.

- b) **STRUCTURAL, RENEWAL, SELECTIVE PRUNING**

Roses: Pruning to occur in the Spring, of dead/damaged canes, after threat of freeze. Typically in mid-May as the roses are leafing out. Fertilize with 8-10-8 fertilizer. Fertilize and dead head to stimulate growth a second time in July. Repeat fertilizer and dead head a third time in September.

### **IRRIGATION SYSTEM MAINTENANCE AND OPERATION**

Irrigation system services are dependent on the dates of this agreement, please see Service Summary at the end of this agreement for specific occurrences, if applicable.

a)      **ACTIVATION**

The irrigation system will be activated in the spring. Actual date of activation will be at the discretion of the Contractor and dependent on weather conditions.

b)      **SYSTEM MONITORING**

Contractor shall assess the sprinkler system operation weekly to ensure proper function. Pattern adjustments and controller programming is included in this agreement and will be performed as the Contractor deems necessary with water conservation being a priority.

c)      **WINTERIZATION**

In the fall, as weather conditions warrant, the contractor will deactivate the irrigation system to aid in preventing freeze damage. This may include wrapping backflow devices at an additional cost unless specified differently in this agreement. After deactivation, the contractor will evacuate water from accessible lines and components of the irrigation system using compressed air.

d)      **REPAIRS & TROUBLESHOOTING**

Contractor will perform repairs and or troubleshooting to keep the system in operating condition. Irrigation repairs will be billed as per the hourly rates outlined in this agreement. Materials and equipment fees will be charged when applicable.

**WINTER POLICING**

Dependent upon the dates of this Agreement and as weather conditions allow, landscape areas will be policed weekly for loose trash and debris from November to March. Periodic inspections will be made through the winter months to assess special requirements of the landscape.

**MISCELLANEOUS SERVICES**

- a)      Mowing and maintenance of native areas is not included in this Agreement.
- b)      Maintaining pet waste stations and trash receptacles is not included in this Agreement.

## **EXHIBIT B COMPENSATION**

The total price for this Agreement is **\$8,770.16** and will be invoiced at **\$1,096.27 per month from April, 2023 to November, 2023.**

Invoices will be submitted on approximately the 1st of each month and due at the end of each month. Payments shall be made payable to Terracare Associates, LLC. Any additional work will be invoiced at a time and materials rate immediately upon completion. A brief description including dates, time spent, and material cost will be submitted with each additional work billing.

### HOURLY RATES

Work not covered in this Agreement will be billed at the rates listed below. If requested, a quotation will be furnished to the Customer for special projects.

IRRIGATION TECHNICIAN	\$77.00 per hour
WATER MANAGER (smart controller or central control mgmt.)	\$98.00 per hour
EMERGENCY DISPATCH (outside of normal business hours of 7am-5pm, weekends and company holidays, 2 hr. minimum)	\$140.00 per hour
SUPERVISOR W/TRUCK	\$77.00 per hour
LABORER (without equipment)	\$60.00 per hour
CHEMICAL APPLICATOR W/ EQUIPMENT (materials extra)	\$125.00 per hour
HAND WATERING (from onsite tap using hoses)	\$77.00 per hour
WATERING TRUCK (per person plus water)	\$125.00 per hour
MISCELLANEOUS MOWING (standard equipment)	\$75/up per hour
BACKFLOW TESTING (per device)	\$140.00 each

**EXHIBIT C**  
**FORM OF CHANGE ORDER**

<b>Change Order No:</b>	<b>Date Issued:</b>
<b>Name of Agreement:</b>	
<b>Date of Agreement:</b>	<b>District(s):</b>
<b>Other Party/Parties:</b>	

<b>CHANGE IN SCOPE OF SERVICES (describe):</b>
--

<b>CHANGE IN AGREEMENT PRICE:</b>	<b>CHANGE IN TERM OF AGREEMENT:</b>
Original Price: \$ _____	Original Term: Expires _____, 20____
Increase of this Change Order: \$ _____	New Term: Expires _____, 20____
Price with all Approved Change Orders: \$ _____	Agreement Time with all Approved Change Orders: _____

<b>APPROVED:</b>	
By:	_____
	<b>District</b>

<b>APPROVED:</b>	
By:	_____
	<b>Consultant</b>



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.



October 15, 2022

Dear Client:

Our Firm prides itself on providing the highest level of service in the most efficient manner. In the current economic environment, we are facing increased costs in all areas of the business. In order to continue to provide consistent high-level service we have found it necessary to implement a rate increase.

In accordance with the Firm's fee engagement letter, this letter is to advise you that effective January 1, 2023, the hourly rates of selected attorneys and staff will be adjusted. Hourly rates will be as follows: Shareholders \$425 - \$550; Of Counsel \$380 - \$425; Associates \$275 - \$375; Paralegals and Directors \$225 - \$240; Law Clerks \$150; File Clerks \$30.

Commencing on January 1, 2023, we will begin charging most costs incurred on your behalf as an administrative fee equal to 1% of the legal fees charged in a given month. This fee includes such costs as long-distance telephone calls, research requiring a subscription database, in-office photocopies and faxes, ordinary postage, and messenger and delivery services, and includes a small overhead component. This fee may be adjusted with notice.

This fee is based on our historic experience, as well as client feedback, that invoices that itemize every photocopy, fax, and delivery charge are confusing. Any advances made on behalf of the client as well as major costs, such as major travel expenses, application/submittal/recording fees, election expenses, court costs, publication costs, express delivery, and conference calls and videoconferencing where a third-party provider is used, will be separately invoiced at our actual cost. If you have any questions or concerns about this change, please let us know.

We appreciate your continued trust and confidence in our Firm and look forward to representing your interests in 2023 and beyond.

Very truly yours,

McGEADY BECHER P.C.

A handwritten signature in blue ink that reads "Cheryl L. Matlosz". The signature is fluid and cursive.

Cheryl L. Matlosz  
Firm Administrator