

DOLORES CANYON METROPOLITAN DISTRICT NO. 1

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

NOTICE OF A SPECIAL MEETING AND AGENDA

| <u>Board of Directors</u> | <u>Office</u> | <u>Term/Expires</u> |
|---------------------------|---------------------|---------------------|
| John A. Sisson | President/Treasurer | 2022/May 2022 |
| VACANT | Assistant Secretary | 2022/May 2022 |
| VACANT | Assistant Secretary | 2022/May 2022 |
| VACANT | Assistant Secretary | 2023/May 2022 |
| VACANT | Assistant Secretary | 2023/May 2022 |
| Lisa Johnson | Secretary | |

DATE: December 2, 2020

TIME: 9:00 a.m.

PLACE: DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT BOARD MEETING WILL BE HELD BY CONFERENCE CALL WITHOUT ANY INDIVIDUALS (NEITHER DISTRICT REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE CALL IN TO THE CONFERENCE BRIDGE AT **1-877-250-4161** AND WHEN PROMPTED, DIAL IN THE PASSCODE OF **8144161**.

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm location of the meeting and posting of meeting notices.

C. Discuss results of the cancelled May 5, 2020 Regular Directors' Election (enclosure).

D. Consider appointment of Officers:

President _____

Treasurer _____

Secretary _____

E. Review and approve the Minutes of the December 5, 2019 Regular Meeting (enclosure).

- F. Consider regular meeting dates for 2021. Review and consider adoption of Resolution No. 2020-12-01; Resolution Establishing 2021 Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices (enclosure).
-

- G. Discuss and consider approval of Eligible Governmental Entity Agreement (“EGE”) by and among the Dolores Canyon Metropolitan District No. 1 and the Statewide Internet Portal Authority of the State of Colorado.
-

- H. Discuss §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2021 (on SDA Website).
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II. FINANCIAL MATTERS

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

| | Period ending Dec. 30, 2019 | Period ending Jan. 16, 2020 | Period ending Feb. 13, 2020 | Period ending March 12, 2020 |
|-----------------------|--------------------------------|--------------------------------|--------------------------------|---------------------------------|
| General Fund | \$ 3,184.83 | \$ 1,464.17 | \$ 2,389.78 | \$ 857.89 |
| Debt Service Fund | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Capital Projects Fund | \$ 476.02 | \$ 685.40 | \$ 748.87 | \$ 375.86 |
| Total Claims | \$ 3,660.85 | \$ 2,149.57 | \$ 3,138.66 | \$ 1,233.75 |

| | Period ending April 10, 2020 | Period ending May 13, 2020 | Period ending June 12, 2020 | Period ending July 10, 2020 |
|-----------------------|---------------------------------|-------------------------------|--------------------------------|--------------------------------|
| General Fund | \$ 874.77 | \$ 2,344.18 | \$ 864.76 | \$ 515.00 |
| Debt Service Fund | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Capital Projects Fund | \$ 375.86 | \$ 1,076.99 | \$ 405.92 | \$ 344.40 |
| Total Claims | \$ 1,250.63 | \$ 3,421.17 | \$ 1,270.68 | \$ 859.40 |

| | Period ending Aug. 13, 2020 | Period ending Sept. 11, 2020 | Period ending Oct. 12, 2020 | Period ending Nov. 11, 2020 |
|-----------------------|--------------------------------|---------------------------------|--------------------------------|--------------------------------|
| General Fund | \$ 518.10 | \$ 380.90 | \$ 841.10 | \$ 2,442.89 |
| Debt Service Fund | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Capital Projects Fund | \$ 342.80 | \$ 219.60 | \$ 245.00 | \$ 266.00 |
| Total Claims | \$ 860.90 | \$ 600.50 | \$ 1,086.10 | \$ 2,708.89 |

- B. Review and accept unaudited financial statements for the period ending September 30, 2020 (enclosure).
-

- C. Review and ratify the approval of the preparation, execution and filing of the Application for Exemption from Audit for 2019 (enclosure - copy of application).

- D. Consider appointment of District Accountant to prepare and file the Application for Exemption from Audit for the year ended 2020.

- E. Conduct Public Hearing to consider Amendment to 2020 Budget and (if necessary) consider adoption of Resolution to Amend the 2020 Budget and Appropriate Expenditures.

- F. Conduct Public Hearing on the proposed 2021 Budget and consider adoption of Resolutions to Adopt the 2021 Budget and Appropriate Sums of Money and Set Mill Levies for General Fund ___, Debt Service Fund ___ and Other Fund(s) _____ (enclosures –preliminary assessed valuation, draft 2020 Budget and resolution).

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

- H. Consider appointment of District Accountant to prepare the 2022 Budget and set date for public hearing to adopt the 2022 Budget.

IV. LEGAL MATTERS

- A. Consider ratifying Termination of Intergovernmental Priority PIF Revenue-Sharing Agreement between the District and the Mesa County Gateway Public Improvement District.

- B. Review and consider approval of Intergovernmental Waste Water Treatment Plant Funding Agreement between the District and the Mesa County Gateway Public Improvement District (enclosure).

C. Discuss water rights and water facilities acquisition.

V. OTHER BUSINESS

A.

VI. ADJOURNMENT **THERE ARE NO MORE MEETINGS SCHEDULED FOR 2020.**

NOTICE OF CANCELLATION
and
CERTIFIED STATEMENT OF RESULTS
§1-13.5-513(6), 32-1-104, 1-11-103(3) C.R.S.

NOTICE IS HEREBY GIVEN by the Dolores Canyon Metropolitan District No. 1, Mesa County, Colorado, that at the close of business on the sixty-third day before the election, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates; therefore, the election to be held on May 5, 2020 is hereby canceled pursuant to section 1-13.5-513(6) C.R.S.

The following candidates are declared elected for the following terms of office:

| <u>Name</u> | <u>Term</u> |
|-------------|-----------------------------------|
| VACANT | Second Regular Election, May 2023 |
| VACANT | Second Regular Election, May 2023 |
| VACANT | Next Regular Election, May 2022 |
| VACANT | Next Regular Election, May 2022 |

/s/ James Ruthven
(Assistant Designated Election Official)

| | |
|-----------------------------------|--|
| Contact Person for the District: | James Ruthven |
| Telephone Number of the District: | 303-987-0835 |
| Address of the District: | 141 Union Boulevard, Suite 150, Lakewood, CO 80228 |
| District Facsimile Number: | 303-987-2032 |
| District Email: | jruthven@sdmsi.com |

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DOLORES CANYON METROPOLITAN DISTRICT NO. 1 HELD DECEMBER 5, 2019

A regular meeting of the Board of Directors (referred to hereafter as the “Board”) of the Dolores Canyon Metropolitan District No. 1 (referred to hereafter as the “District”) was convened on Thursday, the 5th day of December, 2019, at 9:00 a.m., at Gateway Canyons Resort-Small Conference Room, 43200 Highway 141, Gateway, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

John A. Sisson

Also In Attendance Were (via speakerphone):

Lisa A. Johnson, Steve Beck and Brian Bowers; Special District Management Services, Inc.

Craig Sorensen and MaryAnn McGeady Esq.; McGeady Becher P.C.

Tia Cudahy; Hendricks Investment Holdings, LLC

Colleen Slear; Hendricks Investment Holdings, LLC (for a portion of the meeting)

John Williams Esq.; John Williams Legal, LLC

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. Attorney McGeady noted that disclosures of potential conflict of interest statements for Director Sisson were filed with the Secretary of State at least seventy-two hours in advance of the meeting, and requested that Director Sisson consider whether he had any additional conflicts of interest to disclose. Attorney McGeady noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting and in accordance with the statutes.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson reviewed with the Board a proposed Agenda for the District's regular meeting.

RECORD OF PROCEEDINGS

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

Minutes: The Board reviewed the Minutes of the December 10, 2018 Special Meeting.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board approved the Minutes of the December 10, 2018 Special Meeting.

Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices: The Board discussed Resolution No. 2019-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices.

Ms. Johnson reviewed the business to be conducted in 2020 to meet the statutory compliance requirements. The Board, determined to meet December 3, 2020 at 9:00 a.m. at the Gateway Canyons Resort Small Conference Room, 43200 Highway 141, Gateway, Colorado.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices. A copy of the resolution is attached hereto and incorporated herein by this reference.

Eligible Governmental Entity Agreement (“EGE”) between the Statewide Internet Portal Authority (“SIPA”) and the District: Discussion was deferred to the next meeting.

McGeady Becher P.C. Document Retention Policy: Attorney McGeady presented to the Board the update to the McGeady Becher P.C. Document Retention Policy. The Board approved the update and directed a copy of the approved, updated McGeady Becher P.C. Document Retention Policy be attached to the minutes of this meeting. Accordingly, a copy of the updated McGeady Becher P.C. Document Retention Policy is attached hereto and incorporated herein by this reference.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims through the periods ending:

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| | Period ending Dec. 31, 2018 | Period ending Jan.31, 2019 | Period ending Feb. 28, 2019 | Period ending March 31, 2019 |
|-----------------------|--------------------------------|-------------------------------|--------------------------------|---------------------------------|
| General Fund | \$ 797.81 | \$ 1,340.73 | \$ 3,408.53 | \$ 1,054.00 |
| Debt Service Fund | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Capital Projects Fund | \$ 558.96 | \$ 761.72 | \$ 630.31 | \$ 498.80 |
| Total Claims | \$ 1,356.77 | \$ 2,102.45 | \$ 4,038.84 | \$ 1,552.80 |

| | Period ending April 30, 2019 | Period ending May 31, 2019 | Period ending June 30, 2019 | Period ending July 31, 2019 |
|-----------------------|---------------------------------|-------------------------------|--------------------------------|--------------------------------|
| General Fund | \$ 635.79 | \$ 270.58 | \$ 165.10 | \$ 190.70 |
| Debt Service Fund | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Capital Projects Fund | \$ 407.40 | \$ 198.80 | \$ 123.20 | \$ 102.20 |
| Total Claims | \$ 1,043.19 | \$ 469.38 | \$ 288.30 | \$ 292.90 |

| | Period ending Aug. 31, 2019 | Period ending Sept.30, 2019 | Period ending Oct. 31, 2019 | Period ending Nov.30, 2019 |
|-----------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|
| General Fund | \$ 439.90 | \$ 3049.71 | \$ 635.33 | \$ 908.95 |
| Debt Service Fund | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Capital Projects Fund | \$ 299.80 | \$ 897.00 | \$ 385.02 | \$ 230.40 |
| Total Claims | \$ 739.70 | \$ 3,946.71 | \$ 1,020.35 | \$ 1,139.35 |

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

Unaudited Financial Statements: Mr. Beck. discussed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending September 30, 2019.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2019.

2018 Application for Exemption from Audit: Ms. Johnson reviewed with the Board the 2018 Application for Exemption from Audit.

Following review and discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board ratified approval of the preparation, execution and filing of the Application for Exemption from Audit for 2018.

2019 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2019 Budget and discuss related issues. It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No

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written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Following discussion, the Board determined that a 2019 Budget Amendment was not needed.

2020 Budget Hearing: The President opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Ms. Johnson reviewed the estimated 2019 expenditures and proposed 2020 expenditures.

The Board discussed the mill levy and determined that no mill levy will be certified.

Following discussion, the Board considered the adoption of the Resolution to Adopt the 2020 Budget and Appropriate Sums of Money. Upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, Resolution No. 2019-12-03 was adopted, as discussed, and execution of the Certification of Budget was authorized. Ms. Johnson was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

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

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

2021 Budget Preparation: The Board discussed the preparation of the 2021 Budget.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2021 Budget. The Board determined to hold the public hearing to

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consider adoption of the 2021 Budget on Thursday, December 3, 2020 at 9:00 a.m. at the regular meeting location.

ColoTrust Account: Ms. Johnson and Mr. Beck discussed with the Board the benefits of opening a ColoTrust Account, including the liquid nature of the account and the beneficial interest rates.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board authorized the District Accountant to open a ColoTrust account.

LEGAL MATTERS

Intergovernmental Priority PIF Revenue-Sharing Agreement (“Revenue-Sharing IGA”): Attorney McGeady noted that the agenda item has been revised to reflect that the Board is discussing the status of the “Intergovernmental Priority PIF Revenue-Sharing Agreement” between the District and the Mesa County Gateway Public Improvement District, and not the “Intergovernmental Agreement Regarding the Provision of Water Service” between those entities.

Attorney McGeady informed the Board that, pursuant to the Board’s direction, the Revenue-Sharing IGA has been terminated.

Mesa County Gateway Public Improvement District: The Board discussed the authorization of Attorney John Williams as Special Counsel on matters related to the Mesa County Gateway Public Improvement District.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board ratified the authorization of Attorney John Williams as Special Counsel on matters related to the Mesa County Gateway Public Improvement District.

Water Rights and Water Facilities Acquisition There was nothing new to report.

May 5, 2020 Election Resolution: The Board discussed Resolution No. 2019-11-03; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-03; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

RECORD OF PROCEEDINGS

OTHER MATTERS **§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2020 (on SDA Website)**: The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2020.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board determined to post the required transparency notice information on the Special District Association's website.

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

Respectfully submitted,

By _____
Secretary for the Meeting

RESOLUTION NO. 2020-12-____

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

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

B. Pursuant to Section 24-6-402(2)(c)(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.

C. 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 at a public website of the special district ("**District Website**") at least 24 hours prior to each regular and special meeting.

D. 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.

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Dolores Canyon Metropolitan District No. 1 (the "**District**"), Mesa County, Colorado:

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

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

3. That regular meetings of the District Board for the year 2021 shall be held on _____ at _____, at the Gateway Canyons Resort, Small Conference Room, 43200 Highway 141, Gateway, Colorado.

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

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

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

7. That the District Board authorizes establishment of a District Website, if such District Website does not already exist, in order to provide full and timely notice of regular and special meetings of the District Board online pursuant to the provisions of Section 24-6-402(2)(c)(III), C.R.S.

8. That, if the District has established a District Website, the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each regular and special meeting pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

9. That, if the District has not yet established a District Website or 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) On the fence that borders the District along John Brown Road

10. John “Al” Sisson, or his designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE FOLLOWS]

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

RESOLUTION APPROVED AND ADOPTED on December 2, 2020.

**DOLORES CANYON METROPOLITAN
DISTRICT NO. 1**

By: _____
President

Attest:

Secretary

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|---------------------------|-------------|------------------|----------|----------|----------|
| 1283 | | | | | | |
| 12/30/2019 | Colorado Special District | POL-0003106 | Prepaid Expens | 1-141-00 | 2,015.00 | 2,015.00 |
| Total 1283: | | | | | | 2,015.00 |
| 1284 | | | | | | |
| 12/30/2019 | McGeady Becher P.C. | 1086M 10/19 | Legal | 3-675-00 | 96.42 | 96.42 |
| 12/30/2019 | McGeady Becher P.C. | 1086M 10/19 | Legal | 1-675-00 | 236.08 | 236.08 |
| 12/30/2019 | McGeady Becher P.C. | 1086M 11/19 | Legal | 1-675-00 | 241.40 | 241.40 |
| 12/30/2019 | McGeady Becher P.C. | 1086M 11/19 | Legal | 3-675-00 | 98.60 | 98.60 |
| Total 1284: | | | | | | 672.50 |
| 1285 | | | | | | |
| 12/30/2019 | Special Dist Manageme | 61689 | Accounting | 3-614-00 | 147.00 | 147.00 |
| 12/30/2019 | Special Dist Manageme | 61689 | Management | 3-612-00 | 134.00 | 134.00 |
| 12/30/2019 | Special Dist Manageme | 61689 | Miscellaneous E | 1-685-00 | 9.35 | 9.35 |
| 12/30/2019 | Special Dist Manageme | 61689 | Management | 1-612-00 | 536.00 | 536.00 |
| 12/30/2019 | Special Dist Manageme | 61689 | Accounting | 1-614-00 | 147.00 | 147.00 |
| Total 1285: | | | | | | 973.35 |
| Grand Totals: | | | | | | 3,660.85 |

Dolores Canyon Metropolitan District No. 1
December-19

| | General | | Debt | | Capital | | Totals |
|---|----------------|----------|-------------|---|----------------|--------|---------------|
| Disbursements | \$ | 3,184.83 | \$ | - | \$ | 476.02 | \$ 3,660.85 |
| | | | | | | | \$ - |
| Total Disbursements from Checking Acct | \$ | 3,184.83 | \$ | - | \$ | 476.02 | \$ 3,660.85 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|-------------------------|------------|------------------|----------|--------|----------|
| 1286 | | | | | | |
| 01/16/2020 | Grand Junction Media, I | 0120746 | Miscellaneous E | 1-685-00 | 14.52 | 14.52 |
| Total 1286: | | | | | | 14.52 |
| 1287 | | | | | | |
| 01/16/2020 | Special Dist Manageme | 62766 | Miscellaneous E | 1-685-00 | 59.05 | 59.05 |
| 01/16/2020 | Special Dist Manageme | 62766 | Election Expens | 1-635-00 | 98.00 | 98.00 |
| 01/16/2020 | Special Dist Manageme | 62766 | Management | 1-612-00 | 809.60 | 809.60 |
| 01/16/2020 | Special Dist Manageme | 62766 | Management | 3-612-00 | 202.40 | 202.40 |
| 01/16/2020 | Special Dist Manageme | 62766 | Accounting | 1-614-00 | 483.00 | 483.00 |
| 01/16/2020 | Special Dist Manageme | 62766 | Accounting | 3-614-00 | 483.00 | 483.00 |
| Total 1287: | | | | | | 2,135.05 |
| Grand Totals: | | | | | | 2,149.57 |

Dolores Canyon Metropolitan District No. 1
January-20

| | General | Debt | Capital | Totals |
|---|--------------------|-------------|------------------|--------------------|
| Disbursements | \$ 1,464.17 | \$ - | \$ 685.40 | \$ 2,149.57 |
| | | | | \$ - |
| Total Disbursements from Checking Acct | \$ 1,464.17 | \$ - | \$ 685.40 | \$ 2,149.57 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|----------------------------|-------------|------------------|----------|--------|----------|
| 1288 | | | | | | |
| 02/13/2020 | Grand Junction Media, I | 0220746 | Miscellaneous E | 1-685-00 | 21.56 | 21.56 |
| Total 1288: | | | | | | 21.56 |
| 1289 | | | | | | |
| 02/13/2020 | McGeady Becher P.C. | 1086M 12/19 | Legal | 3-675-00 | 307.27 | 307.27 |
| 02/13/2020 | McGeady Becher P.C. | 1086M 12/19 | Legal | 1-675-00 | 752.28 | 752.28 |
| Total 1289: | | | | | | 1,059.55 |
| 1290 | | | | | | |
| 02/13/2020 | Special Dist Manageme | 64550 | Election Expens | 1-635-00 | 88.00 | 88.00 |
| 02/13/2020 | Special Dist Manageme | 64550 | Miscellaneous E | 1-685-00 | 105.66 | 105.66 |
| 02/13/2020 | Special Dist Manageme | 64550 | Accounting | 3-614-00 | 336.00 | 336.00 |
| 02/13/2020 | Special Dist Manageme | 64550 | Accounting | 1-614-00 | 336.00 | 336.00 |
| 02/13/2020 | Special Dist Manageme | 64550 | Management | 3-612-00 | 105.60 | 105.60 |
| 02/13/2020 | Special Dist Manageme | 64550 | Management | 1-612-00 | 422.40 | 422.40 |
| Total 1290: | | | | | | 1,393.66 |
| 1291 | | | | | | |
| 02/13/2020 | Special District Associati | 2020 SDA | Insurance and B | 1-670-00 | 663.89 | 663.89 |
| Total 1291: | | | | | | 663.89 |
| Grand Totals: | | | | | | 3,138.66 |

Dolores Canyon Metropolitan District No. 1
February-20

| | General | | Debt | | Capital | | Totals |
|--|---------|----------|------|---|---------|--------|-------------|
| Disbursements | \$ | 2,389.79 | \$ | - | \$ | 748.87 | \$ 3,138.66 |
| | | | | | | | \$ - |
| Total Disbursements from Checking Acct | \$ | 2,389.79 | \$ | - | \$ | 748.87 | \$ 3,138.66 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|-----------------------|--------------|------------------|----------|--------|----------|
| 1292 | | | | | | |
| 03/12/2020 | McGeady Becher P.C. | 1086M 1/2020 | Legal | 3-675-00 | 124.26 | 124.26 |
| 03/12/2020 | McGeady Becher P.C. | 1086M 1/2020 | Legal | 1-675-00 | 304.24 | 304.24 |
| Total 1292: | | | | | | 428.50 |
| 1293 | | | | | | |
| 03/12/2020 | Special Dist Manageme | 66311 | Miscellaneous E | 1-685-00 | 29.25 | 29.25 |
| 03/12/2020 | Special Dist Manageme | 66311 | Election Expens | 1-635-00 | 64.00 | 64.00 |
| 03/12/2020 | Special Dist Manageme | 66311 | Accounting | 3-614-00 | 182.00 | 182.00 |
| 03/12/2020 | Special Dist Manageme | 66311 | Accounting | 1-614-00 | 182.00 | 182.00 |
| 03/12/2020 | Special Dist Manageme | 66311 | Management | 3-612-00 | 69.60 | 69.60 |
| 03/12/2020 | Special Dist Manageme | 66311 | Management | 1-612-00 | 278.40 | 278.40 |
| Total 1293: | | | | | | 805.25 |
| Grand Totals: | | | | | | 1,233.75 |

Dolores Canyon Metropolitan District No. 1
March-20

| | General | | Debt | | Capital | | Totals |
|---|----------------|---------------|-------------|----------|----------------|---------------|--------------------|
| Disbursements | \$ | 857.89 | \$ | - | \$ | 375.86 | \$ 1,233.75 |
| | | | | | | | \$ - |
| Total Disbursements from Checking Acct | \$ | 857.89 | \$ | - | \$ | 375.86 | \$ 1,233.75 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|-----------------------|------------|------------------|----------|--------|--------|
| 1294 | | | | | | |
| 04/10/2020 | McGeady Becher P.C. | 1086M 2/20 | Legal | 1-675-00 | 14.20 | 14.20 |
| 04/10/2020 | McGeady Becher P.C. | 1086M 2/20 | Legal | 3-675-00 | 5.80 | 5.80 |
| Total 1294: | | | | | | 20.00 |
| 1295 | | | | | | |
| 04/10/2020 | Special Dist Manageme | 69024 | Election Expens | 1-635-00 | 210.00 | 210.00 |
| 04/10/2020 | Special Dist Manageme | 69024 | Miscellaneous E | 1-685-00 | 28.77 | 28.77 |
| 04/10/2020 | Special Dist Manageme | 69024 | Accounting | 1-614-00 | 182.00 | 182.00 |
| 04/10/2020 | Special Dist Manageme | 69024 | Accounting | 3-614-00 | 182.00 | 182.00 |
| 04/10/2020 | Special Dist Manageme | 69024 | Management | 3-612-00 | 50.40 | 50.40 |
| 04/10/2020 | Special Dist Manageme | 69024 | Management | 1-612-00 | 201.60 | 201.60 |
| Total 1295: | | | | | | 854.77 |
| Grand Totals: | | | | | | 874.77 |

Dolores Canyon Metropolitan District No. 1
April-20

| | General | | Debt | | Capital | | Totals |
|---|----------------|--------|-------------|---|----------------|--------|---------------|
| Disbursements | \$ | 874.77 | \$ | - | \$ | 375.86 | \$ 1,250.63 |
| | | | | | | | \$ - |
| Total Disbursements from Checking Acct | \$ | 874.77 | \$ | - | \$ | 375.86 | \$ 1,250.63 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|-----------------------|------------|------------------|----------|----------|----------|
| 1296 | | | | | | |
| 05/13/2020 | McGeady Becher P.C. | 1086M 3/20 | Legal | 3-675-00 | 778.79 | 778.79 |
| 05/13/2020 | McGeady Becher P.C. | 1086M 3/20 | Legal | 1-675-00 | 1,906.71 | 1,906.71 |
| Total 1296: | | | | | | 2,685.50 |
| 1297 | | | | | | |
| 05/13/2020 | Special Dist Manageme | 69214 | Miscellaneous E | 1-685-00 | 35.67 | 35.67 |
| 05/13/2020 | Special Dist Manageme | 69214 | Election Expens | 1-635-00 | 28.00 | 28.00 |
| 05/13/2020 | Special Dist Manageme | 69214 | Accounting | 3-614-00 | 273.00 | 273.00 |
| 05/13/2020 | Special Dist Manageme | 69214 | Accounting | 1-614-00 | 273.00 | 273.00 |
| 05/13/2020 | Special Dist Manageme | 69214 | Management | 1-612-00 | 100.80 | 100.80 |
| 05/13/2020 | Special Dist Manageme | 69214 | Management | 3-612-00 | 25.20 | 25.20 |
| Total 1297: | | | | | | 735.67 |
| Grand Totals: | | | | | | 3,421.17 |

Dolores Canyon Metropolitan District No. 1
May-20

| | General | Debt | Capital | Totals |
|--|-------------|------|-------------|-------------|
| Disbursements | \$ 2,344.18 | \$ - | \$ 1,076.99 | \$ 3,421.17 |
| | | | \$ | - |
| Total Disbursements from Checking Acct | \$ 2,344.18 | \$ - | \$ 1,076.99 | \$ 3,421.17 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|-----------------------|------------|------------------|----------|--------|----------|
| 1298 | | | | | | |
| 06/12/2020 | McGeady Becher P.C. | 1086M 4/20 | Legal | 1-675-00 | 630.48 | 630.48 |
| 06/12/2020 | McGeady Becher P.C. | 1086M 4/20 | Legal | 3-675-00 | 257.52 | 257.52 |
| Total 1298: | | | | | | 888.00 |
| 1299 | | | | | | |
| 06/12/2020 | Special Dist Manageme | 71244 | Miscellaneous E | 1-685-00 | 32.68 | 32.68 |
| 06/12/2020 | Special Dist Manageme | 71244 | Election Expens | 1-635-00 | 28.00 | 28.00 |
| 06/12/2020 | Special Dist Manageme | 71244 | Accounting | 1-614-00 | 140.00 | 140.00 |
| 06/12/2020 | Special Dist Manageme | 71244 | Accounting | 3-614-00 | 140.00 | 140.00 |
| 06/12/2020 | Special Dist Manageme | 71244 | Management | 1-612-00 | 33.60 | 33.60 |
| 06/12/2020 | Special Dist Manageme | 71244 | Management | 3-612-00 | 8.40 | 8.40 |
| Total 1299: | | | | | | 382.68 |
| Grand Totals: | | | | | | 1,270.68 |

Dolores Canyon Metropolitan District No. 1
June-20

| | General | | Debt | | Capital | | Totals |
|---|----------------|--------|-------------|---|----------------|--------|---------------|
| Disbursements | \$ | 864.76 | \$ | - | \$ | 405.92 | \$ 1,270.68 |
| | | | | | | | \$ - |
| Total Disbursements from Checking Acct | \$ | 864.76 | \$ | - | \$ | 405.92 | \$ 1,270.68 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|-----------------------|------------|------------------|----------|--------|--------|
| 1300 | | | | | | |
| 07/10/2020 | Special Dist Manageme | 72899 | Accounting | 3-614-00 | 294.00 | 294.00 |
| 07/10/2020 | Special Dist Manageme | 72899 | Accounting | 1-614-00 | 294.00 | 294.00 |
| 07/10/2020 | Special Dist Manageme | 72899 | Miscellaneous E | 1-685-00 | 19.40 | 19.40 |
| 07/10/2020 | Special Dist Manageme | 72899 | Management | 1-612-00 | 201.60 | 201.60 |
| 07/10/2020 | Special Dist Manageme | 72899 | Management | 3-612-00 | 50.40 | 50.40 |
| Total 1300: | | | | | | 859.40 |
| Grand Totals: | | | | | | 859.40 |

Dolores Canyon Metropolitan District No. 1
July-20

| | General | Debt | Capital | Totals |
|---|------------------|-------------|------------------|------------------|
| Disbursements | \$ 515.00 | \$ - | \$ 344.40 | \$ 859.40 |
| | | | | \$ - |
| Total Disbursements from Checking Acct | \$ 515.00 | \$ - | \$ 344.40 | \$ 859.40 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|-----------------------|------------|------------------|----------|--------|--------|
| 1301 | | | | | | |
| 08/13/2020 | McGeady Becher P.C. | 1086M 6/20 | Legal | 1-675-00 | 85.20 | 85.20 |
| 08/13/2020 | McGeady Becher P.C. | 1086M 6/20 | Legal | 3-675-00 | 34.80 | 34.80 |
| Total 1301: | | | | | | 120.00 |
| 1302 | | | | | | |
| 08/13/2020 | Special Dist Manageme | 74151 | Miscellaneous E | 1-685-00 | 40.90 | 40.90 |
| 08/13/2020 | Special Dist Manageme | 74151 | Accounting | 1-614-00 | 280.00 | 280.00 |
| 08/13/2020 | Special Dist Manageme | 74151 | Accounting | 3-614-00 | 280.00 | 280.00 |
| 08/13/2020 | Special Dist Manageme | 74151 | Management | 1-612-00 | 112.00 | 112.00 |
| 08/13/2020 | Special Dist Manageme | 74151 | Management | 3-612-00 | 28.00 | 28.00 |
| Total 1302: | | | | | | 740.90 |
| Grand Totals: | | | | | | 860.90 |

Dolores Canyon Metropolitan District No. 1
August-20

| | General | Debt | Capital | Totals |
|---|------------------|-------------|------------------|------------------|
| Disbursements | \$ 518.10 | \$ - | \$ 342.80 | \$ 860.90 |
| | | | | \$ - |
| Total Disbursements from Checking Acct | \$ 518.10 | \$ - | \$ 342.80 | \$ 860.90 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|-----------------------|------------|------------------|----------|--------|--------|
| 1303 | | | | | | |
| 09/11/2020 | McGeady Becher P.C. | 1086M 7/20 | Legal | 1-675-00 | 85.20 | 85.20 |
| 09/11/2020 | McGeady Becher P.C. | 1086M 7/20 | Legal | 3-675-00 | 34.80 | 34.80 |
| Total 1303: | | | | | | 120.00 |
| 1304 | | | | | | |
| 09/11/2020 | Special Dist Manageme | 75208 | Miscellaneous E | 1-685-00 | 18.50 | 18.50 |
| 09/11/2020 | Special Dist Manageme | 75208 | Accounting | 1-614-00 | 154.00 | 154.00 |
| 09/11/2020 | Special Dist Manageme | 75208 | Accounting | 3-614-00 | 154.00 | 154.00 |
| 09/11/2020 | Special Dist Manageme | 75208 | Management | 1-612-00 | 123.20 | 123.20 |
| 09/11/2020 | Special Dist Manageme | 75208 | Management | 3-612-00 | 30.80 | 30.80 |
| Total 1304: | | | | | | 480.50 |
| Grand Totals: | | | | | | 600.50 |

Dolores Canyon Metropolitan District No. 1
September-20

| | General | | Debt | | Capital | | Totals |
|---|----------------|---------------|-------------|----------|----------------|---------------|------------------|
| Disbursements | \$ | 380.90 | \$ | - | \$ | 219.60 | \$ 600.50 |
| | | | | | | | \$ - |
| Total Disbursements from Checking Acct | \$ | 380.90 | \$ | - | \$ | 219.60 | \$ 600.50 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|---------------------------|-------------|------------------|----------|--------|----------|
| 1305 | | | | | | |
| 10/12/2020 | Colorado Special District | POL-0004246 | Prepaid Expens | 1-141-00 | 450.00 | 450.00 |
| Total 1305: | | | | | | 450.00 |
| 1306 | | | | | | |
| 10/12/2020 | Special Dist Manageme | 77520 | Miscellaneous E | 1-685-00 | 20.10 | 20.10 |
| 10/12/2020 | Special Dist Manageme | 77520 | Accounting | 1-614-00 | 203.00 | 203.00 |
| 10/12/2020 | Special Dist Manageme | 77520 | Accounting | 3-614-00 | 203.00 | 203.00 |
| 10/12/2020 | Special Dist Manageme | 77520 | Management | 1-612-00 | 168.00 | 168.00 |
| 10/12/2020 | Special Dist Manageme | 77520 | Management | 3-612-00 | 42.00 | 42.00 |
| Total 1306: | | | | | | 636.10 |
| Grand Totals: | | | | | | 1,086.10 |

Dolores Canyon Metropolitan District No. 1
October-20

| | General | Debt | Capital | Totals |
|---|------------------|-------------|------------------|--------------------|
| Disbursements | \$ 841.10 | \$ - | \$ 245.00 | \$ 1,086.10 |
| | | | | \$ - |
| Total Disbursements from Checking Acct | \$ 841.10 | \$ - | \$ 245.00 | \$ 1,086.10 |

| Check No/ Date | Payee | Invoice No | GL Account Title | GL Acct | Amount | Total |
|----------------|---------------------------|-------------|------------------|----------|----------|----------|
| 1307 | | | | | | |
| 11/11/2020 | Colorado Special District | POL-0004922 | Prepaid Expens | 1-141-00 | 2,029.00 | 2,029.00 |
| Total 1307: | | | | | | 2,029.00 |
| 1308 | | | | | | |
| 11/11/2020 | Special Dist Manageme | 10/2020 | Miscellaneous E | 1-685-00 | 21.89 | 21.89 |
| 11/11/2020 | Special Dist Manageme | 10/2020 | Accounting | 1-614-00 | 224.00 | 224.00 |
| 11/11/2020 | Special Dist Manageme | 10/2020 | Accounting | 3-614-00 | 224.00 | 224.00 |
| 11/11/2020 | Special Dist Manageme | 10/2020 | Management | 1-612-00 | 168.00 | 168.00 |
| 11/11/2020 | Special Dist Manageme | 10/2020 | Management | 3-612-00 | 42.00 | 42.00 |
| Total 1308: | | | | | | 679.89 |
| Grand Totals: | | | | | | 2,708.89 |

Dolores Canyon Metropolitan District No. 1
November-20

| | General | Debt | Capital | Totals |
|---|--------------------|-------------|------------------|--------------------|
| Disbursements | \$ 2,442.89 | \$ - | \$ 266.00 | \$ 2,708.89 |
| | | | | \$ - |
| Total Disbursements from Checking Acct | \$ 2,442.89 | \$ - | \$ 266.00 | \$ 2,708.89 |

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
Schedule of Cash Position
September 30, 2020

| | <u>Rate</u> | <u>Operating</u> | <u>Capital Projects</u> | <u>Total</u> |
|-----------------------------|-------------|----------------------|-------------------------|----------------------|
| Checking: | | | | |
| Cash in Checking-First Bank | | \$ 102,721.15 | \$ (2,627.91) | \$ 100,093.24 |
| Investments: | | | | |
| Investment in ColoTrust | 0.2364% | 700,560.63 | - | 700,560.63 |
| TOTAL FUNDS: | | <u>\$ 803,281.78</u> | <u>\$ (2,627.91)</u> | <u>\$ 800,653.87</u> |

2020 Mill Levy Information

| | |
|---------------------------------------|--------------|
| Certified General Fund Mill Levy | 0.000 |
| Certified Debt Service Fund Mill Levy | <u>0.000</u> |
| Total Certified Mill Levy | <u>0.000</u> |

Board of Directors

John A. Sisson

*

*Authorized signer on Checking Account

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
FINANCIAL STATEMENTS
September 30, 2020

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
COMBINED BALANCE SHEET
September 30, 2020

| | <u>GENERAL</u> | <u>CAPITAL PROJECTS</u> | <u>TOTAL</u> |
|--|--------------------------|-----------------------------|--------------------------|
| Assets | | | |
| Cash in Checking-First Bank | \$ 102,721 | \$ (2,628) | \$ 100,093 |
| Investment in ColoTrust | 700,561 | - | 700,561 |
| Total Current Assets | <u>803,282</u> | <u>(2,628)</u> | <u>800,654</u> |
| Total Assets | <u><u>\$ 803,282</u></u> | <u><u>\$ (2,628)</u></u> | <u><u>\$ 800,654</u></u> |
| Liabilities | | | |
| Fund Balance | | | |
| Fund Balance | \$ 684,997 | \$ (476) | \$ 684,521 |
| Current Year Earnings | 118,285 | (2,152) | 116,133 |
| Total Fund Balances | <u>803,282</u> | <u>(2,628)</u> | <u>800,654</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | <u><u>\$ 803,282</u></u> | <u><u>\$ (2,628)</u></u> | <u><u>\$ 800,654</u></u> |

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 9 Months Ending,
September 30, 2020
General Fund

| | <u>Period Actual</u> | <u>YTD Actual</u> | <u>Budget</u> | <u>Favorable (Unfavorable) Variance</u> | <u>% of Budget</u> |
|--|----------------------|-------------------|-------------------|---|------------------------|
| Revenues | | | | | |
| Sales & Lodging PIF | \$ 64,725 | \$ 104,272 | \$ 130,000 | \$ (25,728) | 80.21% |
| Priority Services PIF | - | 28,230 | 75,000 | (46,770) | 37.64% |
| Interest Income | 543 | 561 | - | 561 | - |
| Total Revenues | <u>65,268</u> | <u>133,063</u> | <u>205,000</u> | <u>(71,937)</u> | <u>64.91%</u> |
| Expenditures | | | | | |
| Management | 437 | 2,283 | 3,000 | 717 | 76.11% |
| Accounting | 728 | 2,324 | 4,500 | 2,176 | 51.64% |
| Audit | - | - | 100 | 100 | 0.00% |
| Election Expense | - | 516 | 2,000 | 1,484 | 25.80% |
| Insurance and Bonds/SDA | - | 3,079 | 3,300 | 221 | 93.30% |
| Legal | 170 | 3,778 | 5,000 | 1,222 | 75.57% |
| Miscellaneous Expenses | 109 | 511 | 500 | (11) | 102.19% |
| Contingency | - | - | 500,000 | 500,000 | 0.00% |
| Total Expenditures | <u>1,444</u> | <u>12,491</u> | <u>518,400</u> | <u>505,909</u> | <u>2.41%</u> |
| Excess (Deficiency) of Revenues Over Expenditures | 63,824 | 120,571 | (313,400) | 433,971 | |
| Transfers and Other Financing Sources (Uses) | | | | | |
| Transfer to Capital Fund | - | (2,286) | (6,371) | 4,085 | |
| Emergency Reserves | - | - | (6,150) | 6,150 | |
| Total Transfers and Other Sources (Uses) | <u>-</u> | <u>(2,286)</u> | <u>(12,521)</u> | <u>10,235</u> | |
| Change in Fund Balance | 63,824 | 118,285 | (325,921) | 444,206 | |
| Beginning Fund Balance | 739,458 | 684,997 | 630,313 | 54,684 | |
| Ending Fund Balance | <u>\$ 803,282</u> | <u>\$ 803,282</u> | <u>\$ 304,392</u> | <u>\$ 498,890</u> | |

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 9 Months Ending,
September 30, 2020
Capital Projects Fund

| | <u>Period Actual</u> | <u>YTD Actual</u> | <u>Budget</u> | <u>Favorable (Unfavorable) Variance</u> | <u>% of Budget</u> |
|--|----------------------|-------------------|---------------|---|------------------------|
| Expenditures | | | | | |
| Management | \$ 109 | \$ 571 | \$ 1,061 | \$ 490 | 53.80% |
| Accounting | 728 | 2,324 | 3,188 | 864 | 72.90% |
| Legal | 70 | 1,543 | 2,122 | 579 | 72.73% |
| Total Expenditures | <u>907</u> | <u>4,438</u> | <u>6,371</u> | <u>1,933</u> | <u>69.66%</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (907) | (4,438) | (6,371) | 1,933 | |
| Transfers and Financing Other Sources (Uses) | | | | | |
| Transfer from General Fund | - | 2,286 | 6,371 | (4,085) | |
| Total Transfers and Other Sources (Uses) | <u>-</u> | <u>2,286</u> | <u>6,371</u> | <u>(4,085)</u> | |
| Change in Fund Balance | (907) | (2,152) | - | (2,152) | |
| Beginning Fund Balance | (1,721) | (476) | - | (476) | |
| Ending Fund Balance | <u>\$ (2,628)</u> | <u>\$ (2,628)</u> | <u>\$ -</u> | <u>\$ (2,628)</u> | |

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

FOR LOCAL GOVERNMENTS WITH EITHER REVENUES OR EXPENDITURES **MORE THAN \$100,000 BUT NOT MORE THAN \$750,000**

Under the Local Government Audit Law (Section 29-1-601, et seq., C.R.S.) any local government may apply for an exemption from audit if neither revenues nor expenditures exceed \$750,000 for the year.

If your local government has either revenues or expenditures of LESS than \$100,000, use the **SHORT FORM**.

EXEMPTIONS FROM AUDIT ARE **NOT** AUTOMATIC

To qualify for exemption from audit, a local government must complete an Application for Exemption from Audit **EACH YEAR** and submit it to the Office of the State Auditor (OSA) for approval.

Any preparer of an Application for Exemption from Audit must be an independent accountant with knowledge of governmental accounting.

Approval for an exemption from audit is granted only upon the review by the OSA.

READ ALL INSTRUCTIONS BEFORE COMPLETING AND SUBMITTING THIS FORM

ALL APPLICATIONS MUST BE FILED WITH THE OSA **WITHIN 3 MONTHS** AFTER THE ACCOUNTING YEAR-END. FOR EXAMPLE, APPLICATIONS MUST BE RECEIVED BY THE OSA ON OR BEFORE MARCH 31 FOR GOVERNMENTS WITH A DECEMBER 31 YEAR-END.

GOVERNMENTAL ACTIVITY SHOULD BE REPORTED ON THE **MODIFIED ACCRUAL BASIS**

PROPRIETARY ACTIVITY SHOULD BE REPORTED ON A **BUDGETARY BASIS**

POSTMARK DATES WILL NOT BE ACCEPTED AS PROOF OF SUBMISSION ON OR BEFORE THE STATUTORY DEADLINE

PRIOR YEAR FORMS ARE OBSOLETE AND WILL **NOT** BE ACCEPTED.

FOR YOUR REFERENCE, COLORADO REVISED STATUTES CAN BE FOUND AT THIS ADDRESS:

APPLICATIONS SUBMITTED ON FORMS OTHER THAN THOSE PRESCRIBED BY THE OSA WILL **NOT** BE ACCEPTED.

<http://www.lexisnexis.com/hottopics/Colorado/>

APPLICATIONS **MUST** BE FULLY AND ACCURATELY COMPLETED.

CHECKLIST

- ☐ Has the preparer signed the application?
- ☐ Has the entity corrected all Prior Year Deficiencies as communicated by the OSA?
- ☐ Has the application been **PERSONALLY** reviewed and approved by the governing body?
- ☐ Are all sections of the form complete, including responses to all of the questions?
- ☐ Did you include any relevant explanations for unusual items in the appropriate spaces at the end of each section?
- ☐ Will this application be submitted via Fax or Email?
 - ☐ If yes, have you read and understand the new Electronic Signature Policy? See [here](#) new policy
 - or--
 - ☐ Have you included a resolution?
 - ☐ Does the resolution state that the governing body **PERSONALLY** reviewed and approved the resolution in an open public meeting?
 - ☐ Has the resolution been signed by a **MAJORITY** of the governing body? (See sample resolution.)
- ☐ Will this application be submitted via a mail service? (e.g. US Post Office, FedEx, UPS, courier.)
 - ☐ If yes, does the application include **ORIGINAL INK SIGNATURES** from the **MAJORITY** of the governing body?

Checkout our new **web portal**. Register your account and submit electronic Applications for Exemption From Audit, Extension of Time to File requests, Audited Financial Statements, and more! See the link below.

[OSA LG Web Portal](#)

FILING METHODS

NEW METHOD!

WEB PORTAL: Register and submit your Applications at our new portal.

<https://apps.leg.co.gov/osa/lq>

MAIL: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

FAX: 303-869-3061

EMAIL: osa.lg@state.co.us

QUESTIONS? 303-869-3000

IMPORTANT!

All Applications for Exemption from Audit are subject to review and approval by the Office of the State Auditor.

Governmental Activity should be reported on the Modified Accrual Basis

Proprietary Activity should be reported on the Cash or Budgetary Basis -- A Budget to GAAP reconciliation is provided in Part 3

Failure to file an application or denial of the request could cause the local government to lose its exemption from audit for that year and the ensuing year.

In that event, **AN AUDIT SHALL BE REQUIRED.**

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT
ADDRESS

Dolores Canyon Metropolitan District No. 1
c/o Special District Management Services, Inc.
141 Union Boulevard Ste 150
Lakewood, CO 80228-1898

For the Year Ended
12/31/2019
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

James H. Ruthven
(303) 987-0835
jruthven@sdmsi.com
(303) 987-2032

CERTIFICATION OF PREPARER

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

NAME:
TITLE
FIRM NAME (if applicable)
ADDRESS
PHONE
DATE PREPARED
RELATIONSHIP TO ENTITY

James H. Ruthven
Director of Finance
Special District Management Services, Inc.
141 Union Boulevard Ste 150, Lakewood, CO 80228-1898
(303) 987-0835
3/4/2020
Independent outside accountant. Board of Directors makes all major decisions.

PREPARER (SIGNATURE REQUIRED)



Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]

| YES | NO |
|--------------------------|-------------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If Yes, date filed:

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary

| | | Governmental Funds | | Proprietary/Fiduciary Funds | | Please use this space to provide explanation of any items on this page |
|---------------------|--|--------------------|------------------|--|-------|--|
| Line # | Description | General Fund | Capital Projects | Description | Fund* | |
| Assets | | | | | | |
| 1-1 | Cash & Cash Equivalents | \$ 682,582 | \$ - | Cash & Cash Equivalents | \$ - | \$ - |
| 1-2 | Investments | \$ - | \$ - | Investments | \$ - | \$ - |
| 1-3 | Receivables | \$ - | \$ - | Receivables | \$ - | \$ - |
| 1-4 | Due from Other Entities or Funds | \$ - | \$ - | Due from Other Entities or Funds | \$ - | \$ - |
| | All Other Assets [specify...] | | | Other Current Assets | \$ - | \$ - |
| 1-5 | Prepaid Expenses | \$ 2,415 | \$ - | | \$ - | \$ - |
| 1-6 | | \$ - | \$ - | Total Current Assets | \$ - | \$ - |
| 1-7 | | \$ - | \$ - | Capital Assets, net (from Part 6-4) | \$ - | \$ - |
| 1-8 | | \$ - | \$ - | Other Long Term Assets [specify...] | \$ - | \$ - |
| 1-9 | | \$ - | \$ - | | \$ - | \$ - |
| 1-10 | | \$ - | \$ - | | \$ - | \$ - |
| 1-11 | (add lines 1-1 through 1-10) TOTAL ASSETS | \$ 684,997 | \$ - | (add lines 1-1 through 1-10) TOTAL ASSETS | \$ - | \$ - |
| 1-12 | TOTAL DEFERRED OUTFLOWS OF RESOURCES | \$ - | \$ - | TOTAL DEFERRED OUTFLOWS OF RESOURCES | \$ - | \$ - |
| 1-13 | TOTAL ASSETS AND DEFERRED OUTFLOWS | \$ 684,997 | \$ - | TOTAL ASSETS AND DEFERRED OUTFLOWS | \$ - | \$ - |
| Liabilities | | | | | | |
| 1-14 | Accounts Payable | \$ - | \$ 476 | Accounts Payable | \$ - | \$ - |
| 1-15 | Accrued Payroll and Related Liabilities | \$ - | \$ - | Accrued Payroll and Related Liabilities | \$ - | \$ - |
| 1-16 | Accrued Interest Payable | \$ - | \$ - | Accrued Interest Payable | \$ - | \$ - |
| 1-17 | Due to Other Entities or Funds | \$ - | \$ - | Due to Other Entities or Funds | \$ - | \$ - |
| 1-18 | All Other Current Liabilities | \$ - | \$ - | All Other Current Liabilities | \$ - | \$ - |
| 1-19 | TOTAL CURRENT LIABILITIES | \$ - | \$ 476 | TOTAL CURRENT LIABILITIES | \$ - | \$ - |
| 1-20 | All Other Liabilities [specify...] | \$ - | \$ - | Proprietary Debt Outstanding (from Part 4-4) | \$ - | \$ - |
| 1-21 | | \$ - | \$ - | Other Liabilities [specify...] | \$ - | \$ - |
| 1-22 | | \$ - | \$ - | | \$ - | \$ - |
| 1-23 | | \$ - | \$ - | | \$ - | \$ - |
| 1-24 | | \$ - | \$ - | | \$ - | \$ - |
| 1-25 | | \$ - | \$ - | | \$ - | \$ - |
| 1-26 | | \$ - | \$ - | | \$ - | \$ - |
| 1-27 | | \$ - | \$ - | | \$ - | \$ - |
| 1-28 | (add lines 1-19 through 1-27) TOTAL LIABILITIES | \$ - | \$ 476 | (add lines 1-19 through 1-27) TOTAL LIABILITIES | \$ - | \$ - |
| 1-29 | TOTAL DEFERRED INFLOWS OF RESOURCES | \$ - | \$ - | TOTAL DEFERRED INFLOWS OF RESOURCES | \$ - | \$ - |
| Fund Balance | | | | | | |
| 1-30 | Nonspendable Prepaid | \$ - | \$ - | Net Position | | |
| 1-31 | Nonspendable Inventory | \$ - | \$ - | Net Investment in Capital Assets | \$ - | \$ - |
| 1-32 | Restricted [specify...] | \$ - | \$ - | Emergency Reserves | \$ - | \$ - |
| 1-33 | Committed [specify...] | \$ - | \$ - | Other Designations/Reserves | \$ - | \$ - |
| 1-34 | Assigned [specify...] | \$ - | \$ - | Restricted | \$ - | \$ - |
| 1-35 | Unassigned: | \$ 684,997 | \$ (476) | Undesignated/Unreserved/Unrestricted | \$ - | \$ - |
| 1-36 | Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL FUND BALANCE | \$ 684,997 | \$ (476) | Add lines 1-30 through 1-35 This total should be the same as line 3-33 TOTAL NET POSITION | \$ - | \$ - |
| 1-37 | Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE | \$ 684,997 | \$ - | Add lines 1-28, 1-29 and 1-36 This total should be the same as line 1-13 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION | \$ - | \$ - |

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

| Line # | Description | Governmental Funds | | Description | Proprietary/Fiduciary Funds | | Please use this space to provide explanation of any items on this page |
|--------------------------------|---|--------------------|------------------|---|-----------------------------|-------|--|
| | | General Fund | Capital Projects | | Fund* | Fund* | |
| Tax Revenue | | | | | | | |
| 2-1 | Property (include mills levied in Question 10-6) | \$ - | \$ - | Property (include mills levied in Question 10-6) | \$ - | \$ - | |
| 2-2 | Specific Ownership | \$ - | \$ - | Specific Ownership | \$ - | \$ - | |
| 2-3 | Sales and Use Tax | \$ 254,148 | \$ - | Sales and Use Tax | \$ - | \$ - | |
| 2-4 | Other Tax Revenue (specify...): | \$ - | \$ - | Other Tax Revenue (specify...): | \$ - | \$ - | |
| 2-5 | | \$ - | \$ - | | \$ - | \$ - | |
| 2-6 | | \$ - | \$ - | | \$ - | \$ - | |
| 2-7 | | \$ - | \$ - | | \$ - | \$ - | |
| 2-8 | Add lines 2-1 through 2-7 TOTAL TAX REVENUE | \$ 254,148 | \$ - | Add lines 2-1 through 2-7 TOTAL TAX REVENUE | \$ - | \$ - | |
| 2-9 | Licenses and Permits | \$ - | \$ - | Licenses and Permits | \$ - | \$ - | |
| 2-10 | Highway Users Tax Funds (HUTF) | \$ - | \$ - | Highway Users Tax Funds (HUTF) | \$ - | \$ - | |
| 2-11 | Conservation Trust Funds (Lottery) | \$ - | \$ - | Conservation Trust Funds (Lottery) | \$ - | \$ - | |
| 2-12 | Community Development Block Grant | \$ - | \$ - | Community Development Block Grant | \$ - | \$ - | |
| 2-13 | Fire & Police Pension | \$ - | \$ - | Fire & Police Pension | \$ - | \$ - | |
| 2-14 | Grants | \$ - | \$ - | Grants | \$ - | \$ - | |
| 2-15 | Donations | \$ - | \$ - | Donations | \$ - | \$ - | |
| 2-16 | Charges for Sales and Services | \$ - | \$ - | Charges for Sales and Services | \$ - | \$ - | |
| 2-17 | Rental Income | \$ - | \$ - | Rental Income | \$ - | \$ - | |
| 2-18 | Fines and Forfeits | \$ - | \$ - | Fines and Forfeits | \$ - | \$ - | |
| 2-19 | Interest/Investment Income | \$ - | \$ - | Interest/Investment Income | \$ - | \$ - | |
| 2-20 | Tap Fees | \$ - | \$ - | Tap Fees | \$ - | \$ - | |
| 2-21 | Proceeds from Sale of Capital Assets | \$ - | \$ - | Proceeds from Sale of Capital Assets | \$ - | \$ - | |
| 2-22 | All Other (specify...): | \$ - | \$ - | All Other (specify...): | \$ - | \$ - | |
| 2-23 | | \$ - | \$ - | | \$ - | \$ - | |
| 2-24 | Add lines 2-8 through 2-23 TOTAL REVENUES | \$ 254,148 | \$ - | Add lines 2-8 through 2-23 TOTAL REVENUES | \$ - | \$ - | |
| Other Financing Sources | | | | | | | |
| 2-25 | Debt Proceeds | \$ - | \$ - | Debt Proceeds | \$ - | \$ - | |
| 2-26 | Developer Advances | \$ - | \$ - | Developer Advances | \$ - | \$ - | |
| 2-27 | Other (specify...): | \$ - | \$ - | Other (specify...): | \$ - | \$ - | |
| 2-28 | Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES | \$ - | \$ - | Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES | \$ - | \$ - | |
| 2-29 | Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ 254,148 | \$ - | Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES | \$ - | \$ - | GRAND TOTALS |

IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES/EXPENSES

| Line # | Description | Governmental Funds | | Description | Proprietary/Fiduciary Funds | | Please use this space to provide explanation of any items on this page |
|--------|--|--------------------|------------------|--|-----------------------------|-------|--|
| | | General Fund | Capital Projects | | Fund* | Fund* | |
| | Expenditures | | | Expenses | | | |
| 3-1 | General Government | \$ 11,998 | \$ 4,249 | General Operating & Administrative | \$ - | \$ - | |
| 3-2 | Judicial | \$ - | \$ - | Salaries | \$ - | \$ - | |
| 3-3 | Law Enforcement | \$ - | \$ - | Payroll Taxes | \$ - | \$ - | |
| 3-4 | Fire | \$ - | \$ - | Contract Services | \$ - | \$ - | |
| 3-5 | Highways & Streets | \$ - | \$ - | Employee Benefits | \$ - | \$ - | |
| 3-6 | Solid Waste | \$ - | \$ - | Insurance | \$ - | \$ - | |
| 3-7 | Contributions to Fire & Police Pension Assoc. | \$ - | \$ - | Accounting and Legal Fees | \$ - | \$ - | |
| 3-8 | Health | \$ - | \$ - | Repair and Maintenance | \$ - | \$ - | |
| 3-9 | Culture and Recreation | \$ - | \$ - | Supplies | \$ - | \$ - | |
| 3-10 | Transfers to other districts | \$ - | \$ - | Utilities | \$ - | \$ - | |
| 3-11 | Other (specify. .): | \$ - | \$ - | Contributions to Fire & Police Pension Assoc. | \$ - | \$ - | |
| 3-12 | | \$ - | \$ - | Other (specify...) | \$ - | \$ - | |
| 3-13 | | \$ - | \$ - | | \$ - | \$ - | |
| 3-14 | Capital Outlay | \$ - | \$ - | Capital Outlay | \$ - | \$ - | |
| | Debt Service | | | Debt Service | | | |
| 3-15 | Principal | \$ - | \$ - | Principal | \$ - | \$ - | |
| 3-16 | Interest | \$ - | \$ - | Interest | \$ - | \$ - | |
| 3-17 | Bond Issuance Costs | \$ - | \$ - | Bond Issuance Costs | \$ - | \$ - | |
| 3-18 | Developer Principal Repayments | \$ - | \$ - | Developer Principal Repayments | \$ - | \$ - | |
| 3-19 | Developer Interest Repayments | \$ - | \$ - | Developer Interest Repayments | \$ - | \$ - | |
| 3-20 | All Other (specify...): | \$ - | \$ - | All Other (specify. .): | \$ - | \$ - | |
| 3-21 | | \$ - | \$ - | | \$ - | \$ - | |
| 3-22 | Add lines 3-1 through 3-21 TOTAL EXPENDITURES | \$ 11,998 | \$ 4,249 | Add lines 3-1 through 3-21 TOTAL EXPENSES | \$ - | \$ - | GRAND TOTAL \$ 16,247 |
| 3-23 | Interfund Transfers (In) | \$ - | \$ (4,535) | Net Interfund Transfers (In) Out | \$ - | \$ - | |
| 3-24 | Interfund Transfers Out | \$ 4,535 | \$ - | Other (specify...)(enter negative for expense) | \$ - | \$ - | |
| 3-25 | Other Expenditures (Revenues): | \$ - | \$ - | Depreciation | \$ - | \$ - | |
| 3-26 | | \$ - | \$ - | Other Financing Sources (Uses) (from line 2-28) | \$ - | \$ - | |
| 3-27 | | \$ - | \$ - | Capital Outlay (from line 3-14) | \$ - | \$ - | |
| 3-28 | | \$ - | \$ - | Debt Principal (from line 3-15, 3-18) | \$ - | \$ - | |
| 3-29 | (Add lines 3-23 through 3-28) TOTAL TRANSFERS AND OTHER EXPENDITURES | \$ 4,535 | \$ (4,535) | (Line 3-26, plus line 3-27, less line 3-24, less line 3-25) TOTAL GAAP RECONCILING ITEMS | \$ - | \$ - | |
| 3-30 | Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, plus line 3-29 | \$ 237,615 | \$ 286 | Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24 | \$ - | \$ - | |
| 3-31 | Fund Balance, January 1 from December 31 prior year report | \$ 447,382 | \$ (762) | Net Position, January 1 from December 31 prior year report | \$ - | \$ - | |
| 3-32 | Prior Period Adjustment (MUST explain) | \$ - | \$ - | Prior Period Adjustment (MUST explain) | \$ - | \$ - | |
| 3-33 | Fund Balance, December 31 Sum of Line 3-30, 3-31, and 3-32 This total should be the same as line 1-36. | \$ 684,997 | \$ (476) | Net Position, December 31 Line 3-30 plus line 3-31 This total should be the same as line 1-36. | \$ - | \$ - | |

IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

YES NO

Please use this space to provide any explanations or comments:

- 4-1 Does the entity have outstanding debt? ☐ YES ☐ NO
- 4-2 Is the debt repayment schedule attached? If no, MUST explain: ☐ YES ☐ NO
- 4-3 Is the entity current in its debt service payments? If no, MUST explain: ☐ YES ☐ NO

- 4-4 Please complete the following debt schedule, if applicable: (please only include principal amounts)

General obligation bonds
Revenue bonds
Notes/Loans
Leases
Developer Advances
Other (specify):

| Outstanding at beginning of year* | Issued during year | Retired during year | Outstanding at year-end |
|-----------------------------------|--------------------|---------------------|-------------------------|
| \$ - | \$ - | \$ - | \$ - |
| \$ - | \$ - | \$ - | \$ - |
| \$ - | \$ - | \$ - | \$ - |
| \$ - | \$ - | \$ - | \$ - |
| \$ - | \$ - | \$ - | \$ - |
| \$ - | \$ - | \$ - | \$ - |
| TOTAL | \$ - | \$ - | \$ - |

*must agree to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

YES NO

- 4-5 Does the entity have any authorized, but unissued, debt? ☐ YES ☐ NO
- If yes How much? \$ 1,200,000,000
- Date the debt was authorized: 11/2/2010
- 4-6 Does the entity intend to issue debt within the next calendar year? ☐ YES ☐ NO
- If yes How much? \$ -
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for? ☐ YES ☐ NO
- If yes What is the amount outstanding? \$ -
- 4-8 Does the entity have any lease agreements? ☐ YES ☐ NO
- If yes What is being leased?
- What is the original date of the lease?
- Number of years of lease?
- Is the lease subject to annual appropriation?
- What are the annual lease payments? \$ -

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

AMOUNT TOTAL

Please use this space to provide any explanations or comments:

- 5-1 YEAR-END Total of ALL Checking and Savings accounts
- 5-2 Certificates of deposit

| | |
|---------------------|------------|
| \$ 682,582 | |
| \$ - | |
| TOTAL CASH DEPOSITS | \$ 682,582 |

Investments (if investment is a mutual fund, please list underlying investments):

5-3

| | |
|----------------------------|------------|
| \$ - | |
| \$ - | |
| \$ - | |
| \$ - | |
| TOTAL INVESTMENTS | \$ - |
| TOTAL CASH AND INVESTMENTS | \$ 682,582 |

Please answer the following question by marking in the appropriate box

YES NO N/A

- 5-4 Are the entity's investments legal in accordance with Section 24-75-601, et seq., C.R.S.? ☐ YES ☐ NO ☐ N/A
- 5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, MUST explain: ☐ YES ☐ NO ☐ N/A

PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box

YES

NO

Please use this space to provide any explanations or comments:

6-1 Does the entity have capitalized assets?

☐

☐

6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, MUST explain:

☐

☐

6-3 Complete the following Capital Assets table for GOVERNMENTAL FUNDS:

| | Balance - beginning of the year* | Additions | Deletions | Year-End Balance |
|---|--|-------------|-------------|------------------|
| Land | \$ - | \$ - | \$ - | \$ - |
| Buildings | \$ - | \$ - | \$ - | \$ - |
| Machinery and equipment | \$ - | \$ - | \$ - | \$ - |
| Furniture and fixtures | \$ - | \$ - | \$ - | \$ - |
| Infrastructure | \$ - | \$ - | \$ - | \$ - |
| Construction In Progress (CIP) | \$ - | \$ - | \$ - | \$ - |
| Other (explain): | \$ - | \$ - | \$ - | \$ - |
| Accumulated Depreciation (Enter a negative, or credit, balance) | \$ - | \$ - | \$ - | \$ - |
| TOTAL | \$ - | \$ - | \$ - | \$ - |

6-4 Complete the following Capital Assets table for PROPRIETARY FUNDS:

| | Balance - beginning of the year* | Additions | Deletions | Year-End Balance |
|---|--|-------------|-------------|------------------|
| Land | \$ - | \$ - | \$ - | \$ - |
| Buildings | \$ - | \$ - | \$ - | \$ - |
| Machinery and equipment | \$ - | \$ - | \$ - | \$ - |
| Furniture and fixtures | \$ - | \$ - | \$ - | \$ - |
| Infrastructure | \$ - | \$ - | \$ - | \$ - |
| Construction In Progress (CIP) | \$ - | \$ - | \$ - | \$ - |
| Other (explain): | \$ - | \$ - | \$ - | \$ - |
| Accumulated Depreciation (Enter a negative, or credit, balance) | \$ - | \$ - | \$ - | \$ - |
| TOTAL | \$ - | \$ - | \$ - | \$ - |

*must agree to prior year ending balance

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box

YES

NO

Please use this space to provide any explanations or comments:

7-1 Does the entity have an "old hire" firemen's pension plan?

☐

☐

7-2 Does the entity have a volunteer firemen's pension plan?

☐

☐

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):

\$ -

State contribution amount:

\$ -

Other (gifts, donations, etc.):

\$ -

TOTAL

\$ -

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?

\$ -

PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box

- 8-1 Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain:
- 8-2 Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:

| YES | NO | N/A |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Please use this space to provide any explanations or comments:

If yes: Please indicate the amount budgeted for each fund for the year reported

| Fund Name | Budgeted Expenditures/Expenses |
|-----------------------|--------------------------------|
| General Fund | \$ 115,595 |
| Capital Projects Fund | \$ 6,245 |
| | \$ - |
| | \$ - |

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

- 9-1 Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))?
- Note: An election to exempt the government from the spending limitations of TABOR does not exempt the

| YES | NO |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |

Please use this space to provide any explanations or comments:

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box

- 10-1 Is this application for a newly formed governmental entity?

| YES | NO |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |

Please use this space to provide any explanations or comments:

If yes: Date of formation:

- 10-2 Has the entity changed its name in the past or current year?

| | |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|

If Yes: NEW name

PRIOR name

- 10-3 Is the entity a metropolitan district?

| | |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|

- 10-4 Please indicate what services the entity provides:

Provides design, acquisition, construction, installation, relocation, redevelopment and financing of certain public infrastructure improvements

- 10-5 Does the entity have an agreement with another government to provide services?

| | |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|

If yes: List the name of the other governmental entity and the services provided:

Mesa County Gateway Public Improvement District (MCGPID)

- 10-6 Does the entity have a certified mill levy?

| | |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|--------------------------|

If yes: Please provide the number of mills levied for the year reported (do not enter \$ amounts):

| | |
|-----------------------|--------------|
| Bond Redemption mills | 0.000 |
| General/Other mills | 0.000 |
| Total mills | 0.000 |

Please use this space to provide any additional explanations or comments not previously included:

OSA USE ONLY

| Entity Wide: | | General Fund | | Governmental Funds | | Notes |
|---------------------------------|----|--------------|----------------------------|--------------------|---------------------------------|---------------|
| Unrestricted Cash & Investments | \$ | 682,106 | Unrestricted Fund Balan \$ | 684,997 | Total Tax Revenue \$ | 254,148 |
| Current Liabilities | \$ | 476 | Total Fund Balance \$ | 684,997 | Revenue Paying Debt Service \$ | - |
| Deferred Inflow | \$ | - | PY Fund Balance \$ | 447,382 | Total Revenue \$ | 254,148 |
| | | | Total Revenue \$ | 254,148 | Total Debt Service Principal \$ | - |
| | | | Total Expenditures \$ | 11,998 | Total Debt Service Interest \$ | - |
| | | | Interfund In \$ | - | | |
| Governmental | | | Interfund Out \$ | 4,535 | Enterprise Funds | |
| Total Cash & Investments | \$ | 682,582 | | | Net Position | - |
| Transfers In | \$ | | - Proprietary | | - PY Net Position | - |
| Transfers Out | \$ | | - Current Assets | | - Government-Wide | - |
| Property Tax | \$ | | - Deferred Outflow | | - Total Outstanding Debt | - |
| Debt Service Principal | \$ | | - Current Liabilities | | - Authorized but Unissued | 1,200,000,000 |
| Total Expenditures | \$ | 16,247 | Deferred Inflow | | - Year Authorized | 11/2/2010 |
| Total Developer Advances | \$ | | - Cash & Investments | | | |
| Total Developer Repayments | \$ | | - Principal Expense | | | |

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

YES NO

12-1 If you plan to submit this form electronically, have you read the new Electronic Signature Policy?

☐ ☐

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedures

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Below is the certification and approval of the governing body. By signing, each individual member is certifying they are a duly elected or appointed officer of the local government. Governing members may be verified. Also by signing, the individual member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$750,000 or less must have an application prepared by an independent accountant with knowledge of governmental accounting, completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of ALL members of the governing body below.

A MAJORITY of the members of the governing body must complete and sign in the column below.

| # | Full Name | Signature and Date |
|---|----------------|--|
| 1 | John A. Sisson | I, <u>John A. Sisson</u> , attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>[Signature]</u> Date: <u>3.11.2020</u> My term Expires: <u>May 2022</u> |
| 2 | Full Name | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |
| 3 | Full Name | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |
| 4 | Full Name | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |
| 5 | Full Name | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |
| 6 | Full Name | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |
| 7 | Full Name | I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____ |

EXAMPLE - DO NOT FILL OUT THIS PAGE

This sample resolution/ordinance for exemption from audit is provided as an example of the documentation that is required, the wording may be used as a basis for your own local government document, if needed, however you MUST draft your own ordinance or resolution making any changes where applicable. Legal counsel should be consulted regarding any questions.

RESOLUTION/ORDINANCE FOR EXEMPTION FROM AUDIT

(Pursuant to Section 29-1-604, C.R.S.)

A RESOLUTION/ORDINANCE APPROVING AN EXEMPTION FROM AUDIT FOR YEAR 20XX FOR THE (name of government), STATE OF COLORADO.

WHEREAS, the (governing body) of (name of government) wishes to claim exemption from the audit requirements of Section 29-1-603, C.R.S.; and

WHEREAS, Section 29-1-604, C.R.S., states that any local government where neither revenues nor expenditures exceed seven hundred and fifty thousand dollars may, with the approval of the State Auditor, be exempt from the provision of Section 29-1-603, C.R.S.; and

[Choose 1 or 2 below, whichever is applicable]

(1) WHEREAS, neither revenue nor expenditures for (name of government) exceeded \$100,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual), a person skilled in governmental accounting; and

OR

(2) WHEREAS, neither revenues nor expenditures for (name of government) exceeded \$750,000 for Year 20XX; and

WHEREAS, an application for exemption from audit for (name of government) has been prepared by (name of individual or firm), an independent accountant with knowledge of governmental accounting; and

WHEREAS, said application for exemption from audit has been completed in accordance with regulations, issued by the State Auditor.

NOW THEREFORE, be it resolved/ordained by the (governing body) of the (name of government) that the application for exemption from audit for (name of government) for the year ended _____, 20XX, has been personally reviewed and is hereby approved by a majority of the (governing body) of the (name of government); that those members of the (governing body) have signified their approval by signing below; and that this resolution shall be attached to, and shall become a part of, the application for exemption from audit of the (name of government) for the year ended _____, 20XX.

ADOPTED THIS ____ day of _____, A.D. 20XX.

Mayor/President/Chairman, etc.

ATTEST:

Town Clerk, Secretary, etc.

| Type or Print Names of Members of Governing Body | Date Term Expires | Signature |
|---|-------------------------|-----------|
| | | |
| | | |
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CERTIFICATION OF VALUES

Name of Jurisdiction: DOLORES CANYON METROPOLITAN DISTRICT 1

New District:

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

In accordance with 39-5-121(2)(a) and 39-5-128(1), C.R.S. The total Assessed Valuations for taxable year 2020
In Mesa County On 10/12/2020 Are:

| | |
|---|----------|
| Previous Year's Net Total Assessed Valuation: | \$15,950 |
| Current Year's Gross Total Assessed Valuation: | \$15,950 |
| (-) Less TIF district increment, if any: | \$0 |
| Current Year's Net Total Assessed Valuation: | \$15,950 |
| New Construction*: | \$0 |
| Increased Production of Producing Mines**: | \$0 |
| ANNEXATIONS/INCLUSIONS: | \$0 |
| Previously Exempt Federal Property**: | \$0 |
| New Primary Oil or Gas production from any Oil and Gas leasehold or land (29-1-301(1)(b) C.R.S.)***: | \$0 |
| Taxes collected last year on omitted property as of August 1 (29-1-301(1)(a) C.R.S.): | \$0.00 |
| Taxes Abated or Refunded as of August 1 (39-10-114(1)(a)(I)(B) C.R.S.): | \$0.00 |

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

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

** Jurisdiction must submit a certification to the Division of Local Government in order for a value to be accrued (DLG 52 & 52A)

*** Jurisdiction must submit an application to the Division of Local Government in order for a value to be accrued. (DLG 52B)

USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

In accordance with the Art. X, Sec. 20, Colorado Constitution and 39-5-121(2)(b), C.R.S. The Actual Valuations for the taxable year 2020
In Mesa County On 10/12/2020 Are:

| | |
|--|----------|
| Current Year's Total Actual Value of All Real Property*: | \$55,000 |
| ADDITIONS TO TAXABLE REAL PROPERTY: | |
| Construction of taxable real property improvements**: | \$0 |
| ANNEXATIONS/INCLUSIONS: | \$0 |
| Increased Mining Production***: | \$0 |
| Previously exempt property: | \$0 |
| Oil or Gas production from a new well: | \$0 |
| Taxable real property omitted from the previous year's tax warrant. (Only the most current year value can be reported): | \$0 |
| DELETIONS FROM TAXABLE REAL PROPERTY IMPROVEMENTS: | |
| Destruction of taxable property improvements. | \$0 |
| Disconnections/Exclusions: | \$0 |
| 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 a new mine and increase in production of a producing mine.

NOTE: All levies must be certified to the Board of County Commissioners no later than December 15, 2020

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
Assessed Value, Property Tax and Mill Levy Information

| | <table><tr><th>2019 Actual</th><th>2020 Adopted Budget</th><th>2021 Preliminary Budget</th></tr></table> | | | 2019 Actual | 2020 Adopted Budget | 2021 Preliminary Budget |
|--------------------------------|--|----------------------------|-----------|----------------|------------------------|----------------------------|
| 2019 Actual | 2020 Adopted Budget | 2021 Preliminary Budget | | | | |
| Assessed Valuation | \$ 14,500 | \$ 15,950 | \$ 15,950 | | | |
| Mill Levy | | | | | | |
| General Fund | | | | | | |
| Temporary Mill Levy Reduction | - | - | - | | | |
| Refunds and Abatements | - | - | - | | | |
| Total Mill Levy | - | - | - | | | |
| Property Taxes | | | | | | |
| General Fund | \$ - | \$ - | \$ - | | | |
| Temporary Mill Levy Reduction | - | - | - | | | |
| Refunds and Abatements | - | - | - | | | |
| Actual/Budgeted Property Taxes | \$ - | \$ - | \$ - | | | |

DOLORES CANYON METROPOLITAN DISTRICT NO. 1

**GENERAL FUND
2021 Preliminary Budget
with 2019 Actual, 2020 Adopted Budget, and 2020 Estimated**

| | 2019 Actual | 01/20-09/20 YTD Actual | 2020 Adopted Budget | 2020 Estimated | 2021 Preliminary Budget |
|---|------------------------|-----------------------------------|--------------------------------|---------------------------|------------------------------------|
| BEGINNING FUND BALANCE | \$ 447,382 | \$ 684,997 | \$ 630,313 | \$ 684,997 | \$ 867,931 |
| REVENUE | | | | | |
| Sales & Lodging PIF | 133,590 | \$ 104,272 | 130,000 | 130,000 | 130,000 |
| Priority Services PIF | 120,558 | 28,230 | 75,000 | 75,000 | 75,000 |
| Interest Income | - | 561 | - | 900 | 1,800 |
| Total Revenue | 254,148 | 133,063 | 205,000 | 205,900 | 206,800 |
| Total Funds Available | 701,530 | 818,059 | 835,313 | 890,897 | 1,074,731 |
| EXPENDITURES | | | | | |
| Management | 2,605 | 2,283 | 3,000 | 3,000 | 3,000 |
| Accounting | 2,459 | 2,324 | 4,500 | 4,500 | 4,500 |
| Audit | 14 | - | 100 | - | 100 |
| Election Expense | - | 516 | 2,000 | 516 | - |
| Insurance and Bonds/SDA | 3,830 | 3,079 | 3,300 | 3,079 | 3,500 |
| Legal | 2,788 | 3,778 | 5,000 | 5,000 | 5,000 |
| Miscellaneous Expenses | 302 | 511 | 500 | 500 | 500 |
| Contingency | - | - | 500,000 | - | 500,000 |
| Total Expenditures | 11,998 | 12,491 | 518,400 | 16,595 | 516,600 |
| TRANSFERS AND OTHER USES | | | | | |
| Transfer to Capital Fund | 4,535 | 2,286 | 6,371 | 6,371 | 8,000 |
| Emergency Reserves | - | - | 6,150 | - | 6,204 |
| Total Transfers and Other Uses | 4,535 | 2,286 | 12,521 | 6,371 | 14,204 |
| Total Expenditures Requiring Appropriation | 16,533 | 14,778 | 530,921 | 22,966 | 530,804 |
| ENDING FUND BALANCE | \$ 684,997 | \$ 803,282 | \$ 304,392 | \$ 867,931 | \$ 543,927 |

DOLORES CANYON METROPOLITAN DISTRICT NO. 1

CAPITAL FUND 2021 Preliminary Budget with 2019 Actual, 2020 Adopted Budget, and 2020 Estimated

| | 2019 Actual | 01/20-09/20 YTD Actual | 2020 Adopted Budget | 2020 Estimated | 2021 Preliminary Budget |
|---|----------------|---------------------------|------------------------|-------------------|----------------------------|
| BEGINNING FUND BALANCE | \$ (762) | \$ (476) | \$ - | \$ (476) | \$ (476) |
| REVENUE | | | | | |
| Transfer from General Fund | 4,535 | 2,286 | 6,371 | 6,371 | 8,000 |
| Total Revenue | 4,535 | 2,286 | 6,371 | 6,371 | 8,000 |
| Total Funds Available | 3,773 | 1,810 | 6,371 | 5,895 | 7,524 |
| EXPENDITURES | | | | | |
| Management | 651 | 571 | 1,061 | 1,061 | 1,100 |
| Accounting | 2,459 | 2,324 | 3,188 | 3,188 | 3,200 |
| Legal | 1,139 | 1,543 | 2,122 | 2,122 | 2,200 |
| Total Expenditures | 4,249 | 4,438 | 6,371 | 6,371 | 6,500 |
| Total Expenditures Requiring Appropriation | 4,249 | 4,438 | 6,371 | 6,371 | 6,500 |
| ENDING FUND BALANCE | \$ (476) | \$ (2,628) | \$ - | \$ (476) | \$ 1,024 |

RESOLUTION NO. 2020 - 12 - ____
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE DOLORES CANYON METROPOLITAN DISTRICT NO. 1
TO ADOPT THE 2021 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Dolores Canyon Metropolitan District No. 1 ("District") has appointed the District Accountant to prepare and submit a proposed 2021 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, 2020, 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 December 2, 2020, 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 Dolores Canyon 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 Dolores Canyon Metropolitan District No. 1 for the 2021 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 2nd day of December, 2020.

(SEAL)

EXHIBIT A
(Budget)

I, James Ruthven, hereby certify that I am the duly appointed Secretary of the Dolores Canyon Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2021, duly adopted at a meeting of the Board of Directors of the Dolores Canyon Metropolitan District No. 1 held on December 2, 2020.

By: _____
Secretary

INTERGOVERNMENTAL WASTE WATER TREATMENT PLANT FUNDING AGREEMENT

This **INTERGOVERNMENTAL WASTE WATER TREATMENT FUNDING AGREEMENT** (the “**Agreement**”) is made and entered into as of this _____ day of _____, 2020 by and between **DOLORES CANYON METROPOLITAN DISTRICT No. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and the **MESA COUNTY GATEWAY PUBLIC IMPROVEMENT DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (“**MCGPID**”) (collectively, the “**Parties**, and each individually a “**Party**”).

RECITALS

WHEREAS, the Dolores Canyon Metropolitan District Nos. 1-4 (collectively, the “**Metropolitan Districts**”), were organized for the purpose of providing for the design, acquisition, installation, construction, financing, operation and maintenance of certain public improvements; and

WHEREAS, MCGPID was organized by Resolution of the Mesa County Board of County Commissioners on June 28, 2010, in accordance with Part 5, Article 20, Title 30, C.R.S.; and

WHEREAS, MCGPID was organized for the purpose of constructing, organizing, installing, acquiring, operating and maintaining certain public improvements to support the provision of urban services to the property within MCGPID, including, but not limited to, fire protection, police, emergency medical services, roadway, water, sewer, and park and recreation improvements and services (the “**Urban Services**”); and

WHEREAS, as of the date of this agreement, Western Sky Investments, LLC, a Colorado limited liability company (“**Western Sky**”), and Hendricks Real Estate Holdings, LLC, a Colorado foreign limited liability company (“**Hendricks Real Estate**”) are the owners of certain taxable real property located near the town of Gateway in the County of Mesa, which properties are included within the boundaries of one of the Metropolitan Districts and into the boundaries of MCGPID (the “**Property**”), including Gateway Canyons Resort on a portion of the Property (the “**Resort Parcel**”); and

WHEREAS, the organization of MCGPID was necessitated, in part, by the need to provide Urban Services to the Resort Parcel and to serve the development that is expected to occur within the Metropolitan Districts on the Property; and

WHEREAS, MCGPID is the owner of and operates a waste water treatment plant (“**Gateway Treatment Plant**”) that serves the town of Gateway and the Property, including Gateway Canyons Resort; and

WHEREAS, the Gateway Treatment Plant is operating beyond the capacity authorized by the Colorado Department of Public Health and Environment (“**CDPHE**”) and is required by

CDPHE to upgrade the plant so that it is able to process the volume of waste water that is frequently required; and

WHEREAS, MCGPID has commissioned an engineering company to design the needed upgrades to the Gateway Treatment Plant and has obtained a bid from a qualified contractor in the amount of \$ _____ for the construction of the upgrades to the Gateway Treatment Plant; and

WHEREAS, the scope of the proposed upgrade work to the Gateway Treatment Plant is summarized in Exhibit A attached hereto (the “**Upgrade**”); and

WHEREAS, the Upgrade will benefit the Property and particularly Gateway Canyons Resort; and

WHEREAS, the District has accumulated funds from the collection of a public improvement fee imposed on certain lodging and retail sales transactions occurring on the Property; and

WHEREAS, MCGPID has requested that the District provide up to \$600,000.00 in funding to MCGPID to pay for part of the costs of the Upgrade; and

WHEREAS, in consideration for MCGPID’s agreement to provide the needed upgrades described in Exhibit A, the District desires to pledge to MCGPID \$600,000.00; and

WHEREAS, MCGPID and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Agreement.

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. Pledge of District Funds. The District hereby pledges to MCGPID, pursuant to the terms of this Agreement, the amount of \$600,000.00 to be used by MCGPID, together with other funds available to MCGPID, to complete the Upgrade.

2. Construction of the Upgrade. MCGPID hereby represents to the District that it has budgeted and appropriated sufficient funds for the construction of the Upgrade and has encumbered funds in an amount sufficient, together with the \$600,000 contribution from MCGPID, to complete the Upgrade. MCGPID, upon the receipt of the \$600,000 from the District, shall timely and completely construct the Upgrade according to the plans and specifications of _____, dated _____, 2020 no later than April 1, 2021.

3. Payment.

(a) Remittance. The District shall, within thirty days of the execution of this Agreement, transfer \$600,000.00 to MCGPID for the dedicated use by MCGPID to construct the Upgrade.

(b) Payment by MCGPID. The full balance of money due to complete the Upgrade, after first applying the \$600,000 of District funds described herein, shall be the responsibility of, and shall be timely paid for by, MCGPID. The District's total liability for the Upgrade shall be the \$600,000.00 deposited with MCGPID as required in this Agreement.

(c) Books and Records. MCGPID shall provide a monthly report to the District of the progress of the construction of the Upgrade, along with a copy of that month's progress billings from the company constructing the Upgrade. MCGPID shall also make available to the District, during normal business hours, the books and records related to the construction of the Upgrade, upon reasonable notice from the District.

(d) Final Report. MCGPID shall deliver a final report and accounting of the construction of the Upgrade within fifteen (15) days of completion of the Upgrade. Included in the final report will be a final itemized accounting of all funds spent on the Upgrade.

4. Conferral On Future Fee Increases. MCGPID agrees that it shall provide at least sixty days prior written notice to the District of any proposed increase of service fees and will then confer with the District on any such increase prior to MCGPID's decision to implement the increase ("**Duty to Notice and Confer**"). This Duty to Notice and Confer shall begin on the date of execution of this Agreement and shall expire on December 31, 2031. The Duty to Notice and Confer shall be executed by MCGPID and the District in good faith and in an effort to maintain affordable service fee rates in the Property and in the Town of Gateway. The final decision concerning any service fee increase shall be the decision of MCGPID after the execution of the Duty to Notice and Confer.

5. Modifications of this Agreement. No amendments or modifications shall be made to this Agreement, except in writing signed by all Parties.

6. Notices. All notices required under this Agreement shall be in writing and shall be hand-delivered or sent by registered or certified mail, return receipt requested, postage prepaid, to the addresses of the parties herein set forth. All notices so given shall be considered effective seventy-two (72) hours after deposit in the United States mail with the proper address as set forth below. Notice may also be given by telefax transmission or e-mail transmission, followed by a hard copy mailed as required herein, and shall be deemed received on the date of such transmission. Either party by notice so given may change the address to which future notices shall be sent.

| | |
|------------|----------------------------------|
| To MCGPID: | Board of County Commissioners |
| | Mesa County, Colorado |
| | 544 Rood Avenue |
| | Old Courthouse |
| | Grand Junction, Colorado 81501 |
| | Attn: Mesa County Gateway Public |

Improvement District
Phone: 970-244-1800

With copies to: Mesa County Colorado
Department of Public Works
200 Spruce Street
Grand Junction, Colorado 81501
Attn: Mesa County Gateway Public
Improvement District
Phone: 970-244-1765

Mesa County Colorado
Office of the County Attorney
544 Rood Avenue
2nd Floor Courthouse Annex
Grand Junction, Colorado 81501
Attn: Mesa County Gateway Public
Improvement District
Phone: 970-244-1612

To the Metropolitan Districts: Dolores Canyon Metropolitan District Nos. 1-4
141 Union Blvd. #150
Lakewood, Colorado 80228
Attention: David Solin
Phone: 303-987-0835
Fax: 303-987-2032
Email: dsolin@sdmsi.com

With a copy to: McGeady Becher, P.C.
450 E. 17th Avenue, Suite 400
Denver CO 80203
Attention: MaryAnn McGeady
Phone: 303-592-4380
Fax: 303-592-4385
Email: mmcgeady@specialdistrictlaw.com

7. Entire Agreement. This Agreement constitutes the entire Agreement between the Parties hereto with respect to: a) the contribution to the funding of the Upgrade by the District; and b) the funding by MCGPID of the costs of the Upgrade beyond the District's contribution; c) the completion of construction of the Upgrade by MCGPID; and d) the commitment of MCGPID to execute the Duty to Notice and Confer. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement shall have no force and effect.

8. Binding Effect; Third Party Beneficiary. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and permitted assigns of the Parties hereto. The Parties agree that no person or entity, other than the Parties to this Agreement or a designated third party beneficiary, shall obtain hereby any enforceable rights to service

hereunder. The Parties declare that no person or entity shall be construed as a third party beneficiary of this Agreement except as may be expressly stated herein.

9. Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provisions herein, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.

10. Remedies. The Parties hereto agree and acknowledge that this Agreement may be enforced in law or in equity, by decree of specific performance or damages, or such other legal or equitable relief as may be available subject to the provisions of the statutes of the State of Colorado. The Parties intend that the remedy of specific performance, for the purposes of this Agreement, shall apply to the following obligations: a) the obligation of the District to deposit \$600,000 with MCGPID to fund the Upgrade; b) the encumbrance and use of funds of MCGPID in amounts sufficient, together with the \$600,000, by MCGPID to fund the Upgrade; c) the use of MCGPID of the \$600,000 deposited by the District solely for the Upgrade; d) the obligation of MCGPID to complete the Upgrade on or before April 1, 2021 and e) the commitment of MCGPID to execute the Duty to Notice and Confer.

11. 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.

12. 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.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Venue shall be exclusive in Mesa County, Colorado.

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

DOLORS CANYON METROPOLITAN
DISTRICT NO. 1

By: _____

Attest:

Secretary

MESA COUNTY GATEWAY PUBLIC
IMPROVEMENT DISTRICT

By: _____