



ICENOGLE SEAVER POGUE

June 21, 2023

Christina Hart, Town Clerk
Town of Bennett
207 Muegge Way
Bennett, CO 80102
Via E-mail: chart@bennett.co.us

State of Colorado
Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203
(Via E-Portal)

Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203
(Via E-Portal)

Adams County Clerk & Recorder
4430 S. Adams County Pkwy., Ste.
E2400
Brighton, Colorado 80601
Via E-Mail: clerk@adcogov.org

RE: Filing of Annual Report – Section 27 Metropolitan District

Dear Sir or Madam:

Enclosed for your information and records is a copy of the 2022 Annual Report for the Section 27 Metropolitan District.

Should you have any questions regarding the enclosed, please do not hesitate to contact our office. Thank you.

Sincerely,

ICENOGLE SEAVER POGUE
A Professional Corporation

Kayla Enriquez

/s/Kayla M. Enriquez

/KME
Enclosures

cc: Jennifer L. Ivey
cc: Alicia J. Corley

Kayla M. Enriquez | KEnriquez@isp-law.com | Direct 303.867.3202

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SECTION 27 METROPOLITAN DISTRICT 2022 ANNUAL REPORT

The Section 27 Metropolitan District (the “District”) hereby submits this 2022 Annual Report, as required pursuant to Section VIII of the Service Plan for the District, approved by the Town of Bennett, Colorado (the “Town”) on August 28, 2018. In addition, pursuant to Section 32-1-207(3)(c), C.R.S., the District is required to submit an annual report for the preceding calendar year commencing in 2023 for the 2022 calendar year to the Town, the Division of Local Government, the state auditor, and the Adams County Clerk and Recorder. The District hereby submits this annual report to satisfy the above requirements for the year 2022:

1. Boundary changes made or proposed to the District’s boundary as of December 31, 2022.

No changes to the District’s boundary were made or proposed during 2022.

2. Copies of the District’s rules and regulations, if any, as of December 31, 2022.

As previously reported, after a period of inactive status starting January 1, 2020, the District returned to active status by resolution on May 11, 2021. The District also adopted Rules Related to Requests for Inspection of Public Records Pursuant to the Colorado Open Records Act, Sections 24-72-200.1 *et seq.*, C.R.S. on November 30, 2021. The District has not adopted any further rules or regulations as of December 31, 2022.

3. A summary of any litigation which involves the Public Improvements as of December 31, 2022.

General Counsel is not aware of any litigation concerning the Public Improvements as of December 31, 2022.

4. Status of the District’s construction of the Public Improvements as of December 31, 2022.

As of December 31, 2022, Lennar had completed construction of the storm sewer outfall.

5. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the Town as of December 31, 2022.

No facilities or improvements constructed by the District have been dedicated to or accepted by the Town as of December 31, 2022.

6. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

As of the date of filing this 2022 Annual Report, the District has not received notice of any uncured events of default, which are continuing beyond a ninety (90) day period, under any Debt instrument.

7. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

As of the date of filing this 2022 Annual Report, General Counsel to the District is not aware of any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

8. Any alteration or revision of the proposed schedule of Debt issuance set forth in the Financial Plan.

Section VII.A. of the Service Plan provides that the “District may issue such Debt on a schedule and in such year or years as the District determines shall meet the needs of the Financial Plan.” The District issued Limited Tax General Obligation Bonds, Series 2021(3), in the principal amount of \$4,160,000 in 2021 and Subordinate General Obligation Limited Tax Bonds, Series 2023B(3), in the principal amount of \$840,000, in 2023.

For the year ending December 31, 2022, the District makes the following report pursuant to Section 32-1-207(3)(c), C.R.S.:

(a) Boundary changes made.

The District had no boundary changes in 2022.

(b) Intergovernmental agreements entered into or terminated with other governmental entities.

Pursuant to Section XI. of the Service Plan and Section 16-20-60 of the Town Code, the District entered into an Intergovernmental Agreement with the Town. On December 13, 2018, the District entered into an Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool. Copies of these agreement are attached hereto as **Exhibit A**.

(c) Access information to obtain a copy of rules and regulations adopted by the board.

For information concerning rules and regulations adopted by the District please contact the District’s General Counsel:

Jennifer L. Ivey, Esq.
Icenogle Seaver Pogue, P.C.
4725 S. Monaco St., Suite 360
Denver, CO 80237

(d) A summary of litigation involving public improvements owned by the special district.

In 2022, the District was not involved in any litigation involving public improvements owned by the District.

(e) The status of the construction of public improvements by the special district.

As of December 31, 2022, Lennar had completed construction of the storm sewer outfall.

(f) A list of facilities or improvements constructed by the special district that were conveyed or dedicated to the county or municipality.

No facilities or improvements constructed by the District have been dedicated to or accepted by the Town as of December 31, 2022.

(g) The final assessed valuation of the special district as of December 31 of the reporting year.

The District's final assessed valuation as of December 31, 2022 was \$1,153,910.

(h) A copy of the current year's budget.

A copy of the District's 2023 Budget is attached hereto as **Exhibit B**.

(i) A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

As of the date of filing this annual report, the 2022 District audit is not yet available. Copies of said audit-related documents for the District will be submitted upon completion.

(j) Notice of any uncured defaults existing for more than ninety days under any debt instrument of the special district.

As of December 31, 2022, the District did not receive any notices of uncured defaults existing for more than ninety (90) days under any debt instrument.

(k) Any inability of the special district to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

As of December 31, 2022, the District has paid all of its financial obligations as they became due in 2022.

EXHIBIT A
INTERGOVERNMENTAL AGREEMENTS

**INTERGOVERNMENTAL AGREEMENT FOR THE
COLORADO SPECIAL DISTRICTS
PROPERTY AND LIABILITY POOL**

As Amended
SEPTEMBER 14, 2011

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**INTERGOVERNMENTAL AGREEMENT FOR THE
COLORADO SPECIAL DISTRICTS PROPERTY AND LIABILITY POOL**

ARTICLE 1. Definitions

As used in this Pool Agreement, the following terms shall have the meaning hereinafter set out:

- 1.1 **BOARD**: Board of Directors of the Pool.
- 1.2 **CLAIM YEAR**: Any twelve consecutive month period established by the Board. The "initial" claim year is the first claim year established for the Pool.
- 1.3 **DIRECTOR**: A person serving on the Board.
- 1.4 **MEMBER**: A Special District which enters into this Pool Agreement. An "initial" member of the Pool is a member which obtains coverage through the Pool during the initial claim year.
- 1.5 **MEMBER REPRESENTATIVE**: That person who has been designated in writing by a Member as its representative to the Pool.
- 1.6 **POOL**: The Colorado Special Districts Property and Liability Pool established pursuant to the Constitution and the statutes of this state by this Pool Agreement.
- 1.7 **POOL AGREEMENT**: This Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool.
- 1.8 **SPECIAL DISTRICT**: A political subdivision of the State of Colorado that is a unit of local government pursuant to Article 13, Title 29, C.R.S., as amended, that is a public entity pursuant to 24-10-103(5), C.R.S., as amended, and that is eligible for membership in the Special District Association of Colorado according to the Association's bylaws as amended and in effect from time to time. "Special District" also includes any separate entity created by intergovernmental agreement authorized by Part 2, Article 1, Title 29, C.R.S., as amended, if at least one of the contracting entities is a special district and if all of the contracting entities are units of a local government pursuant to Article 13, Title 29, C.R.S., as amended, and are public entities pursuant to 24-10-103(5), C.R.S., as amended.
- 1.9 **SDA BOARD**: The Board of Directors of the Special District Association of Colorado.

ARTICLE 2. Creation of Pool

- 2.1 The Colorado Special Districts Property and Liability Pool is hereby formed by this Pool Agreement by Member Special Districts as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and

Constitution and Sections 29-1-201 et. seq., 8-44-101(1)(C) and (3), 8-44-204, 24-10-115.5, and 29-13-102, C.R.S., as amended.

- 2.2 Each Special District entering into this Pool Agreement has the power under Colorado law to make provision for the property and liability coverages, workers' compensation benefits, and risk management, claims handling, and other functions and services which constitute the specific functions and services jointly provided by means of the Pool.

ARTICLE 3. Purposes

- 3.1 The purposes of the Pool are to provide defined property, liability, workers' compensation and associated coverages, and claims and risk management services related thereto, for Member Special Districts through a self-insurance pool.
- 3.2 It is the intent of the Members to use Member contributions to defend and indemnify, in accordance with this Pool Agreement, any Member against stated liability or loss to the extent of the coverage provided by or through the Pool.
- 3.3 All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its Members.

ARTICLE 4. Non-Waiver of Governmental or Other Immunity

- 4.1 All Pool money, plus earned interest, is money derived from its Members which consist solely of Special Districts within the State of Colorado. It is the intent of the Members that, by entering into this Pool Agreement, they do not waive and are not waiving any immunity provided by any law to the Members or their public employees, as defined in 24-10-103(4), C.R.S., as amended.

ARTICLE 5. Participation

- 5.1 The Board shall have the authority to limit the Members of the Pool to those Colorado Special Districts which are members of the Special District Association of Colorado and which properly enter into and adopt this Pool Agreement.
- 5.2 New Members, including special districts which have previously withdrawn or been expelled from the Pool, shall be admitted only upon approval by the Board, subject to the payment of such sums and under such conditions as the Board in each case or from time-to-time establishes.

- 5.3 A Member may participate in the Pool for either or both of the following purposes:
1. The property and liability coverages authorized by sections 24-10-115.5 and 29-13-102, C.R.S., as amended, and risk management, claims handling and other functions and services related to such coverages;
 2. The workers' compensation coverages authorized by sections 8-44-101(1)(C) and (3) and 8-44-204, C.R.S., as amended, and risk management, claims handling, and other functions and services related to such coverages.
- 5.4 A Member who is participating in the Pool for one of the purposes set forth in Paragraph 5.3 of this Article may be authorized to participate in the Pool for the other of those purposes upon further compliance, as necessary, with Paragraph 5.1 of this Article and approval of the Board, subject to the payment of such sums and under such conditions as the Board in each case or from time-to-time establishes.

ARTICLE 6. Board of Directors and Officers

- 6.1 The Pool Board of Directors shall be composed of nine persons to be appointed by the SDA Board. Directors shall be appointed from among the Member Representatives, each from a different Member. At least one (1) Pool Director shall be appointed by the SDA Board from among the SDA directors. Pool Directors who are not SDA directors shall be appointed by the SDA Board from nominations received from Members. In no event may more than three Pool Directors be appointed from any one of the following types of special districts: Ambulance, Fire, Metropolitan, Park and Recreation, Sanitation, Water, Water and Sanitation, Hospital, or Library Districts. Nominations from the Members shall be submitted to the SDA Board at such time as the SDA Board may provide, and any nomination must be approved by the Board of Directors of the Member submitting the nomination.
- 6.2 The Executive Director of the SDA shall serve as an ex-officio, non-voting Director on the Board.
- 6.3 Terms of the Directors shall be two-year, overlapping terms or until their successors have been appointed, except as provided herein. The term of office shall begin on a January 1, and end at midnight on a December 31, except that the Directors appointed to the first Board following the formation of the Pool shall begin their term prior to a January 1 if the SDA Board so directs. Directors may serve successive terms. The SDA Board shall appoint to the first Board following formation of the Pool, three Directors to serve one-year terms and four Directors to serve two year terms, with the successors of each appointed for two-year terms. Of the two additional persons to be appointed to the Board upon expansion of the Board from seven to nine persons, one shall be appointed to serve a one-year term and one shall be appointed to serve a two-year term, with the successors of each appointed for two-year terms; the terms of office of the two additional persons initially appointed may begin prior to a January 1 if the SDA Board so directs.

- 6.4 The officers of the Pool shall be: president, one or more vice presidents, secretary, one or more assistant secretaries, and comptroller. The officers shall be elected annually by and from among the Directors at the first meeting of the Board following each December 31.
- 6.5 A vacancy shall occur on the Board when a Director:
1. Submits a written resignation to the Board.
 2. Dies.
 3. Ceases to be a Member Representative.
 4. Fails to attend three consecutive regular meetings of the Board without the Board having entered upon its minutes an approval for an additional absence or absences, except that such additional absence or absences shall be excused for temporary mental or physical disability or illness.
 5. Is convicted of a felony.
- 6.6 Any vacancy on the Board shall be filled by appointment by the SDA Board for the unexpired portion of the term.

ARTICLE 7. Meetings of the Board of Directors

- 7.1 The Board may set a time and place for regular meetings which may be held without further notice. The Members shall be notified of the time and place set for regular meetings.
- 7.2 Special meetings may be called by the President or by a majority of the Directors by mailing written notice at least ten (10) days in advance to all Directors or by unanimously executed waiver of notice.
- 7.3 Five Directors shall constitute a quorum to do business. All acts of the Board shall require approval of a majority of the Directors present, except as otherwise specifically provided in this Pool Agreement.
- 7.4 One or more or all Directors may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence at the meeting.
- 7.5 Any action of the Board may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all Directors appointed to the Board. Such consent shall have the same effect as a unanimous vote. The consent may be executed in counterparts.

ARTICLE 8. Powers and Duties of the Board of Directors

- 8.1 The business and affairs of the Pool shall be managed by the Board which shall exercise all the authority and powers and discharge all the duties of the Pool, except as is otherwise provided in this Pool Agreement.
- 8.2 In addition to all other powers of the Board set out in this Pool Agreement, the Board shall have the power to:
1. Exercise all powers necessary to carry out the purposes of the Pool.
 2. Retain agents, independent contractors and employees necessary to administer and achieve the purposes of the Pool, including, but not limited to, attorneys, accountants, investigators, experts, consultants, and others.
 3. Purchase, sell, encumber, and lease real property, and purchase, sell, encumber or lease equipment, machinery, and personal property.
 4. Invest money as allowed for the Pool by Colorado statutes or by lawful regulations adopted pursuant to Colorado statutes, as from time-to-time amended.
 5. Purchase excess insurance, stop-loss insurance, and reinsurance as the Board deems prudent.
 6. Adopt and adjust the coverages provided through the Pool.
 7. Adopt and adjust contributions to the Pool.
 8. Enter into contracts including, but not limited to, contracts for risk management, claim adjustment, and brokerage services.
 9. Reimburse Directors for reasonable and approved expenses, including expenses incurred in attending Board meetings, and pay compensation to each Director for his or her services in a sum not to exceed the maximum sum which may by statute be paid as compensation for services of directors on Colorado special district boards of directors.
 10. Purchase fidelity bonds from an insurance company approved by the Insurance Commissioner of the State of Colorado to do business in Colorado.
 11. Establish reasonable and necessary loss reduction, prevention and risk management policies and procedures to be followed by the Members.
 12. Appoint committees from time to time as the Board considers desirable.

13. Provide for claims and loss control procedures, and establish conditions to be met prior to the payment or defense of claims.
 14. Establish rules governing its own conduct and procedure, and the authority of its officers, not inconsistent with this Pool Agreement.
 15. Approve attorneys or firms of attorneys to represent Members in claims covered through the Pool.
 16. Delegate in writing fiduciary responsibilities or ministerial powers and duties to individual Directors or committees of the Board or to such agents, employees, and independent contractors as the Board considers desirable.
- 8.3 In addition to all other duties of the Board set out in this Pool Agreement, the Board shall have the duty to:
1. Have an audit of the financial affairs of the Pool be made annually by a certified public accountant in accordance with applicable laws and regulations, and provide a copy thereof to each Member.
 2. Select a qualified actuary to conduct periodic reviews of the Pool's funds and any reviews required by the Insurance Commissioner of Colorado, and make recommendations to the Board based on such reviews.
 3. Designate one or more persons or entities to administer the Pool.
 4. Adopt a budget annually and report the budget to the Members.
 5. Three persons shall be appointed annually to an expulsion committee to serve until January 1 of the year following the appointment. One person, to be appointed by the Board, shall be a director on the board, one person, to be appointed by the Board, shall be a representative of the person(s) or entity(ies) providing general administrative services to the Pool, and one person, to be appointed by the SDA Board, shall be a member of the SDA Board.

ARTICLE 9. Members' Powers and Meetings

- 9.1 The Members shall have the power to:
- a. Amend the Pool Agreement by a two thirds (2/3) vote of the Members present at a meeting. Written notice of any proposed amendment shall be provided to each Member at least forty-five (45) days in advance of any vote on the amendment.
 - b. Dissolve the Pool and disburse its assets by a two thirds (2/3) vote of the Members present at a meeting, pursuant to such notice and in keeping with such procedure as shall be

shall be established by the Board. Notice of the dissolution and plan for disbursement of assets and payment of the remaining obligations of the Pool shall be mailed to the Insurance Commissioner of Colorado at least ninety (90) days prior to the effective date of the dissolution. The plan for disbursement of assets and payment of the remaining obligations of the Pool shall not take effect until approved by the Insurance Commissioner of Colorado. Upon dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, as determined by the Board and subject to approval by the Insurance Commissioner of Colorado, shall be distributed exclusively to Special Districts which are members of the Pool prior to dissolution to be used for one or more public purposes.

9.2 Meetings of the Members shall be held as follows:

- a. Members shall meet at least once annually at a time and place to be set by the Board, with notice mailed to each Member at least thirty (30) days in advance.
- b. Special meetings may be called by the Board upon its own motion and shall be called by the Board upon written request of thirty (30) percent of the Members, with notice mailed to each Member at least thirty (30) days in advance.
- c. The president of the Pool shall preside at the meetings; a vice president of the Pool shall preside in the absence of the president.
- d. Twenty (20) percent of the Members shall constitute a quorum to do business.
- e. Proxy voting shall be allowed, pursuant to such procedures as the Board may determine.
- f. Each Member shall be entitled to one vote on each issue, to be cast by its Member Representative.
- g. Notwithstanding any other provision of the Pool Agreement, any amendment to the Pool Agreement, except an amendment relating to dissolution of the Pool, may be adopted without a meeting if an approval in writing, setting forth the amendment approved, is signed by the Member Representatives of at least two thirds (2/3) of the Members. The approval may be executed in counterparts.

ARTICLE 10. Obligations of Members

10.1 Each Member shall have the obligation to:

- a. Pay all contributions or other payments to the Pool at such times and in such amounts as shall be established by the Board. Any delinquent payments shall be paid with interest pursuant to a policy established by the Board and uniformly applied.

- b. Designate in writing, a Member Representative and one or more alternates for the Members' meetings. The Representative and any alternate shall be an elected official, employee, or other designee of the Member, and may be changed from time-to-time. Any alternate may exercise all the powers of the Representative during a Member meeting in the absence of the Member Representative.
- c. Allow the Pool and its agents, contractors, employees and officers reasonable access to all facilities and records of the Member as required for the administration of the Pool.
- d. Cooperate fully with the Pool and all agents, contractors, employees and officers thereof in matters relating to the Pool.
- e. Provide information requested by the Pool, and all agents, contractors, employees, and officers thereof, as reasonably required for the administration of the Pool.
- f. Allow the Pool to make decisions regarding, and to designate attorneys to represent the Member in, the investigation, settlement and litigation of any claim within the scope of coverage furnished through the Pool.
- g. Comply with the claims, loss reduction, prevention and risk management policies and procedures established by the Board.
- h. Promptly report to the Pool all incidents or occurrences which could reasonably be expected to result in the Pool being required to consider a claim, in any form required by the Board and in compliance with any applicable excess insurance or reinsurance.
- i. Promptly report to the Pool the addition of new programs and facilities or the significant reduction or expansion of existing programs and facilities or other acts, as directed by the Board and in compliance with any applicable excess insurance or reinsurance.

ARTICLE 11. Contributions

- 11.1 The Board shall establish Member contributions pursuant to guidelines established by the Board from time-to-time. The contributions may include an annual contribution and any additional contributions at such times and in such amounts as the Board deems necessary to insure the solvency and avoid impairment of the Pool or which the Board otherwise deems beneficial to protect the financial condition of the Pool. The Board may provide for disbursement of non-surplus credit balances which are, pursuant to guidelines adopted by the Board from time to time, due a member, and such disbursements shall not be subject to the provisions of paragraphs 11.2 or 15.1.
- 11.2 Any excess funds which the Board determines are not needed for the purposes of the Pool, may be

may be distributed among the Members and former Members, subject to Paragraph 15.1, pursuant to the following:

1. Any such distribution may be in the form of credits against future contributions or in the form of payments, or a combination thereof, as the Board may determine.
2. Money distributed for any claim year shall be distributed only to those Members and former Members which were Members during that claim year and shall be distributed in order of claim year contribution, with Members and former Members of the initial claim year to receive the initial credits.
3. The amount which may be distributed for any claim year shall be established by the Board which shall have discretion as to the amount and timing of any distribution. That amount may not exceed the net sum of (i) the net income of the Pool for that claim year less (ii) the portion of the Pool's net income which equals the amount of the excess loss reserve of the claim year prior to the claim year (which is subject to the distribution) which was taken into income in that claim year plus (iii) the excess loss reserve for the claim year which is subject to the distribution.
4. For the purpose of this paragraph 11.2, the term "excess loss reserves" means the amount by which the amounts credited to loss reserves and charged to operating expenses in any claim year exceed the actual losses (including loss adjustment expenses) for that claim year.
5. The amount established by the Board for a claim year pursuant to paragraph c., above, shall be distributed among each Member and former Member which was a Member during that claim year based on the ratio which each Member's and former Member's contribution (excluding any surplus contribution) for the claim year bears to the total contributions (excluding surplus contributions) for the claim year and less the contributions of former Members which are not eligible for a distribution pursuant to Paragraph 15.1.
6. Excess surplus funds contributed by Members and former Members may be distributed only among such contributing Members or former Members, subject to the five year membership requirement of Paragraph 15.1. The Board has discretion to determine, from time to time, the amount and timing of any distribution of such funds. The amount established by the Board shall be distributed among each Member and eligible former Member based on the ratio which each Member's and former Member's surplus contribution bears to the total amount of surplus funds contributed to the Pool by Members and former Members.
7. No distribution of excess funds, including excess surplus funds contributed by Members, shall be made to any Member or former Member which owes any amount to the Pool until the amount so owed is paid, and any amount so owed may be deducted from the distribution to the Member or former Member.

8. No distribution of excess funds, including excess surplus funds contributed by Members, shall cause the Pool to become impaired or insolvent.
- 11.3 The total amount of surplus shall be determined by the Board from time-to-time, but in no event shall be less than that required by the Insurance Commissioner of Colorado, and the Board may require all Members to make additional contributions to surplus as the Board deem necessary, or the Insurance Commissioner of Colorado may require.
- 11.4 The Pool shall account separately for contributions made for the property and liability coverages authorized by sections 24-10-115.5 and 29-13-102, C.R.S., as amended, and for contributions made for the workers' compensation coverage authorized by sections 8-44-101(1)(C) and (3) and 8-44-204, C.R.S., as amended.
- 11.5 Notwithstanding any provision of this Agreement to the contrary, the Pool Board may establish from any contributions or other assets of the Pool the initial minimum surplus for workers' compensation coverage required by the Insurance Commissioner of Colorado; provided that contributions or other assets derived from coverages other than workers' compensation shall not be used to establish such minimum surplus unless and until the Board first determines that workers' compensation contributions are or will be insufficient to fund such surplus in the amounts and within the time required by the Insurance Commissioner of Colorado; and provided further, that such minimum surplus shall be established from contributions for workers' compensation coverage as soon as the Board determines practicable consistent with ensuring the solvency and avoiding the impairment of the Pool. The Board may issue subordinated debt to establish such minimum surplus consistent with applicable requirements of the Insurance Commissioner of Colorado.
- 11.6 The Pool shall repay the Special District Association of Colorado for its ongoing services to the Pool, provided subsequent to the creation of the Pool, within such time and in such amount as the SDA Board and Pool Board may agree.

ARTICLE 12. Liability of Directors, Officers and Employees

- 12.1 No Director, officer, committee member, or employee of the Pool shall be personally liable for any acts performed or omitted in good faith. The Pool shall indemnify each Director, officer, committee member, and employee of the Pool against any and all expense including attorney fees and liability expenses sustained by them, or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties performed for this Pool or omitted in good faith. This provision shall not be deemed to prevent compromises of any such litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.
- 12.2 The Pool shall obtain a fidelity bond or other bond to guarantee the faithful performance of each Director's, officer's and employee's duties hereunder, and shall make reasonable effort to obtain errors and omissions coverage for each Director, officer, committee member, and employee of the

employee of the Pool. The Pool shall obtain bonds for all Directors, officers, committee members, and employees who handle or have access to Pool funds, in an amount which the Board deems appropriate but no less than the minimum amount deemed necessary by the Insurance Commissioner of Colorado.

ARTICLE 13. Withdrawal of Members

- 13.1 Any Member may withdraw from the Pool by giving written notice to the Board of its intent to withdraw at least sixty (60) days prior to the Member's coverage renewal date. A Member which has different renewal dates for different coverages must give such written notice at least sixty (60) days prior to the first renewal date following any January 1. Unless a different date is agreed to by the Board and the Member, the withdrawal shall be effective on the Member's coverage renewal date but, if the Member has different renewal dates for different coverages, the withdrawal shall be effective the latest renewal date following the written notice of withdrawal. After the notice of withdrawal is given, no coverage will be renewed but all coverages will remain in effect only until their respective expiration dates.
- 13.2 Except as otherwise provided in this paragraph, any Member which dissolves or which is consolidated with another Special District shall be considered a withdrawn Member with the same rights and obligations under this agreement as any other withdrawn Member, such withdrawal to be effective on the date of dissolution or consolidation, as the case may be. Notwithstanding paragraph 15.1 and under the following circumstances only, a Special District shall receive the credits against its future contributions to the Pool otherwise allocable to a dissolved or consolidated Member pursuant to paragraph 11.2:
1. If the Special District was formed by a consolidation which included such a Member, the Special District assumed all rights of that Member under this agreement, and the Special District is a Member no later than one year after the effective date of the consolidation; or,
 2. If the Special District assumed all rights of a dissolved Member under this agreement, and the Special District is a Member no later than one year after the effective date of the dissolution.

A Special District entitled to receive such credits of a dissolved or consolidated Member shall not be obligated for any liabilities to the Pool of the dissolved or consolidated Member in excess of the amount of such credits.

ARTICLE 14. Expulsion of Members

- 14.1 A Member which fails to make a contribution or other payment due to the Pool shall be automatically expelled from the Pool on the sixtieth (60) day following the due date, unless time for payment is extended by the Board and payment is made within any extended period. A notice of failure to make a contribution or other payment due to the Pool shall be mailed to the Member at least thirty (30) days prior to the date of automatic expulsion. If payment is not made within

not made within any extended period, the automatic expulsion shall occur on a date, no later than twenty (20) days after the last day of the extended period, set by the Board. An expulsion under this paragraph 14.1 shall not be subject to the provisions of paragraph 14.2.

- 14.2 A Member may be expelled by the Board for failure to carry out any other obligation of the Member, or for failure to maintain its membership in the Special District Association of Colorado if such membership was required by the Board at the time the Member was admitted to the Pool, subject to the following:
1. The Member shall receive notice from the Board of the alleged failure and not less than thirty (30) days in which to cure the alleged failure, along with notice that expulsion may result if the failure is not so cured.
 2. The Member shall receive at least thirty (30) days prior notice from the Board, of the date, place and time when the Board will consider expelling the Member from the Pool, and the Member shall be entitled to be present at that meeting and to present evidence and reasons why it should not be expelled. The decision of the Board shall be effective as of the date and upon the terms and conditions set forth in the Pool Agreement and applicable excess or reinsurance policies and otherwise specified by the Board, except as provided in paragraph c.
 3. The Member may appeal the Board's decision to the expulsion committee, which shall schedule a hearing thereon. The Member and the Board shall be provided at least ten (10) days prior written notice of the date, time and place of the hearing. The appealing Member shall be entitled to be present at that hearing and to present evidence and reasons why it should not be expelled and the Board may present evidence and reasons why expulsion is proper. The decision of the expulsion committee shall be final and any expulsion effective as of the date and upon the terms and conditions set forth in the Pool Agreement and applicable excess or reinsurance policies, and otherwise specified by the Board.

ARTICLE 15. Effect of Withdrawal or Expulsion

- 15.1 No withdrawn or expelled Member shall be entitled to any reimbursement of contributions or distribution or excess funds, including excess surplus funds contributed by Members, unless the Member was a Member for at least five consecutive years.
- 15.2 A withdrawn or expelled Member shall remain obligated for all amounts owing at the time of withdrawal or expulsion for the years during which the member was an active member of the Pool and for all amounts which thereafter become owing for such years pursuant to the Pool Agreement and any other Pool documents which are in effect at the time of withdrawal.
- 15.3 A withdrawn or expelled Member shall be considered a Member of the Pool for the purpose of payment of the Member's claims and expenses related thereto which remain covered under the terms of coverage existing at the time of withdrawal. A withdrawn or expelled Member shall

shall remain subject to all conditions of coverage and obligations of a Member which are in effect at the time of withdrawal. A withdrawn or expelled Member shall have no right to vote on any matter pending before the Pool membership.

- 15.4 No withdrawn or expelled Member may be adversely affected by any change in the Pool Agreement or other Pool documents adopted subsequent to the effective date of the Member's withdrawal or expulsion.
- 15.5 Unless disapproved by an affected excess carrier or reinsurer, the Pool shall offer a withdrawing or expelled Member, no later than forty-five (45) days after the expulsion or Board's receipt of the written notice of withdrawal, at least twenty-four (24) months extended reporting period on any claims-made coverage provided through the Pool, at a cost reasonably calculated by the Board and subject to any contracts existing at the time of withdrawal or expulsion.

ARTICLE 16. Miscellaneous

- 16.1 This document constitutes an intergovernmental agreement among those Special Districts which become Members of the Pool. The terms of this agreement may be enforced in court by the Pool or by any of its Members. The consideration for the duties herewith imposed on the Members to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the Members set forth herein.
- 16.2 A certified or attested copy of the resolution of approval for each Member shall be attached to the Member's Pool Agreement on file with the Pool.
- 16.3 Except to the extent of the limited financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to this Pool Agreement, the contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not otherwise created as between Member and Member any relationship of surety, indemnification or responsibility for the debts of or claims against any other Member.
- 16.4 The provisions of this Pool Agreement and of the other documents referred to herein, and the assets of the Pool, are for the benefit of the Members of the Pool only, and no other persons or entities shall have any rights or interest in this Pool Agreement or in any of the other documents referred to herein, or in any such assets, as a third party beneficiary or otherwise. The assets of the Pool shall not be subject to attachment, garnishment, or any equitable proceeding.
- 16.5 It is the intention of the Members that the Pool and any income of the Pool not be subject to taxation, and the Members shall cooperate in such respects, including amending this Pool Agreement, as reasonably necessary to establish and maintain the non-taxable status of the Pool.

- 16.6 The Insurance Commissioner of Colorado shall have such authority with respect to the formation and operation of the Pool as is provided by applicable Colorado law.
- 16.7 Except as permitted in this Pool Agreement, and amendments hereto, neither the Board nor any other person or entity is authorized to incur liabilities or obligations or enter into contracts on behalf of the Members.
- 16.8 "Insolvency" as applied to the Pool shall have the meaning as defined in Section 10-3-212, C.R.S., as amended, or as the Insurance Commissioner of Colorado may otherwise provide.
- 16.9 The statutory reporting period for the Pool shall be the calendar year or such other period as the Insurance Commissioner of Colorado may provide.
- 16.10 If any provision of this Pool Agreement is held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the other provisions, and this Pool Agreement is expressly declared to be severable.
- 16.11 If the Board or its authorized representative and a Member disagree on whether a loss is covered through the Pool or on the amount of a covered loss, the Board or its authorized representative or the Member may request that the disagreement be submitted to binding arbitration as follows:
1. Unless otherwise agreed by the Board or its authorized representative and the Member, three persons shall be selected for the arbitration panel, one by the Board or its authorized representative, one by the Member, and one by the two so selected to act as umpire to decide the items upon which the other two disagree. If the two so selected fail for fifteen days to agree upon the umpire, the umpire shall be selected by a judge of a court of record agreed to by the Board or its authorized representative and the Member.
 2. The decision of the panel shall be binding on the Board or its authorized representative and the Member.
 3. The Pool shall pay the fees and expenses of the panelist selected by the Board or its authorized representative, the Member shall pay the fees and expenses of the panelist selected by it, and the fees and expenses of the umpire shall be shared equally by the Pool and the Member.

Dated: Dec 13, 2018

Special District: Section 27 Metropolitan District

By: 
 Title: Chairman, Board of Directors and President

Date: Dec 13, 2018

Attest:

By: 
Title: Secretary

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE TOWN OF BENNETT COLORADO
AND
SECTION 27 METROPOLITAN DISTRICT**

THIS AGREEMENT is made and entered into by and between the **Town of Bennett**, a municipal corporation of the State of Colorado (the “**Town**”), and **Section 27 Metropolitan District**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”).

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District’s Service Plan dated August 28, 2018, as amended from time to time by Town approval (the “**Service Plan**”); and

WHEREAS, the Service Plan and Section 16-20-60 of the Town Code requires the execution of an intergovernmental agreement between the Town and the District; and

WHEREAS, the Town and the District are authorized by Section 29-1-203, C.R.S. to enter into cooperative agreements for the sharing of costs, imposition of taxes, or incurring of debt, if such agreements are authorized by each party thereto with the approval of its legislative body;

WHEREAS, the Town and the District have determined it to be in their best interests to enter into this Intergovernmental Agreement (“**Agreement**”); and

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

COVENANTS AND AGREEMENTS

A. **Incorporation by Reference.** The Service Plan and Article XX of Chapter 16 of the Town Code (the “**Special District Code**”) are hereby incorporated in this agreement by this reference. The District agrees to comply with all provisions of the Service Plan and the Special District Code.

B. **Enforcement.** The parties agree that this Agreement may be enforced in law, or in equity for specific performance, injunctive, or other appropriate relief. The parties also agree that this Agreement may be enforced pursuant to Section 32-1-207, C.R.S. and other provisions of Title 32, Article 1, C.R.S., granting rights to municipalities or counties approving a service plan of a special district.

C. **Subdistrict Authorization and Limitation.** Pursuant to Section 32-1-1101, C.R.S., the District is authorized to and will create the Section 27 Metropolitan District Subdistrict consisting of the Alley Loading Units (the “**Alley Subdistrict**”) to fund the District’s and/or Alley Subdistrict’s ownership, operation and/or maintenance of alleyways benefitting the Alley Loading

Units. Other than the Alley Subdistrict, the District shall not create any subdistrict pursuant to Section 32-1-1101, C.R.S., without the prior written consent of the Town.

D. Operation and Maintenance of Alleyways. In addition to operation and maintenance of park and recreation improvements, as authorized in the Service Plan, the District is also authorized to operate and maintain public improvements located in alleyways within the District, including without limitation, streets, roadways, water, sanitary sewer, storm sewer, landscaping and irrigation, and to impose a mill levy not to exceed eleven and fifty-six thousandths (11.056) mills for such purpose.

E. Water Rights/Resources. The District shall tap into the Town's existing water system. To the extent the water shares or taps as of the date of approval of this Service Plan are determined to be insufficient to provide irrigation to or servicing of District open space and/or facilities, the District is authorized to trade for or purchase additional water shares or taps to provide sufficient irrigation to or servicing of District open space and/or facilities. In no event is the District authorized to own or operate a water system or facilities, and the District shall dedicate any water system or facilities improvements, and any water shares or rights, to the Town in accordance with an approved subdivision improvement agreement.

F. Entire Agreement of the Parties. This Agreement constitutes the entire agreement between the parties and supersedes all prior written or oral agreements, negotiations, or representations and understandings of the parties with respect to the subject matter contained herein.

G. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the parties hereto.

H. Governing Law; Venue. The internal laws of the State of Colorado shall govern the interpretation and enforcement of this Agreement, without giving effect to choice of law or conflict of law principles. The parties hereby submit to the jurisdiction of and venue in the district court in Adams County, Colorado. In any proceeding brought to enforce the provisions of this Agreement, the prevailing party therein shall be entitled to an award of reasonable attorneys' fees, actual court costs and other expenses incurred.

I. Beneficiaries. Except as otherwise stated herein, this Agreement is intended to describe the rights and responsibilities of and between the named parties and is not intended to, and shall not be deemed to confer any rights upon any persons or entities not named as parties.

J. Effect of Invalidity. If any portion of this Agreement is held invalid or unenforceable for any reason by a court of competent jurisdiction as to either party or as to both parties, such portion shall be deemed severable and its invalidity or its unenforceability shall not cause the entire agreement to be terminated.

K. Assignability. Neither the Town nor the District shall assign their rights or delegate their duties hereunder without the prior written consent of the other party.

L. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when given by hand delivery, overnight delivery,

mailed by certified or registered mail, postage prepaid, delivered electronically (if confirmed promptly telephonically) or dispatched by telegram or telecopy (if confirmed promptly telephonically), addressed to the following address or at such other address or addresses as any party hereto shall designate in writing to the other party hereto:

Town of Bennett
207 Muegge Way
Bennett, Colorado 80102
Attention: Town Administrator

Section 27 Metropolitan District
c/o McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203
Attention: Mary Jo Dougherty

M. Successors and Assigns. This Agreement and the rights and obligations created hereby shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 27 METROPOLITAN DISTRICT

BY: Thomas J. Benner II
President

ATTEST:

By: Crayson
Secretary



ATTEST:

By: Lynette White
Town Clerk

TOWN OF BENNETT, COLORADO

By: Andy Plucy
Mayor

EXHIBIT B

2023 ADOPTED BUDGET

STATE OF COLORADO
COUNTY OF ADAMS
SECTION 27 METROPOLITAN DISTRICT
2023 BUDGET RESOLUTION

The Board of Directors of the Section 27 Metropolitan District, Adams County, Colorado held a regular meeting on Tuesday, November 29, 2022, at the hour of 3:00 P.M., via video conference at <https://us02web.zoom.us/j/87251468391?pwd=K25wb0VhSHYydmNpY2Q2bENMaWJVQT09> and via telephone conference at Dial-In: 1-253-215-8782, Meeting ID: 872 5146 8391, Passcode: 651585.

The following members of the Board of Directors were present:

President: Chad Ellington
Secretary/Treasurer: Todd Johnson

Also present were: Jennifer L. Ivey, Icenogle Seaver Pogue, P.C and Joy Tatton, Simmons & Wheeler, P.C.

Ms. Ivey reported that proper notice was made to allow the Board of Directors of the Section 27 Metropolitan District to conduct a public hearing on the 2023 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a regular meeting of the Board of Directors of the District and that a notice of regular meeting was posted in the designated public place within the boundaries of the District, the pole on the south side of Kiowa Avenue at Adams Street, in the Town of Bennett, Colorado, no less than twenty-four hours prior to the holding of the meeting, and to the best of her knowledge, remains posted to the date of this meeting.

Thereupon, Director Ellington introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE SECTION 27 METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023.

WHEREAS, the Board of Directors (the “Board”) of the Section 27 Metropolitan District (the “District”) has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2022; and

WHEREAS, the proposed budget is more than fifty thousand dollars (\$50,000.00), due and proper notice was published on Friday, November 18, 2022 in the *Eastern Colorado News*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District’s increased property tax revenues resulting from a request to the Division of Local Government pursuant to Section 29-1-302(1), C.R.S.; and an original publisher’s Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Tuesday, November 29, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Section 29-1-301, C.R.S., and Article X, Section 20 of the Colorado Constitution; 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; and

WHEREAS, pursuant to Section 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to Section 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SECTION 27 METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO:

Section 1. Summary of 2023 Revenues and 2023 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2023, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2023. In the event the final assessed valuation provided by the Adams County Assessor's Office differs from the assessed valuation used in the proposed budget, the District's accountant is hereby directed to modify and/or adjust the budget and mill levy certification as needed to reflect the final assessed valuation without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 4. Budget Certification. That the budget shall be certified by Todd Johnson, Secretary and Treasurer of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

Section 5. 2023 Levy of General Property Taxes. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is \$12,847 and that the 2022 valuation for assessment, as certified by the Adams County Assessor, is \$1,153,910. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 11.133 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 6. 2023 Levy of Debt Retirement Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$64,230 and that the 2022 valuation for assessment, as certified by the Adams County Assessor, is \$1,153,910. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 55.663 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 7. 2023 Levy of Contractual Debt Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Contract Debt Fund for contractual debt expense is \$1,284 and that the 2022 valuation for assessment, as certified by the Adams County Assessor, is \$1,153,910. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 1.113 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 8. 2023 Mill Levy Adjustment. The Board may adjust the mill levy, as specifically set forth in the District's Service Plan (the "Adjusted Mill Levy"). The Board hereby determines in good faith to establish the Adjusted Mill Levy as set forth in the mill levy certification attached hereto as Exhibit C pursuant to the authority granted by its Service Plan to ensure that the District's revenues shall be neither diminished nor enhanced as a result of the changes effecting the mill levy. Subject to adjustment and finalization by the District's accountant in accordance with Section 2 hereof, the Board further authorizes that the Adjusted Mill Levy be reflected in the District's Certification of Tax Levies to be submitted to the Board of County Commissioners of Adams County on or before December 15, 2022, for collection in 2023.

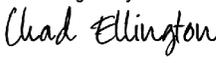
Section 9. Certification to County Commissioners. That the Board Secretary and/or District's accountant are hereby authorized and directed to immediately certify to the Board of County Commissioners of Adams County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

[The remainder of this page is intentionally left blank.]

The foregoing Resolution was seconded by Director Johnson.

RESOLUTION APPROVED AND ADOPTED THIS 29TH DAY OF NOVEMBER 2022.

SECTION 27 METROPOLITAN DISTRICT

DocuSigned by:

90429E1E0A384C3...
By: Chad Ellington
Its: President

ATTEST:

DocuSigned by:

481000A98C3C49D...
By: Todd Johnson
Its: Secretary/Treasurer

STATE OF COLORADO
COUNTY OF ADAMS
SECTION 27 METROPOLITAN DISTRICT

I, Todd Johnson, hereby certify that I am a director and the duly elected and qualified Secretary and Treasurer of the Section 27 Metropolitan District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a regular meeting of the Board of Directors of the Section 27 Metropolitan District held on Tuesday, November 29, 2022, at via video conference at <https://us02web.zoom.us/j/87251468391?pwd=K25wb0VhSHYydmNpY2Q2bENMaWJVQT09> and via telephone conference at Dial-In: 1-253-215-8782, Meeting ID: 872 5146 8391, Passcode: 651585, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 29th day of November 2022.

DocuSigned by:

481000A98C3C49D

Todd Johnson, Secretary/Treasurer

[SEAL]



EXHIBIT A

Affidavit
Notice as to Proposed 2023 Budget

PUBLISHER'S AFFIDAVIT

STATE OF COLORADO

)SS

COUNTY OF ADAMS

I, Douglas Claussen, do solemnly swear that I am the
Publisher & Editor, or

Jeff Jones Steiner
Designated Agent, of the Eastern Colorado News, a
weekly newspaper duly qualified for publishing legal
notices within the meaning of the laws of the State of
Colorado, printed and published in the County of Adams
State of Colorado, and has a general circulation therein;
that said newspaper has been published continuously,
without interruption, in said County of Adams for a
period of more than fifty-two consecutive weeks prior to
the first publication of the annexed legal notice and I do
hereby certify that the foregoing notice was published in
said newspaper, published in the regular and entire issue
of said newspaper, once each week for 1 successive
weeks; that the first publication of said notice was in the
issue of said newspaper dated:

11/18/22

and the last publication of said notice was in the issue of
said newspaper dated:

11/18/22

and that copies of each number of said paper in which
said notice and/or list(s) were published, and delivered by
carriers or transmitted by mail to each of the subscribers
of said paper, according to the accustomed mode of
business in this office.

Jeff Jones Steiner
Agent Publisher/Editor

The above Affidavit of Publication was subscribed and
affirmed to before me, a Notary Public, to be the identical
person described in the above described affidavit, on
the 22nd day of November, 2022.

Kevin Hemphill
Notary Public

04-16-2026
(My Commission Expires — Date)

**NOTICE AS TO PROPOSED 2023 BUDGET AND HEARING
SECTION 27 METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN that a proposed budget has been submitted to the **SECTION 27 METROPOLITAN DISTRICT** for the ensuing year of 2023. A copy of such proposed budget has been filed in the office of Simmons and Wheeler, P.C., 304 Inverness Way South, Suite 490, Englewood, Colorado, where same is open for public inspection. Such proposed budget will be considered at a hearing at the regular meeting of the Section 27 Metropolitan District to be held at 3:00 P.M., on Tuesday, November 29, 2022. The meeting will be held via video conference at <https://us02web.zoom.us/j/87251468391?pwd=K25wh0VhSHYydmNpY2Q2bENMaWJlVQ09> and via telephone conference at Dial-In: 1-253-215-8782, Meeting ID: 872 5146 8391, Passcode: 651585. Any interested elector within the Section 27 Metropolitan District may inspect the proposed budget and file or register any objections at any time prior to the final adoption of the 2023 budget.

BY ORDER OF THE BOARD OF DIRECTORS:
SECTION 27 METROPOLITAN DISTRICT

By: /s/ ICENOGLI | SEAVER | POGUE
A Professional Corporation

#2731
Published in the Eastern Colorado News on Friday, November 18, 2022.

KEVIN HEMPHILL
Notary Public
State of Colorado
Notary ID # 20184016470
My Commission Expires 04-16-2026

**NOTICE AS TO PROPOSED 2023 BUDGET AND HEARING
SECTION 27 METROPOLITAN DISTRICT**

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**BY ORDER OF THE BOARD OF DIRECTORS:
SECTION 27 METROPOLITAN DISTRICT**

By: /s/ ICENOGLE | SEAVER | POGUE
A Professional Corporation

Publish In: *Eastern Colorado News*
Publish On: Friday, November 18, 2022

EXHIBIT B

Budget Document
Budget Message

**SECTION 27 METROPOLITAN DISTRICT
2023
BUDGET MESSAGE**

Attached please find a copy of the adopted 2023 budget for the Section 27 Metropolitan District.

The Section 27 Metropolitan District has adopted budgets for three funds, a General Fund to provide for general operating expenditures; a Capital Projects Fund to provide for the estimated infrastructure costs to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the general obligation bonds to be issued by the district.

The district's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary source of revenue for the district in 2023 will be property taxes and developer advances. The district intends to impose a 67.909 mill levy on the property within the district for 2023, of which 11.133 mills will be dedicated to the General Fund and the balance of 56.776 mills will be allocated to the Debt Service Fund. 1.113 mills of the 56.776 mills are restricted for regional improvements per an intergovernmental agreement with the City of Brighton.

**Section 27 Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimated <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ -	\$ 246	\$ 246	\$ -
Revenues:					
Property taxes	-	10	-	10	12,847
Specific ownership taxes	-	1	-	1	770
Developer advances	<u>28,195</u>	<u>39,989</u>	<u>17,831</u>	<u>39,040</u>	<u>32,563</u>
Total revenues	<u>28,195</u>	<u>40,000</u>	<u>17,831</u>	<u>39,051</u>	<u>46,180</u>
Total funds available	<u>28,195</u>	<u>40,000</u>	<u>18,077</u>	<u>39,297</u>	<u>46,180</u>
Expenditures:					
Accounting / audit	1,459	10,000	5,222	16,000	16,000
Election	-	1,000	268	268	1,000
Legal	26,466	20,000	9,842	20,000	20,000
Insurance	-	2,600	2,529	2,529	2,630
Miscellaneous	24	1,000	216	500	1,000
Contingency	-	4,362	-	-	3,935
Emergency reserve (3%)	-	1,038	-	-	1,230
Total expenditures	<u>27,949</u>	<u>40,000</u>	<u>18,077</u>	<u>39,297</u>	<u>46,180</u>
Ending fund balance	<u>\$ 246</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>970</u>	<u>920</u>			<u>1,153,910</u>
Mill Levy	<u>-</u>	<u>11.133</u>			<u>11.133</u>

**Section 27 Metropolitan District
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/22</u>	Estimated <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ 3,870,913	\$ 3,874,254	\$ 3,874,254	\$ 1,259,186
Revenues:					
Developer advances	-	-	548,861	2,608,782	-
Interest income	341	-	8,468	17,000	60,000
Bond proceeds	<u>4,160,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>4,160,341</u>	<u>-</u>	<u>557,329</u>	<u>2,625,782</u>	<u>60,000</u>
Total funds available	<u>4,160,341</u>	<u>3,870,913</u>	<u>4,431,583</u>	<u>6,500,036</u>	<u>1,319,186</u>
Expenditures:					
Issuance costs	286,087	-	-	-	-
Legal	-	-	1,893	4,000	-
Capital expenditures	-	3,870,913	548,861	2,608,782	1,319,186
Engineering	-	-	988	2,000	-
Repay developer advances	<u>-</u>	<u>-</u>	<u>549,374</u>	<u>2,626,068</u>	<u>-</u>
Total expenditures	<u>286,087</u>	<u>3,870,913</u>	<u>1,101,116</u>	<u>5,240,850</u>	<u>1,319,186</u>
Ending fund balance	<u>\$ 3,874,254</u>	<u>\$ -</u>	<u>\$ 3,330,467</u>	<u>\$ 1,259,186</u>	<u>\$ -</u>

**Section 27 Metropolitan District
 Adopted Budget
 Debt Service Fund
 For the Year ended December 31, 2023**

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>6/30/2022</u>	Estimated <u>2022</u>	Adopted Budget <u>2023</u>
Beginning fund balance	\$ -	\$ 8,000	\$ -	\$ -	\$ -
Revenues:					
Property taxes	-	51	-	51	64,230
Property taxes - BRI	-	1	-	1	1,284
Specific ownership taxes	-	3	-	3	3,854
Specific ownership taxes - BRI	-	-	-	-	77
Total revenues	<u>-</u>	<u>55</u>	<u>-</u>	<u>55</u>	<u>69,445</u>
Total funds available	<u>-</u>	<u>8,055</u>	<u>-</u>	<u>55</u>	<u>69,445</u>
Expenditures:					
Interest expense	-	52	-	52	62,157
Treasurer's fees	-	2	-	2	1,927
Treasurer's fees - BRI	-	-	-	-	39
Regional mill levy transfer	-	1	-	1	1,322
Trustee / paying agent fees	-	4,000	-	-	4,000
Total expenditures	<u>-</u>	<u>4,055</u>	<u>-</u>	<u>55</u>	<u>69,445</u>
Ending fund balance	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed valuation	<u>\$ 970</u>	<u>\$ 920</u>			<u>\$ 1,153,910</u>
Mill Levy - Debt Service	<u>-</u>	<u>55.663</u>			<u>55.663</u>
Mill Levy - BRI	<u>-</u>	<u>1.113</u>			<u>1.113</u>
Total Mill Levy	<u>-</u>	<u>67.909</u>			<u>67.909</u>

EXHIBIT C

Certification of Tax Levy

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Adams, Colorado.

On behalf of the Section 27 Metropolitan District,
 (taxing entity)^A

the Board of Directors,
 (governing body)^B

of the Section 27 Metropolitan District,
 (local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 1,153,910 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 1,153,910 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/2022 for budget/fiscal year 2023.
 (not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>11.133</u> mills	\$ <u>12,847</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	<u>11.133</u> mills	<u>\$ 12,847</u>
3. General Obligation Bonds and Interest ^J	<u>55.663</u> mills	\$ <u>64,230</u>
4. Contractual Obligations ^K	<u>1.113</u> mills	\$ <u>1,284</u>
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>67.909</u> mills	<u>\$ 78,361</u>

Contact person: Diane K Wheeler Daytime phone: (303) 689-0833
 (print)
 Signed: Diane K Wheeler Title: District Accountant

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's final certification of valuation).

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Section 27 Metropolitan District of Adams County, Colorado on this 29th day of November 2022.

DocuSigned by:

481000A08C3C40D

Todd Johnson, Secretary/Treasurer

SEAL

