

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	2025/May 2025
VACANT		2025/May 2025
VACANT		2025/May 2025
VACANT		2023/May 2023
VACANT		2023/May 2023

James Ruthven

Secretary

DATE: **June 17, 2022**

TIME: **2:00 p.m.**

PLACE: **Zoom Meeting:** This meeting will be held via Zoom without any individuals (neither District representatives nor the general public) attending in person. The meeting can be joined through the directions below:

Join Zoom Meeting

<https://us02web.zoom.us/j/81519880152?pwd=UWk1cDdvbnY5SFUrM1hML2c5NjBqZz09>

Meeting ID: 815 1988 0152

Passcode: 623393

Dial In: 1-253-215-8782

I. ADMINISTRATIVE MATTERS

- A. Present Disclosures of Potential Conflicts of Interest.

- B. Approve Agenda, confirm location of the meeting and posting of meeting notices. Designate 24-hour posting location.

- C. Discuss results of cancelled May 3, 2022 Regular Directors' Election (enclosure).

- D. Consider appointment of Officers:

President/Treasurer _____

Secretary _____

- E. Review and approve the Minutes of the December 2, 2021 Special Meeting (enclosure).

II. FINANCIAL MATTERS

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

	Period ending Dec. 14, 2021	Period ending Jan. 18, 2022	Period ending Feb. 8, 2022	Period ending March 8, 2022
General Fund	\$ 694.12	\$ 1,326.83	\$ 1,334.11	\$ 928.18
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 341.10	\$ 639.57	\$ 593.91	\$ 360.30
Total Claims	\$ 1,035.22	\$ 1,966.40	\$ 1,928.02	\$ 1,288.48

	Period ending April 8, 2022	Period ending May 9, 2022
General Fund	\$ 1,464.46	\$ 1,888.11
Debt Service Fund	\$ -0-	\$ -0-
Capital Projects Fund	\$ 602.83	\$ -0-
Total Claims	\$ 2,067.29	\$ 1,888.11

B. Review and accept unaudited financial statements for the period ending March 31, 2022 (enclosure).

C. Review and ratify approval, execution and filing of the Application for Exemption from Audit for 2021 (enclosure - copy of application).

D. Conduct Public Hearing to consider amendment of the 2022 Budget. Consider adoption of Resolution No. 2022-06-01, Resolution of Dolores Canyon Metropolitan District No. 1 to Amend the 2022 Budget (enclosure).

IV. LEGAL MATTERS

A. Review, consider approval of, and authorize execution of, Intergovernmental PIF Revenue-Sharing Agreement between the District and the Gateway-Unaweepe Fire Protection District, a/k/a Gateway-Unaweepe Fire District (enclosure).

V. OTHER BUSINESS

A.

VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR DECEMBER 1, 2022.**

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 3, 2022 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	Next Regular Election, May 2023
VACANT	Next Regular Election, May 2023
John A. Sisson	Second Regular Election, May 2025
VACANT	Second Regular Election, May 2025
VACANT	Second Regular Election, May 2025

/s/Jim Ruthven
(Designated Election Official)

Contact Person for the District:	Jim 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 SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE DOLORES CANYON METROPOLITAN DISTRICT NO. 1 HELD DECEMBER 2, 2021

A special meeting of the Board of Directors of the Dolores Canyon Metropolitan District No. 1 (referred to hereafter as the “District”) was convened on Tuesday, the 2nd day of December, 2021, at 9:00 a.m. via Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

John A. Sisson

Also In Attendance Were (via speakerphone):

James Ruthven; Special District Management Services, Inc.

MaryAnn McGeady, Esq.(for a portion of the meeting) and Craig Sorensen; McGeady Becher P.C.

Colleen Slear; Hendricks Investment Holdings, 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 Director present at the meeting and incorporated for the record those applicable disclosures made by the Board member prior to this meeting and in accordance with the statutes.

ADMINISTRATIVE MATTERS

Agenda: Mr. Ruthven reviewed with the Board a proposed Agenda for the District's Special meeting.

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

Meeting Location /Posting of Meeting Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of

RECORD OF PROCEEDINGS

the District's board meeting. The Board determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Mr. Ruthven reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

LEGAL MATTERS

Intergovernmental Wastewater Treatment Plant Funding Agreement between the District and Mesa County Gateway Public Improvement District ("Wastewater Agreement"): Attorney McGeady informed the Board that the Wastewater Agreement was finalized (with minor changes) and signed subsequent to the December 2, 2020 board meeting.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board acknowledged execution of the Wastewater Agreement.

Water Rights and Water Facilities Acquisition: No discussion was held. Ms. Slear indicated there was no action needed on this item.

Engagement of John Williams as Special Counsel: Attorney McGeady recommended that the Board engage John Williams as special counsel to negotiate a PIF revenue sharing agreement with the Gateway-Unaweep Fire Protection District and/or Mesa County. She noted that the previous PIF revenue sharing agreement with the Mesa County Gateway Public Improvement District has been terminated.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board approved the engagement of John Williams as special counsel, and directed the staff to work with Attorney Williams to get the necessary agreement in place.

ADMINISTRATIVE MATTERS (continued)

Minutes: The Board reviewed the Minutes of the December 2, 2020 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 2, 2020 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. 2021-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices.

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Mr. Ruthven reviewed the business to be conducted in 2022 to meet the statutory compliance requirements. The Board determined to schedule a regular meeting for December 1, 2022 at 9:00 a.m., such meeting to be held virtually.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices.

Establishment of District Website: Mr. Sorensen discussed with the Board the new statutory requirement for the District to have a functioning website by January 1, 2023. It was noted that a website application submitted to the Colorado Statewide Internet Portal Authority (“SIPA”) at this point is unlikely to be processed prior to the January 1, 2023 deadline. Mr. Sorensen suggested the District engage Archipelago Web Inc. to create and maintain the District’s website, for a fee of \$675.00 for initial setup and \$8.00 per month in hosting fees.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board authorized the engagement of Archipelago Web Inc. to create and maintain the District’s website, and directed the District Manager to work with Archipelago Web to set up the website.

§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2021 (on SDA Website): Mr. Sorensen discussed with the Board §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2022. Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board directed the District Manager to post the required transparency notice information on the Special District Association’s website.

FINANCIAL MATTERS

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

	Period ending Dec. 15, 2020	Period ending Jan. 14, 2021	Period ending Feb. 9, 2021	Period ending March 22 2021
General Fund	\$ 1,106.58	\$ 1,677.91	\$ 16,504.19	\$ 1,726.36
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 516.97	\$ 699.49	\$ 1,241.01	\$ 600.29
Total Claims	\$ 1,623.55	\$ 2,377.40	\$ 17,745.20	\$ 2,326.65

RECORD OF PROCEEDINGS

	Period ending April 13, 2021	Period ending May 14, 2021	Period ending June 22, 2021	Period ending July 20, 2021
General Fund	\$ 671.20	\$ 382.80	\$ 403.70	\$ 275.81
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 316.80	\$ 281.60	\$ 281.60	\$ 205.80
Total Claims	\$ 988.00	\$ 664.40	\$ 685.30	\$ 481.61

	Period ending Aug. 19, 2021	Period ending Sept. 23, 2021	Period ending Oct. 15, 2021	Period ending Nov. 18, 2021
General Fund	\$ 430.20	\$ 350.28	\$ 2,770.43	\$ 354.12
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 253.80	\$ 210.92	\$ 189.00	\$ 247.33
Total Claims	\$ 684.00	\$ 561.20	\$ 2,959.43	\$ 601.45

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. Ruthven 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, 2021.

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, 2021.

2020 Application for Exemption from Audit: The Board reviewed the 2020 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 2020.

2021 Application for Exemption from Audit: Following discussion, upon motion duly made and seconded by Director Sisson, and upon vote, unanimously carried, the Board appointed the District Accountant, James Ruthven, to prepare the Application for Exemption from Audit for 2021.

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

It was noted that publication of Notice stating that the Board would consider an amendment to the 2021 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written

RECORD OF PROCEEDINGS

objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

It was determined that no amendment to the 2021 Budget was required.

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

It was noted that publication of Notice stating that the Board would consider adoption of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Mr. Ruthven reviewed the estimated year-end 2021 revenues and expenditures and the proposed 2022 estimated revenues and expenditures. It was determined that no mill levy would be certified.

Following review and discussion, the Board considered the adoption Resolution No. 2021-12-02, Resolution to Adopt the 2022 Budget and Appropriate Sums of Money. Upon motion duly made and seconded by Director Sisson, the Resolution was adopted, as discussed, and execution of the Certification of Budget was authorized. Mr. Ruthven was authorized to transmit the (zero) Certification of Mill Levies to Mesa County not later than December 15, 2021. Mr. Ruthven was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2022. A copy of the adopted Resolution is attached hereto 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 (zero mill levy) 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.

2023 Budget Preparation: The Board discussed the preparation of the 2023 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 2023 Budget, and set the date for the public hearing to consider adoption of the 2023 Budget for December 1, 2022.

RECORD OF PROCEEDINGS

LEGAL MATTERS **(continued)**

Resolution No. 2021-12-03 ; Resolution Calling a Regular Election for Directors on May 3, 2022: The Board the considered the adoption of the Resolution No. 2021-12-03, Resolution Calling a Regular Election for Directors on May 3, 2022, appointing the Designated Election Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. The Board also discussed the need for ballot issues and/or questions.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board adopted the Resolution No. 2021-12-03; Resolution Calling a Regular Election for Directors on May 3, 2022, appointing James Ruthven as Designated Election Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

OTHER MATTERS

There was no other business at this time.

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

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1336						
12/10/2021	McGeady Becher P.C.	1086M 10-2021	Legal	1-675-00	63.90	63.90
12/10/2021	McGeady Becher P.C.	1086M 10-2021	Legal	1-675-00	63.90-	63.90-
12/10/2021	McGeady Becher P.C.	1086M 10-2021	Legal	3-675-00	26.10	26.10
12/10/2021	McGeady Becher P.C.	1086M 10-2021	Legal	3-675-00	26.10-	26.10-
Total 1336:						.00
1337						
12/10/2021	Special Dist Manageme	11-2021	Miscellaneous E	1-685-00	21.22	21.22
12/10/2021	Special Dist Manageme	11-2021	Miscellaneous E	1-685-00	21.22-	21.22-
12/10/2021	Special Dist Manageme	11-2021	Accounting	1-614-00	217.00	217.00
12/10/2021	Special Dist Manageme	11-2021	Accounting	1-614-00	217.00-	217.00-
12/10/2021	Special Dist Manageme	11-2021	Accounting	3-614-00	217.00	217.00
12/10/2021	Special Dist Manageme	11-2021	Accounting	3-614-00	217.00-	217.00-
12/10/2021	Special Dist Manageme	11-2021	Management	1-612-00	392.00	392.00
12/10/2021	Special Dist Manageme	11-2021	Management	1-612-00	392.00-	392.00-
12/10/2021	Special Dist Manageme	11-2021	Management	3-612-00	98.00	98.00
12/10/2021	Special Dist Manageme	11-2021	Management	3-612-00	98.00-	98.00-
Total 1337:						.00
1338						
12/14/2021	McGeady Becher P.C.	1086M 10-2021	Legal	1-675-00	63.90	63.90
12/14/2021	McGeady Becher P.C.	1086M 10-2021	Legal	3-675-00	26.10	26.10
Total 1338:						90.00
1339						
12/14/2021	Special Dist Manageme	11-2021	Miscellaneous E	1-685-00	21.22	21.22
12/14/2021	Special Dist Manageme	11-2021	Accounting	1-614-00	217.00	217.00
12/14/2021	Special Dist Manageme	11-2021	Accounting	3-614-00	217.00	217.00
12/14/2021	Special Dist Manageme	11-2021	Management	1-612-00	392.00	392.00
12/14/2021	Special Dist Manageme	11-2021	Management	3-612-00	98.00	98.00
Total 1339:						945.22
Grand Totals:						1,035.22

Dolores Canyon Metropolitan District No. 1
December-21

	General	Debt	Capital	Totals
Disbursements	\$ 694.12	\$ -	\$ 341.10	\$ 1,035.22
			\$ -	
Total Disbursements from Checking Acct	\$ 694.12	\$ -	\$ 341.10	\$ 1,035.22

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1340						
01/18/2022	McGeady Becher P.C.	1086M 11/2021	Legal	1-675-00	619.83	619.83
01/18/2022	McGeady Becher P.C.	1086M 11/2021	Legal	3-675-00	253.17	253.17
Total 1340:						873.00
1341						
01/18/2022	Special Dist Manageme	12/2021	Miscellaneous E	1-685-00	1.40	1.40
01/18/2022	Special Dist Manageme	12/2021	Accounting	1-614-00	280.00	280.00
01/18/2022	Special Dist Manageme	12/2021	Accounting	3-614-00	280.00	280.00
01/18/2022	Special Dist Manageme	12/2021	Management	1-612-00	425.60	425.60
01/18/2022	Special Dist Manageme	12/2021	Management	3-612-00	106.40	106.40
Total 1341:						1,093.40
Grand Totals:						1,966.40

Dolores Canyon Metropolitan District No. 1
January-22

	General	Debt	Capital	Totals
Disbursements	\$ 1,326.83	\$ -	\$ 639.57	\$ 1,966.40
				\$ -
Total Disbursements from Checking Acct	\$ 1,326.83	\$ -	\$ 639.57	\$ 1,966.40

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1342						
02/08/2022	Column Software, PBC	008DF1F4-003	Miscellaneous E	1-685-00	121.28	121.28
Total 1342:						121.28
1343						
02/08/2022	McGeady Becher P.C.	1086M 12-2021	Legal	3-675-00	277.19	277.19
02/08/2022	McGeady Becher P.C.	1086M 12-2021	Legal	1-675-00	678.67	678.67
Total 1343:						955.86
1344						
02/08/2022	Special Dist Manageme	D1 1-2022	Miscellaneous E	1-685-00	66.48	66.48
02/08/2022	Special Dist Manageme	D1 1-2022	Accounting	1-614-00	266.40	266.40
02/08/2022	Special Dist Manageme	D1 1-2022	Accounting	3-614-00	266.40	266.40
02/08/2022	Special Dist Manageme	D1 1-2022	Management	1-612-00	201.28	201.28
02/08/2022	Special Dist Manageme	D1 1-2022	Management	3-612-00	50.32	50.32
Total 1344:						850.88
Grand Totals:						1,928.02

Dolores Canyon Metropolitan District No. 1
February-22

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 1,334.11	\$ -	\$ 593.91	\$ 1,928.02
				\$ -
Total Disbursements from Checking Acct	\$ 1,334.11	\$ -	\$ 593.91	\$ 1,928.02

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1345						
03/08/2022	McGeady Becher P.C.	1086M 1-2022	Legal	1-675-00	150.16	150.16
03/08/2022	McGeady Becher P.C.	1086M 1-2022	Legal	3-675-00	61.34	61.34
Total 1345:						211.50
1346						
03/08/2022	Special Dist Manageme	02-2022	Miscellaneous E	1-685-00	26.18	26.18
03/08/2022	Special Dist Manageme	02-2022	Accounting	1-614-00	236.80	236.80
03/08/2022	Special Dist Manageme	02-2022	Accounting	3-614-00	236.80	236.80
03/08/2022	Special Dist Manageme	02-2022	Management	1-612-00	248.64	248.64
03/08/2022	Special Dist Manageme	02-2022	Management	3-612-00	62.16	62.16
Total 1346:						810.58
1347						
03/08/2022	Special District Associati	DUES 2022	Insurance and B	1-670-00	266.40	266.40
Total 1347:						266.40
Grand Totals:						1,288.48

Dolores Canyon Metropolitan District No. 1
March-22

	General		Debt		Capital		Totals
Disbursements	\$	928.18	\$	-	\$	360.30	\$ 1,288.48
							\$ -
Total Disbursements from Checking Acct	\$	928.18	\$	-	\$	360.30	\$ 1,288.48

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1348						
04/08/2022	Column Software, PBC	93E697FF-0001	Miscellaneous E	1-685-00	94.33	94.33
Total 1348:						94.33
1349						
04/08/2022	McGeady Becher P.C.	1086M 2-2022	Legal	1-675-00	561.25	561.25
04/08/2022	McGeady Becher P.C.	1086M 2-2022	Legal	3-675-00	229.25	229.25
Total 1349:						790.50
1350						
04/08/2022	Special Dist Manageme	03-2022	Miscellaneous E	1-685-00	24.96	24.96
04/08/2022	Special Dist Manageme	03-2022	Accounting	1-614-00	236.80	236.80
04/08/2022	Special Dist Manageme	03-2022	Accounting	3-614-00	236.80	236.80
04/08/2022	Special Dist Manageme	03-2022	Management	1-612-00	547.12	547.12
04/08/2022	Special Dist Manageme	03-2022	Management	3-612-00	136.78	136.78
Total 1350:						1,182.46
Grand Totals:						2,067.29

Dolores Canyon Metropolitan District No. 1
April-22

	General		Debt		Capital		Totals
Disbursements	\$	1,464.46	\$	-	\$	602.83	\$ 2,067.29
							\$ -
Total Disbursements from Checking Acct	\$	1,464.46	\$	-	\$	602.83	\$ 2,067.29

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1351						
05/09/2022	McGeady Becher P.C.	1086M 3-2022	Legal	1-675-00	856.55	856.55
Total 1351:						856.55
1352						
05/09/2022	Special Dist Manageme	4-2022	Miscellaneous E	1-685-00	25.16	25.16
05/09/2022	Special Dist Manageme	4-2022	Accounting	1-614-00	873.20	873.20
05/09/2022	Special Dist Manageme	4-2022	Management	1-612-00	133.20	133.20
Total 1352:						1,031.56
Grand Totals:						1,888.11

Dolores Canyon Metropolitan District No. 1
May-22

	General	Debt	Capital	Totals
Disbursements	\$ 1,888.11	\$ -		\$ 1,888.11
				\$ -
Total Disbursements from Checking Acct	\$ 1,888.11	\$ -	\$ -	\$ 1,888.11

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
Schedule of Cash Position
March 31, 2022

	<u>Rate</u>	<u>Operating</u>	<u>Capital Projects</u>	<u>Total</u>
Checking:				
Cash in Checking-First Bank		\$ 503,870.53	\$ 19,921.15	\$ 523,791.68
Investments:				
Investment in ColoTrust	0.2522%	333,189.54	-	333,189.54
TOTAL FUNDS:		<u>\$ 837,060.07</u>	<u>\$ 19,921.15</u>	<u>\$ 856,981.22</u>

2022 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
March 31, 2022

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
COMBINED BALANCE SHEET
March 31, 2022

	<u>GENERAL</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
Assets			
Cash in Checking-First Bank	\$ 503,871	\$ 19,921	\$ 523,792
Investment in ColoTrust	333,190	-	333,190
Total Current Assets	<u>837,060</u>	<u>19,921</u>	<u>856,981</u>
Total Assets	<u><u>\$ 837,060</u></u>	<u><u>\$ 19,921</u></u>	<u><u>\$ 856,981</u></u>
Fund Balance			
Fund Balance	\$ 421,093	\$ 19,921	\$ 441,014
Current Year Earnings	415,967	-	415,967
Total Fund Balances	<u>837,060</u>	<u>19,921</u>	<u>856,981</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u><u>\$ 837,060</u></u>	<u><u>\$ 19,921</u></u>	<u><u>\$ 856,981</u></u>

DOLORES CANYON METROPOLITAN DISTRICT NO. 1
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 3 Months Ending
March 31, 2022
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	\$ 420,619	\$ 420,619	\$ 130,000	\$ 290,619	323.6%
Interest Income	117	117	200	(83)	58.6%
Total Revenues	<u>420,736</u>	<u>420,736</u>	<u>130,200</u>	<u>290,536</u>	<u>323.1%</u>
Expenditures					
Management	562	562	3,200	2,638	17.6%
Accounting	1,006	1,006	4,700	3,694	21.4%
Audit	-	-	100	100	0.0%
Election Expense	-	-	600	600	0.0%
Insurance and Bonds/SDA	2,744	2,744	3,500	756	78.4%
Legal	212	212	5,000	4,789	4.2%
Miscellaneous Expenses	244	244	500	256	48.8%
Contingency	-	-	10,000	10,000	0.0%
Total Expenditures	<u>4,769</u>	<u>4,769</u>	<u>27,600</u>	<u>22,831</u>	<u>17.3%</u>
Excess (Deficiency) of Revenues Over Expenditures	415,967	415,967	102,600	313,367	
Transfers and Other Financing Sources (Uses)					
Emergency Reserves	-	-	(3,906)	3,906	
Total Transfers and Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>(3,906)</u>	<u>3,906</u>	
Change in Fund Balance	415,967	415,967	98,694	317,273	
Beginning Fund Balance	421,093	421,093	431,483	(10,390)	
Ending Fund Balance	<u>\$ 837,060</u>	<u>\$ 837,060</u>	<u>\$ 530,177</u>	<u>\$ 306,883</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 electronically?
 - ☐ If yes, have you read and understand the new Electronic Signature Policy? See 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

QUESTIONS?

Email: osa.lg@state.co.us or Phone: 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 Blvd., Suite 150
Lakewood, CO 80228-1898
James H. Ruthven
303-987-0835
jruthven@sdmsi.com

For the Year Ended
12/31/2021
or fiscal year ended:

CONTACT PERSON
PHONE
EMAIL
FAX

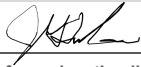
CERTIFICATION OF PREPARER

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 Blvd., Suite 150, Lakewood, CO 80228-1898
303-987-0835
3/7/2022
accountant

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

☐☒

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*	Fund*		
Assets				Assets				
1-1	Cash & Cash Equivalents	\$ 87,548	\$ 20,838	Cash & Cash Equivalents	\$ -	\$ -		
1-2	Investments	\$ 333,072	\$ -	Investments	\$ -	\$ -		
1-3	Receivables	\$ -	\$ -	Receivables	\$ -	\$ -		
1-4	Due from Other Entities or Funds	\$ -	\$ -	Due from Other Entities or Funds	\$ -	\$ -		
1-5	Property Tax Receivable	\$ -	\$ -	Other Current Assets [specify...]	\$ -	\$ -		
	All Other Assets [specify...]				\$ -	\$ -		
1-6	Prepays	\$ 2,479	\$ -	Total Current Assets	\$ -	\$ -		
		\$ -	\$ -	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	\$ 423,099	\$ 20,838	(add lines 1-1 through 1-10) TOTAL ASSETS	\$ -	\$ -		
Deferred Outflows of Resources				Deferred Outflows of Resources				
1-12	[specify...]	\$ -	\$ -	[specify...]	\$ -	\$ -		
1-13	[specify...]	\$ -	\$ -	[specify...]	\$ -	\$ -		
1-14	(add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS	\$ -	\$ -	(add lines 1-12 through 1-13) TOTAL DEFERRED OUTFLOWS	\$ -	\$ -		
1-15	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 423,099	\$ 20,838	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ -	\$ -		
Liabilities				Liabilities				
1-16	Accounts Payable	\$ 2,006	\$ 917	Accounts Payable	\$ -	\$ -		
1-17	Accrued Payroll and Related Liabilities	\$ -	\$ -	Accrued Payroll and Related Liabilities	\$ -	\$ -		
1-18	Unearned Property Tax Revenue	\$ -	\$ -	Accrued Interest Payable	\$ -	\$ -		
1-19	Due to Other Entities or Funds	\$ -	\$ -	Due to Other Entities or Funds	\$ -	\$ -		
1-20	All Other Current Liabilities	\$ -	\$ -	All Other Current Liabilities	\$ -	\$ -		
1-21	(add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES	\$ 2,006	\$ 917	(add lines 1-16 through 1-20) TOTAL CURRENT LIABILITIES	\$ -	\$ -		
1-22	All Other Liabilities [specify...]	\$ -	\$ -	Proprietary Debt Outstanding (from Part 4-4)	\$ -	\$ -		
1-23		\$ -	\$ -	Other Liabilities [specify...]:	\$ -	\$ -		
1-24		\$ -	\$ -		\$ -	\$ -		
1-25		\$ -	\$ -		\$ -	\$ -		
1-26		\$ -	\$ -		\$ -	\$ -		
1-27	(add lines 1-21 through 1-26) TOTAL LIABILITIES	\$ 2,006	\$ 917	(add lines 1-21 through 1-26) TOTAL LIABILITIES	\$ -	\$ -		
Deferred Inflows of Resources				Deferred Inflows of Resources				
1-28	Deferred Property Taxes	\$ -	\$ -	Pension Related	\$ -	\$ -		
1-29	Other [specify...]	\$ -	\$ -	Other [specify...]	\$ -	\$ -		
1-30	(add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS	\$ -	\$ -	(add lines 1-28 through 1-29) TOTAL DEFERRED INFLOWS	\$ -	\$ -		
Fund Balance				Net Position				
1-31	Nonspendable Prepaid	\$ -	\$ -	Net Investment in Capital Assets	\$ -	\$ -		
1-32	Nonspendable Inventory	\$ -	\$ -					
1-33	Restricted [specify...]	\$ -	\$ -	Emergency Reserves	\$ -	\$ -		
1-34	Committed [specify...]	\$ -	\$ -	Other Designations/Reserves	\$ -	\$ -		
1-35	Assigned [specify...]	\$ -	\$ -	Restricted	\$ -	\$ -		
1-36	Unassigned:	\$ 421,093	\$ 19,921	Undesignated/Unreserved/Unrestricted	\$ -	\$ -		
1-37	Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL FUND BALANCE	\$ 421,093	\$ 19,921	Add lines 1-31 through 1-36 This total should be the same as line 3-33 TOTAL NET POSITION	\$ -	\$ -		
1-38	Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 423,099	\$ 20,838	Add lines 1-27, 1-30 and 1-37 This total should be the same as line 1-15 TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ -	\$ -		

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

		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*		Fund*
Tax Revenue				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	\$ 109,975	\$ -	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	\$ 109,975	\$ -	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	\$ 210	\$ -	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	\$ 110,185	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	\$ -	
Other Financing Sources				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	\$ -	\$ -	GRAND TOTALS
2-29	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 110,185	\$ -	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ -	\$ -	

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	\$ 12,763	\$ 18,766	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	\$ -	\$ 600,000	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 (should match amount in 4-4)	\$ -	\$ -	Principal (should match amount in 4-4)	\$ -	\$ -	
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	\$ 12,763	\$ 618,766	Add lines 3-1 through 3-21	\$ -	\$ -	
	TOTAL EXPENDITURES			TOTAL EXPENSES			
3-23	Interfund Transfers (In)	\$ -	\$ (643,042)	Net Interfund Transfers (In) Out	\$ -	\$ -	
3-24	Interfund Transfers Out	\$ 643,042	\$ -	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)			(Line 3-27, plus line 3-28, less line 3-26, less line 3-25, plus line 3-24) TOTAL GAAP RECONCILING ITEMS	\$ -	\$ -	
	TOTAL TRANSFERS AND OTHER EXPENDITURES	\$ 643,042	\$ (643,042)				
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures Line 2-29, less line 3-22, less line 3-29	\$ (545,620)	\$ 24,276	Net Increase (Decrease) in Net Position Line 2-29, less line 3-22, plus line 3-29, less line 3-23	\$ -	\$ -	
3-31	Fund Balance, January 1 from December 31 prior year report	\$ 966,713	\$ (4,355)	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 Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37.	\$ 421,093	\$ 19,921	Net Position, December 31 Sum of Lines 3-30, 3-31, and 3-32 This total should be the same as line 1-37.	\$ -	\$ -	

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?

☐
☒

4-2 Is the debt repayment schedule attached? If no, MUST explain:

☐
☐

4-3 Is the entity current in its debt service payments? If no, MUST explain:

☐
☐

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

	Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Leases	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ -	\$ -	\$ -	\$ -
Other (specify):	\$ -	\$ -	\$ -	\$ -
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 [Section 29-1-605(2) C.R.S.]?

☒
☐

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?

☐
☒

If yes:

How much?

\$ -

4-7 Does the entity have debt that has been refinanced that it is still responsible for?

☐
☒

If yes:

What is the amount outstanding?

\$ -

4-8 Does the entity have any lease agreements?

☐
☒

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

\$ 108,386

5-2 Certificates of deposit

\$ -

TOTAL CASH DEPOSITS

\$ 108,386

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

5-3	Colotrust	\$ 333,072	
		\$ -	
		\$ -	
		\$ -	
	TOTAL INVESTMENTS		\$ 333,072
	TOTAL CASH AND INVESTMENTS		\$ 441,458

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.?

☒
☐
☐

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:

☒
☐
☐

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?		<input type="checkbox"/>	<input checked="" type="checkbox"/>			
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:		<input type="checkbox"/>	<input type="checkbox"/>			
6-3	Complete the following Capital Assets table for GOVERNMENTAL FUNDS:						
		Balance - beginning of the year ¹	Additions ²	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-end balance
- Generally capital asset additions should be reported at capital outlay on line 3-14 and capitalized in accordance with the government's capitalization policy. Please explain any discrepancy

PART 7 - PENSION INFORMATION

*					YES	NO	Please use this space to provide any explanations or comments:
7-1	Does the entity have an "old hire" firefighters' pension plan?		<input type="checkbox"/>	<input checked="" type="checkbox"/>			
7-2	Does the entity have a volunteer firefighters' pension plan?		<input type="checkbox"/>	<input checked="" type="checkbox"/>			
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				YES	NO	N/A	Please use this space to provide any explanations or comments:										
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:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>													
8-2	Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>													
If yes: Please indicate the amount appropriated for each fund separately for the year reported																	
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 60%;">Governmental/Proprietary Fund Name</th> <th style="width: 40%;">Total Appropriations By Fund</th> </tr> </thead> <tbody> <tr> <td>General</td> <td style="text-align: right;">\$ 655,804</td> </tr> <tr> <td>Capital Projects</td> <td style="text-align: right;">\$ 621,500</td> </tr> <tr> <td></td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td></td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table>						Governmental/Proprietary Fund Name	Total Appropriations By Fund	General	\$ 655,804	Capital Projects	\$ 621,500		\$ -		\$ -
Governmental/Proprietary Fund Name	Total Appropriations By Fund																
General	\$ 655,804																
Capital Projects	\$ 621,500																
	\$ -																
	\$ -																

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

Please answer the following question by marking in the appropriate box				YES	NO	Please use this space to provide any explanations or comments:
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
<small>Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.</small>						

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box				YES	NO	Please use this space to provide any explanations or comments:						
10-1	Is this application for a newly formed governmental entity?	<input type="checkbox"/>	<input checked="" type="checkbox"/>									
If yes: Date of formation: <div style="border: 1px solid black; width: 150px; height: 30px; display: inline-block;"></div>												
10-2	Has the entity changed its name in the past or current year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>									
If Yes: NEW name <div style="border: 1px solid black; width: 400px; height: 20px; display: inline-block;"></div>												
PRIOR name <div style="border: 1px solid black; width: 400px; height: 20px; display: inline-block;"></div>												
10-3	Is the entity a metropolitan district?	<input checked="" type="checkbox"/>	<input type="checkbox"/>									
10-4	Please indicate what services the entity provides:	<input checked="" type="checkbox"/>	<input type="checkbox"/>									
<div style="border: 1px solid black; padding: 2px;">design, acquisition, construction, installation, relocation, redevelopment and financing of certain public infrastructure improveme</div>												
10-5	Does the entity have an agreement with another government to provide services?	<input checked="" type="checkbox"/>	<input type="checkbox"/>									
If yes: List the name of the other governmental entity and the services provided: <div style="border: 1px solid black; padding: 2px;">Mesa County Gateway Public Improvement District (MCGPID)</div>												
10-6	Does the entity have a certified mill levy?	<input type="checkbox"/>	<input checked="" type="checkbox"/>									
If yes: Please provide the number of <u>mills</u> levied for the year reported (do not enter \$ amounts):												
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Bond Redemption mills</td> <td style="width: 40%; text-align: right;">0.000</td> </tr> <tr> <td>General/Other mills</td> <td style="text-align: right;">0.000</td> </tr> <tr> <td>Total mills</td> <td style="text-align: right;">0.000</td> </tr> </table>							Bond Redemption mills	0.000	General/Other mills	0.000	Total mills	0.000
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	\$	441,458	Unrestricted Fund Balan \$	421,093	Total Tax Revenue \$	109,975
Current Liabilities	\$	2,923	Total Fund Balance \$	421,093	Revenue Paying Debt Service \$	-
Deferred Inflow	\$	-	PY Fund Balance \$	966,713	Total Revenue \$	110,185
			Total Revenue \$	110,185	Total Debt Service Principal \$	-
			Total Expenditures \$	12,763	Total Debt Service Interest \$	-
			Interfund In \$	-		
Governmental			Interfund Out \$	643,042	Enterprise Funds	
Total Cash & Investments	\$	441,458	- Proprietary		Net Position	\$ -
Transfers In	\$		- Current Assets		- PY Net Position	\$ -
Transfers Out	\$		- Deferred Outflow		- Government-Wide	
Property Tax	\$		- Current Liabilities		- Total Outstanding Debt	\$ -
Debt Service Principal	\$		Deferred Inflow		- Authorized but Unissued	\$ 1,200,000,000
Total Expenditures	\$	631,529	- Cash & Investments		- Year Authorized	11/2/2010
Total Developer Advances	\$		- Principal Expense			
Total Developer Repayments	\$					

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

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

YES ☒

NO ☐

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	
1	John A. Sisson	I, John A. Sisson, 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: <u>03 / 29 / 2022</u> My term Expires: May 2022
2		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		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		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		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		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		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
---	-------------------------	-----------

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

TITLE	Application for Exemption from Audit for 2021
FILE NAME	Application for E...udit for 2021.pdf
DOCUMENT ID	31e0227149c0322412169e64fbfa0fa7a2561770
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



SENT

03 / 29 / 2022

17:07:48 UTC

Sent for signature to John Sisson
(alan.sisson@gcairtours.com) and Jim Ruthven
(jruthven@sdmsi.com) from ksteggs@sdmsi.com
IP: 50.78.200.153



VIEWED

03 / 29 / 2022

17:11:53 UTC

Viewed by John Sisson (alan.sisson@gcairtours.com)
IP: 209.203.138.135



SIGNED

03 / 29 / 2022

17:12:50 UTC

Signed by John Sisson (alan.sisson@gcairtours.com)
IP: 209.203.138.135



VIEWED

03 / 29 / 2022

17:34:28 UTC

Viewed by Jim Ruthven (jruthven@sdmsi.com)
IP: 50.78.200.153



SIGNED

03 / 29 / 2022

17:34:56 UTC

Signed by Jim Ruthven (jruthven@sdmsi.com)
IP: 50.78.200.153



COMPLETED

03 / 29 / 2022

17:34:56 UTC

The document has been completed.

RESOLUTION NO. 2022-06-01
RESOLUTION TO AMEND 2022 BUDGET
DOLORES CANYON METROPOLITAN DISTRICT NO. 1

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

General Fund	\$	31,506
Capital Projects Fund	\$	-0-

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

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

WHEREAS, funds are available for such expenditures in the General Fund from Priority Services PIF.

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

General Fund	\$	81,506
--------------	----	--------

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 17th day of June, 2022.

DOLORES CANYON METROPOLITAN
DISTRICT NO. 1

By: _____
Secretary

EXHIBIT A

DOLORES CANYON METROPOLITAN DISTRICT NO. 1

GENERAL FUND
2022 Adopted Budget

	2022 Original Budget	2022 Final Budget
BEGINNING FUND BALANCE	\$ 431,483	\$ 431,483
REVENUE		
Sales & Lodging PIF	130,000	80,000
Priority Services PIF	-	50,000
Interest Income	200	200
Total Revenue	130,200	130,200
Total Funds Available	561,683	561,683
EXPENDITURES		
Management	3,200	3,200
Accounting	4,700	4,700
Audit	100	100
Election Expense	600	600
Insurance and Bonds/SDA	3,500	3,500
Legal	5,000	5,000
GUFPD Pledge	-	50,000
Miscellaneous Expenses	500	500
Contingency	10,000	10,000
Total Expenditures	27,600	77,600
TRANSFERS AND OTHER USES		
Emergency Reserves	3,906	3,906
Total Transfers and Other Uses	3,906	3,906
Total Expenditures Requiring Appropriation	31,506	81,506
ENDING FUND BALANCE	\$ 530,177	\$ 480,177

INTERGOVERNMENTAL PIF REVENUE-SHARING AGREEMENT

This INTERGOVERNMENTAL PIF REVENUE-SHARING AGREEMENT (the “Agreement”) is made and entered into as of this _____ day of February, 2022 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 GATEWAY-UNAWEEP FIRE PROTECTION DISTRICT, also known as Gateway UnawEEP Fire District, a political subdivision of the State of Colorado (“GUFDP”) (collectively, the “Parties,” and each individually a “Party”).

RECITALS

WHEREAS, the District was organized for the purpose of providing for the design, acquisition, installation, construction, financing, operation and maintenance of certain public improvements; and

WHEREAS, GUFDP was organized for the purpose of providing fire protection and emergency medical services to the land and property within the boundaries of GUFDP service area (the “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, including Gateway Canyons Resort, located near the town of Gateway in the County of Mesa, which properties are included in the service area of the Metropolitan Districts and in the boundaries of the GUFDP service area (the “Property”); and

WHEREAS, Western Sky and Hendricks Real Estate established and imposed upon the Property that certain Declaration of Covenants Imposing and Implementing the Dolores Canyon Public Improvements Fee (the “PIF Covenant”) recorded on January 17, 2012, in the real property records of the County in Book 5248 at Page 749 at Reception No. 2597449; and

WHEREAS, the PIF Covenant imposes public improvement fees (the “PIFs”), which are imposed on certain lodging and retail sales transactions occurring within the Property (the “PIF Revenue”); and

WHEREAS, pursuant to the Inclusion/Exclusion Agreement Western Sky and Hendricks Real Estate have included the Property within the boundaries of the GUFDP; and

WHEREAS, pursuant to the PIF Covenant, the District is the “Designated Receiving Entity” of the PIF Revenues; and

WHEREAS, pursuant to the PIF Covenant, the District, as the Designated Receiving Entity, retains the ability to make adjustments to the PIFs when necessary; and

WHEREAS, pursuant to the PIF Covenant, the District, as the Designated Receiving Entity, determined that an increase in the PIFs was necessary to establish a fund to help finance certain urban services including fire protection and emergency medical services; and

WHEREAS, GUFPPD provides such fire protection and emergency medical support services to the Property; and

WHEREAS, GUFPPD, in order to provide the fire protection and emergency medical services, has access to only one revenue sources and that is a tax assessed against properties located within the boundaries of the GUFPP, and

WHEREAS, due to the geographic size of the GUFPPD service area and the complexity of providing fire protection and emergency medical services to its service area, including the Property, GUFPPD has requested, and the District has agreed, to provide up to Fifty Thousand Dollars (\$50,000.00) each year to GUFPPD to be used by the GUFPPD to supplement its operational budget, with such funding coming from the PIF collected from the Property, and

WHEREAS, the District and GUFPPD 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 Priority Services PIF. The District hereby pledges to GUFPPD pursuant to the terms of this Agreement, Fifty Thousand Dollars (\$50,000.00) annually from the revenues received, net of the costs incurred in the collection of same, from the imposition of the PIF.

2. Collection and Remittance of Pledged PIF Revenue. The District shall make all reasonable efforts to collect the PIF. Within thirty (30) days of execution of this Agreement, the District will remit to GUFPPD Fifty Thousand Dollars (\$50,000) and, in addition, beginning in 2023 and ending in 2027, the District shall remit annually, no later than February 1 of each calendar year, Fifty Thousand Dollars (\$50,000.00) to GURPD (the "Annual Remittance"). Payment of the Annual Remittance shall be subject to annual appropriation by the District and shall be contingent upon the availability of sufficient PIF funds collected during the prior year for payment of the Annual Remittance, as reasonable determined by the District in its sole and absolute discretion. In making its determination if the District has sufficient PIF funds collected and available, the District may take into account all other financial needs of the Dfiistrict in making each annual decision about whether to fund the GUFPPD, including the need to establish and fund operating reserves.

3. GUFPPD Services. The obligation of GUFPPD to provide fire protection and emergency medical services to the Property is not contingent on the payment of the Annual Remittance by the District and such obligation is not subject to termination. GUFPPD will continually provide such services notwithstanding an event when the District determines not to

provide one or more Annual Remittances as described in this Agreement. GUFPD covenants as follows:

(a) GUFPD shall use all reasonable efforts to construct, organize, install, acquire, operate and maintain the public improvements and staff the personnel necessary to support the provision of fire protection and emergency medical services for the benefit of the property owners, inhabitants and visitors within the GUFPD service area, including but not limited to, the Property.

(b) GUFPD shall promptly distribute to the District copies of its annual budget and audit when available to the GUFPD and shall make available to the District, during normal business hours, the books and records related to the revenues and expenditures related to the fire protection and emergency medical services to the service area, including but not limited to, the Property.

4. Evaluation of Services. The Parties agree to review the actual fire protection and emergency medical services provided by GUFPD and the cost to provide such services within forty-five (45) days of a request of the District.

5. Term. The term of this Agreement shall be for a period of five years beginning on the date of execution of this Agreement and terminating on March 1, 2027.

6. Termination Opportunity. Either party may terminate this Agreement prior to March 1, 2027 by giving the other party written notice of termination. Upon such termination, the District shall no longer be obligated to remit the Annual Remittance as described in this Agreement.

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

8. 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 GUFPD: Gateway-Unaweeep Fire Protection District
42700 Highway 41
Gateway, CO 81522
Phone: 970-931-2228

With copies to:

To the District: Dolores Canyon Metropolitan District No. 1
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: legalnotices@specialdistrictlaw.com.

9. Entire Agreement. This Agreement constitutes the entire Agreement between the Parties hereto with respect to the Annual Remittance by the District and sets forth the rights, duties, and obligations of each to the other with respect to the Annual Remittance as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement shall have no force and effect.

10. 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.

11. 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.

12. 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. Specific performance, for the purposes of this Agreement, shall mean the District's consideration of the annual appropriation of the Annual Remittance, and if appropriated, the remittance of the appropriated Annual Remittance to GUFPD and GUFPD's use of said revenue to provide the fire protection and emergency medical services to the Property.

13. 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.

14. 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.

15. 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.

DOLORES CANYON METROPOLITAN
DISTRICT NO. 1

By: _____

Attest:

Secretary

GATEWAY UNAWEET FIRE PROTECTION
DISTRICT

By: _____

Attest:

Secretary