

# REGENCY METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: (303) 987-0835  
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## NOTICE OF REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Thomas J. Brinkman II	President	2022/May 2022
Lisa Brinkman	Vice President	2020/May 2020
Scott Marshall	Treasurer	2022/May 2022
James E. Marshall	Assistant Secretary	2022/May 2022
Shelley Marshall	Assistant Secretary	2020/May 2020
Ann E. Finn	Secretary	

DATE: October 8, 2019

TIME: 3:30 p.m.

PLACE: Parker Library  
20105 East Mainstreet  
Parker, Colorado 80138

### I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

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

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C. Review and approve the Minutes of the May 24, 2019 special meeting (enclosure).

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D. Discuss §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2020 (2019 on SDA Website).

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E. Discuss new legislation for posting meeting notices (enclosure).

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F. Consider regular meeting dates for 2020 (suggested date is October 13, 2020). Review and consider adoption of Resolution No. 2019-10-\_\_\_; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices (enclosure).

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- G. Review and consider approval of Eligible Governmental Entity Agreement between the Statewide Internet Portal Authority and the District (enclosure).
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II. PUBLIC COMMENT

- A. \_\_\_\_\_
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III. FINANCIAL MATTERS

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

Fund	Period Ending March 31- April 30, 2019	Period Ending May 1 - September 30, 2019
General	\$ 1,693.63	\$ 16,233.40
Debt	\$ -0-	\$ 180,498.00
Capital	\$ -0-	\$ -0-
<b>Total</b>	<b>\$ 1,693.63</b>	<b>\$ 377,229.40</b>

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- B. Review and accept unaudited financial statements through the period ending August 31, 2019 and updated cash position statement dated August 31, 2019 (enclosure).
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- C. Ratify approval of 2018 Audit and execution of Audit Representation Letter (enclosures).
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- D. Consider engagement of auditor to prepare 2019 audit.
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- E. Conduct Public Hearing to consider an amendment to 2019 Budget and consider adoption of Resolution No. 2019-10-\_\_\_ to Amend the 2019 Budget (to be distributed).
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- F. Conduct Public Hearing on the proposed 2020 Budget and consider adoption of Resolutions to Adopt the 2020 Budget and Appropriate Sums of Money and to Set Mill Levies (for General Fund \_\_\_\_, Debt Service Fund \_\_\_\_ and Other Fund(s) \_\_\_\_ ) (enclosures – preliminary AV, 2020 draft Budget, and resolutions).
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- G. Consider authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.
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- H. Consider appointment of District Accountant to prepare the 2021 Budget.
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IV. LEGAL MATTERS

- A. Consider adoption of Resolution No. 2019-10-\_\_; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the Designated Election Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election (enclosure). Self-Nomination forms are due by February 28, 2020. Discuss the need for ballot issues and/or questions.
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V. OTHER MATTERS

- A. \_\_\_\_\_

VI. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2019**

Informational Enclosure:

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

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE REGENCY METROPOLITAN DISTRICT HELD MAY 24, 2019

A special meeting of the Board of Directors of the Regency Metropolitan District (referred to hereafter as "Board") was convened on Friday, the 24th day of May, 2019, at 9:00 a.m., at the Parker Library, 20105 East Mainstreet, Parker, Colorado. The meeting was open to the public.

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#### ATTENDANCE

##### Directors In Attendance Were:

Scott Marshall  
James E. Marshall  
Shelley Marshall

Following discussion, upon motion duly made by Director Shelly Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the absences of Thomas J. Brinkman, II and Lisa Brinkman were excused.

##### Also In Attendance Were:

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

MaryAnn McGeady, Esq. and Christopher Brummitt, Esq.; McGeady Becher P.C.

Brian Fremont; Regency Homeowners Association

Tiffany Leichman; Sherman & Howard, L.L.C.

Mike Sullivan; D.A. Davidson & Co.

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#### 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.

It was noted that a quorum was present and Attorney McGeady requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in

## RECORD OF PROCEEDINGS

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accordance with the statute. Attorney McGeady noted that Directors' Disclosure Statements have been filed for all Directors by the statutory deadline. No additional conflicts were disclosed at the meeting.

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### **ADMINISTRATIVE MATTERS**

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

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

**Approval of Meeting Location:** The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Shelly Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

**Minutes:** The Board reviewed the Minutes of the October 25, 2018 and December 21, 2018 special meetings.

Following discussion, upon motion duly made by Director Shelly Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the Minutes of the October 25, 2018 and December 21, 2018 special meetings were approved, as amended.

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### **PUBLIC COMMENT**

Mr. Fremont requested information from the Board regarding details of the proposed refunding bond issuance, and the Board provided the requested information.

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### **FINANCIAL MATTERS**

**Accounting Services:** The Board reviewed the engagement letter from Marchetti & Weaver, LLC to provide accounting services for the District.

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Following discussion, upon motion duly made by Director Shelly Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the Board ratified the engagement of Marchetti & Weaver, LLC to provide accounting services for the District.

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

Fund	Period ending Nov. 16, 2018	Period ending Dec. 18, 2018
General	\$ 3,044.21	\$ 6,831.07
Debt	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-
<b>Total</b>	<b>\$ 3,044.21</b>	<b>\$ 6,831.07</b>

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

The Board considered approval of the payment of claims through the period beginning February 27, 2019 through May 3, 2019, as follows:

General Fund	\$ 18,179.69
Debt Service Fund	-0-
Capital Projects Fund	-0-
<b>Total Claims:</b>	<b><u>\$ 18,179.69</u></b>

Following review and discussion, upon motion duly made by Director Scott Marshall, seconded by Director Shelly Marshall and, upon vote, unanimously carried, the Board approved payment of the claims for the period beginning February 27, 2019 through May 3, 2019.

**Financial Statements/Schedule of Cash Position:** The Board deferred discussion.

**Draft 2018 Audit:** The Board reviewed the draft 2018 Audit.

Following review and discussion, upon motion duly made by Director Shelly Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the Board approved the 2018 Audit and approved execution of the Audit Representations Letter, subject to accountant and attorney review, and receipt of a clean opinion letter from the auditor.

## RECORD OF PROCEEDINGS

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**2019 Budget Amendment:** The President opened the public hearing to consider a Resolution to Amend the 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following review and discussion, Director Shelly Marshall moved to adopt Resolution No. 2019-05-01 to Amend the 2019 Budget, Director Scott Marshall seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-05-01 to Amend the 2019 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

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### **LEGAL MATTERS**

#### **General Obligation Limited Tax Refunding Bonds, Series 2019:**

**Letter Agreement for Investment Banking Services:** The Board reviewed the Letter Agreement for Investment Banking Services between the District and D.A. Davidson & Co. Fixed Income Capital Markets.

Following review and discussion, upon motion duly made by Director Shelly Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the Board ratified approval of the Letter Agreement for Investment Banking Services between the District and D.A. Davidson & Co. Fixed Income Capital Markets.

**Cash Flow Analysis:** The Board reviewed the engagement letter from Simmons & Wheeler, P.C. to prepare a Cash Flow Analysis.

Following discussion, upon motion duly made by Director Shelly Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. to prepare a Cash Flow Analysis.

**Bond Resolution:** Ms. Liechman reviewed the proposed bond resolution and related bond documents with the Board.

Following extensive discussion, upon motion duly made by Director Smith, seconded by Director McPherson and, upon vote, unanimously carried, the Board adopted the Resolution authorizing the issuance of the District's General

## RECORD OF PROCEEDINGS

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Obligation Limited Tax Refunding Bonds, Series 2019, in a maximum aggregate principal amount not to exceed \$4,500,000, such resolution also authorizing the execution of an Indenture of Trust and all other agreements, documents, instruments, certificates, and actions necessary or appropriate in connection with the issuance of the bonds.

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### OTHER MATTERS

**Series 2019 Bonds Closing Special Meeting:** The Board considered scheduling a special meeting on the date of closing on the Series 2019 Bonds.

Following discussion, upon motion duly made by Director James Marshall, seconded by Director Scott Marshall and, upon vote, unanimously carried, the Board the determined to conduct a special meeting at Sherman & Howard L.L.C., 633 Seventeenth Street, Suite 3000, Denver, Colorado 80202, on June 20, 2019 at 1:00 p.m.

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### ADJOURNMENT

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

Respectfully submitted,

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



RESOLUTION NO. 2019-05- 01

RESOLUTION AMENDING THE 2019 BUDGET  
REGENCY METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Regency Metropolitan District adopted an budget and appropriated funds for the fiscal year 2019 as follows:

General Fund:	\$	55,433
Debt Service Fund:	\$	298,831
Capital Projects Fund:	\$	-0-

WHEREAS, the necessity has arisen for additional expenditures in the Debt Service Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2019; 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 Debt Service Fund from Bond proceeds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Regency Metropolitan District shall and hereby does amend the adopted Budget for the fiscal year 2019 and adopts a supplemental budget and appropriation for the Debt Service Fund a for the fiscal year 2019, as follows:

Debt Service Fund	\$	3,869,725
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 24th day of May, 2019.

REGENCY METROPOLITAN DISTRICT

By:   
Secretary



## MEMORANDUM

To: Special District Board of Directors  
From: McGeady Becher  
Date: August 30, 2019  
Re: Legislative Changes to Public Meeting Notice Requirements

### Introduction

The Colorado legislature recently passed House Bill 19-1087 ("HB 19-1087") which changes public meeting notice requirements of local public bodies, including counties, municipalities and special districts. The intent of the legislation is for local governments to transition from posting notices of public meetings in physical locations to posting notices online at the local government's website, social media account or other official online presence of the local government.

Historically, under Colorado's Open Meetings Law, a local government has been required to post notices of public meetings at a designated public place within the boundaries of the local government. In addition, Title 32 has required special districts to post notices of regular and special meetings at three designated public places within the boundaries of the district and at the office of the local county clerk and recorder. Title 32 has also required that the notices for special board meetings be posted at least 72 hours prior to the meeting.

### New Public Meeting Notice Requirements pursuant to HB 19-1087

With the passage of HB 19-1087, effective as of August 2, 2019, special districts may satisfy the public notice requirements of the Open Meetings Law and Title 32 by posting notices of regular and special meetings, with specific agenda information if available, on a public website of the special district at least 24 hours in advance of the meeting. If a district is unable to post a notice on a public website (for example, if a district is in the process of establishing its website), the district shall continue to post its meeting notices in a physical location within the boundaries of the district. Posting in one physical location within the district will satisfy the public notice requirements; districts no longer have to post in three locations. In addition, districts no longer have to post special board meeting notices 72 hours in advance; posting

notices at least 24 hours prior to the meeting is sufficient. Also, districts will no longer have to post notices at the county clerk and recorder's office.

The online notices must be posted on a public website of the local government. The notices must be accessible to the public at no charge. To the extent feasible, the local government shall make the notices searchable by type of meeting, date of meeting, time of meeting and agenda contents, and shall consider linking the notices to any appropriate social media accounts of the local government.

### **Establishing a District Website**

The legislature recognizes that a number of factors may affect a local government's ability to easily establish a website and post meeting notices online, including the availability of reliable broadband, the lack of cellular telephone and other data services, and fiscal or staffing constraints of local governments. Accordingly, the legislature encourages local governments to avail themselves of existing public resources for creating a website and receiving content management assistance from the Colorado Statewide Internet Portal Authority ("SIPA") or other statewide associations representing local government entities. The SIPA website is at [www.colorado.gov/sipa](http://www.colorado.gov/sipa).

A question has arisen as to whether posting public meeting notices on the website of a district management company will satisfy the public notice requirement. Posting meeting notices on the website of a district management company will most likely not satisfy the posting requirements of Colorado's Open Meetings Law, as amended by HB 19-1087. The legislation specifies that a local public body will be deemed to have given full and timely notice when the meeting notice is posted *on a public website of the local public body* (emphasis added). This language is repeated several times throughout the bill. When read in concert with the provision of HB 19-1087 encouraging local governments to avail themselves of free public resources such as SIPA when creating their websites, it is reasonable to conclude that the legislature intends a local government to post meeting notices on its own public website in order to satisfy public notice requirements.

### **Designate a Physical Posting Location as a Back-Up**

A local government, at its discretion, may post a physical notice within its boundaries in addition to posting the online notice but is not required to do so. In the event that the local government is unable to post the notice online due to exigent or emergency circumstances such as a power outage or an interruption in internet service that would prevent the public from accessing the notice online, it must designate a public place within its boundaries at which it may post a physical notice at least 24 hours before a meeting.

### **Recommended Action**

The legislature will be closely monitoring the transition to providing notices of public meetings online over the next two years and, if significant progress is not made, it will enact

legislation mandating the online posting, except in very narrow circumstances that are beyond the control of a local government.

In light of the passage of HB 19-1087, which will be codified as Section 24-6-402(2)(c)(I)-(IV), C.R.S. and will amend Section 32-1-903(2), C.R.S., we recommend our special district clients do the following:

1. **Establish a district website if such website does not already exist.**
  - a. Should a district need assistance in creating its website or receiving content management assistance, it is encouraged to avail itself of existing public resources such as SIPA at [www.colorado.gov/sipa](http://www.colorado.gov/sipa).
2. **Beginning August 2, 2019, post regular and special meeting notices and the meeting agenda on the district website at least 24 hours prior to the meeting.**
  - a. To the extent feasible, the notices shall be searchable by type of meeting, date of meeting, time of meeting and agenda contents and shall be linked to any appropriate social media accounts of the district;
  - b. Although HB 19-1087 requires posting of specific agenda information *if available* (emphasis added), our special district clients should continue to post the meeting agenda 24 hours prior to meetings because of conflicts requirements.
  - c. Note: the requirement to file conflict disclosures with the Secretary of State at least 72 hours prior to a regular and special meeting pursuant to Section 32-1-902(3)(b) is not affected by HB 19-1087 and remains the same.
3. **Designate a physical posting location within the district's boundaries, should the district be unable to post the meeting notice online at least 24 hours prior to the meeting because the district has not yet established the district website or due to exigent or emergency circumstances.**
4. **Provide the address of the district's website to the Colorado Department of Local Affairs.**
5. **Approve a resolution to establish a district website and designate location for 24-hour posting.**

Please contact McGeady Becher P.C. with any questions related to HB 19-1087 or this Memorandum.

RESOLUTION NO. 2020 - 10 - \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE REGENCY METROPOLITAN DISTRICT  
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION,  
[ESTABLISHING DISTRICT WEBSITE] AND  
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES

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

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

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the \_\_\_\_\_  
Metropolitan District (the "**District**"), \_\_\_\_\_ County, Colorado:

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

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

3. That regular meetings of the District Board for the year 20\_\_\_\_ shall be held on \_\_\_\_\_ at \_\_\_\_\_, at the offices of \_\_\_\_\_ in \_\_\_\_\_ County, Colorado.

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

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

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

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

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

9. That, if the District has not yet established a District Website or is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) \_\_\_\_\_

10. \_\_\_\_\_, or his/her designee, is hereby appointed to post the above-referenced notices.

**[SIGNATURE PAGE FOLLOWS]**

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

RESOLUTION APPROVED AND ADOPTED on \_\_\_\_\_, 20\_\_\_\_\_.

**REGENCY METROPOLITAN DISTRICT**

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

Attest:

\_\_\_\_\_  
Secretary



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**ELIGIBLE GOVERNMENTAL ENTITY AGREEMENT BETWEEN  
THE STATEWIDE INTERNET PORTAL AUTHORITY OF THE STATE OF  
COLORADO AND REGENCY METROPOLITAN DISTRICT**

This Eligible Governmental Entity Agreement ("Agreement") by and between the Colorado Statewide Internet Portal Authority ("SIPA"), and Regency Metropolitan District ("EGE") (each a "Party" and collectively "Parties"), is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**RECITALS**

WHEREAS, SIPA and EGE wish to enter into a cooperative agreement under which services can be provided at the discretion of both Parties; and

WHEREAS, pursuant to § 24-37.7-105 C.R.S., SIPA operates to provide electronic access for members of the public, state agencies, and local governments to electronic information, products, and services; and

WHEREAS, pursuant to §§ 24-37.7-102 and 24-37.7-104, C.R.S., SIPA operates as a political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 24-37.7-104, SIPA is authorized to enter into agreements and contracts with state agencies and local governments, and all state agencies and local governments are authorized to enter into and do all things necessary to perform any such arrangements or contracts; and

WHEREAS, § 29-1-203, C.R.S., authorizes local governments to cooperate or contract with each other to provide any function or service lawfully authorized to each other; and

WHEREAS, SIPA provides for the dissemination, sharing, and use of information, products, and services via the internet; and

WHEREAS, neither Party is committing funds or required to perform services as part of this agreement; and

WHEREAS, SIPA has entered into certain contracts with its contractors to operate the Colorado.gov Portal and to provide an array of electronic information, products, and services via the internet (e.g., "Colorado Statewide Internet Portal Authority Portal Integrator Contract with Colorado Interactive, LLC", as may be amended (hereinafter "Master Contract") and "COPE



Master Contract With Implementation Contractor to Support SaaS Collaboration, Office Productivity, & Email Solution" (hereinafter "COPE Contract") and other contracts to expand its array of electronic information, products, and services available to EGE; and

WHEREAS, SIPA will provide applications and services to EGE pursuant to Task Orders, Statements of Work, Work Orders; or any agreed-upon documentation under this Agreement; and

WHEREAS, a Task Order, Statement of Work, Work Order, or other agreed-upon documentation will be prepared for each application or service and mutually signed by SIPA and EGE;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, SIPA and EGE agree as follows:

1. EGE shall make available to SIPA electronic information maintained and owned by EGE as is necessary to complete the agreed-upon work as set forth in a Work Order, Task Order, Statement of Work, or any agreed-upon documentation under this Agreement. As mutually agreed upon in subsequent Work Orders, Task Orders, Statements of Work, or any other agreed-upon documentation under this Agreement, EGE will provide reasonable levels of support in placing online with SIPA certain EGE-owned electronic information, as mutually agreed by EGE and SIPA, with due regard to the workload and priorities of EGE and SIPA.
2. SIPA may, with the authorization of EGE, through the Portal, make public electronic information made available to it available to the general public, including EGE's public electronic information. The Parties agree to use their best efforts to provide adequate and uninterrupted service under the terms of this Agreement. However, neither Party shall be liable for interruption of service when the same shall be due to circumstances beyond the reasonable control of either Party, its agents or employees, including but not limited to unanticipated equipment malfunction, periodic maintenance or update of the computer systems upon which such EGE electronic information reside, or interruption of service due to problems with the Colorado statewide area network or due to problems with any telecommunications provider.
3. SIPA and EGE may enter into Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation under this Agreement. Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation under this Agreement shall describe specific Services and/or Applications to be provided to EGE. EGE acknowledges that Services and/or Applications are usually offered by SIPA's contractors. Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation shall cover the purchase of goods and services from SIPA through the use of EGE funds. All Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation involving EGE funds may be approved by the EGE official with authority to execute such agreement. Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation shall contain specific time or performance milestones for SIPA's contractor(s), timelines for completion of relevant Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation, including design specifications and other criteria relevant to the completion of applicable Task Orders, Purchase Orders, Statements of Work, or any

agreed-upon documentation, criteria and procedures for acceptance by EGE and remedying incomplete or inaccurate work for each phase of relevant Task Orders, Purchase Orders, Statements of Work, or any agreed-upon documentation.

4. SIPA shall be responsible for the operation of, and all costs and expenses associated with, establishing and maintaining electronic access to EGE electronic information, databases or other software applications, including (but without limitation) the cost of purchasing, developing, and maintaining programs used to interface with EGE software applications that provide access to EGE-owned electronic information, products, and services. EGE acknowledges SIPA may at its discretion use Contractors to perform certain obligations. EGE's maximum financial obligation for establishing and maintaining electronic access to EGE databases or other software applications shall be limited to the amount(s) set forth and appropriated pursuant to each individual Work Order, Task Order, Statement of Work, or any agreed-upon documentation under this Agreement.
5. Each Party shall have the right to terminate this Agreement by giving the other Party 10 days' written notice. Unless otherwise specified in such notice, this Agreement will terminate at the end of such 10-day period, and the liabilities of the Parties hereunder for further performance of the terms of this Agreement shall thereupon cease, but the Parties shall not be released from any duty to perform up to the date of termination. Work authorized under an individual Work Order, Task Order, Statement of Work or any other agreed-upon documentation under this Agreement, will be subject to the terms and conditions of that document.
6. None of the terms or conditions of this Agreement gives or allows any claim, benefit, or right of action by any third person not a party hereto. Nothing in this Agreement shall be deemed as any waiver of immunity or liability limits granted to SIPA or EGE by the Colorado Governmental Immunity Act or any similar statutory provision.
7. This Agreement (and related Task Orders, Work Orders, Statements of Work, and agreed-upon documentation) constitutes the entire agreement of the parties hereto and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended, modified, or changed, in whole or part, only by written agreement approved by each party.
8. Neither SIPA nor its contractors have responsibility for the accuracy or completeness of the electronic information contained within EGE's databases. SIPA and its contractors shall be responsible only for the accurate and complete transmission of electronic information to and from such EGE databases, in accordance with the specifications of any EGE-owned software. For the purposes of the Colorado Open Records Act, EGE shall at all times be the custodian of records. Neither SIPA nor its contractors shall be deemed to be either the custodian of records or the custodian's agent.
9. This Agreement and any written amendments thereto may be executed in counterpart, each of which shall constitute an original and together, which shall constitute one and the same agreement. Delivery of an executed signature page of this Agreement by facsimile or email

transmission will constitute effective and binding execution and delivery of this Agreement.

10. Confidential information for the purpose of this Agreement is information relating to SIPA's or EGE's research, development, trade secrets, business affairs, internal operations, management procedures, and information not disclosable to the public under the Colorado Open Records Act or some other law or privilege. Confidential information does not include information lawfully obtained through third parties, which is in the public domain, or which is developed independently without reference to a Party's confidential information. Neither Party shall use or disclose, directly or indirectly, without prior written authorization, any confidential information of the other. SIPA shall use its reasonable best efforts to ensure that its contractors protect EGE confidential information from unauthorized disclosure. Notwithstanding anything to the contrary herein, each Party acknowledges that given the subject matter of this Agreement, such Party shall not disclose confidential information of the other (whether in written or electronic form) to any third party, except as required by law or as necessary to carry out the specific purpose of this Agreement; provided, however, that if such disclosure is necessary, any third party who receives such confidential information shall also be bound by the nondisclosure provisions of this Section 10. Upon termination of this Agreement, the Parties shall return or destroy (at the other Party's request) all confidential information of the other and if such information is destroyed, each Party shall demonstrate evidence of such destruction to the other.

#### 11. Miscellaneous Provisions

A. Independent Authority. SIPA shall perform its duties hereunder as an independent authority and not as an employee of EGE. Neither SIPA nor any agent or employee of SIPA shall be deemed to be an agent or employee of EGE. SIPA and its agents shall pay when due all required employment taxes and income tax and local head tax on any monies paid by EGE pursuant to this Agreement. SIPA acknowledges that SIPA and its employees or agents are not entitled to EGE employment or unemployment benefits unless SIPA or a third party provides such benefits and that EGE does not pay for or otherwise provide such benefits. SIPA shall have no authorization, express or implied, to bind EGE to any agreements, liability, or understanding except as expressly authorized by EGE. SIPA and its agents shall provide and keep in force workers' compensation (and provide proof of such insurance when requested by EGE) and unemployment compensation insurance in the Agreement required by law, and shall be solely responsible for the acts of SIPA, its employees and agents.

B. Non-discrimination. SIPA agrees to comply with the letter and the spirit of all applicable state and federal laws respecting illegal discrimination and unfair employment practices.

C. Choice of Law. The laws of the State of Colorado (except Colorado laws related to choice of law or conflict of law) and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution, and enforcement of this Agreement. At all times during the performance of this Agreement, SIPA shall strictly adhere to all applicable

federal and state laws, rules, and regulations that have been or may hereafter be established. Any legal action related to this Agreement shall be brought in either a state or federal court within the City and County of Denver, Colorado.

D. Software Piracy Prohibition. No State or other public funds payable under this Agreement shall knowingly be used for the acquisition, operation, or maintenance of computer software in violation of United States copyright laws or applicable licensing restrictions. SIPA hereby certifies that, for the term of this Agreement and any extensions, SIPA has in place appropriate systems and controls to prevent such improper use of public funds. If EGE determines that SIPA is in violation of this paragraph, EGE may exercise any remedy available at law or equity or under this Agreement, including, without limitation, immediate termination of the Agreement and any remedy consistent with United States copyright laws or applicable licensing restrictions.

F. Notices. All notices required or permitted under this Agreement shall be in writing and delivered personally, by facsimile, by email or by first class certified mail, return receipt. If delivered personally, notice shall be deemed given when actually received. If delivered by facsimile or email, notice shall be deemed given upon full transmission of such notice and confirmation of receipt during regular business hours. If delivered by mail, notice shall be deemed given at the date and time indicated on the return receipt. Notices shall be delivered to:

If to SIPA:

**Statewide Internet Portal Authority**

**Attn:** EGE Administrator

**Street Address:** 1300 Broadway, Suite 440

**City, State, Zip:** Denver, CO 80203

**Phone:** (720) 409-5634

**Fax:** (720) 409-5642

**Email:** sipa@cosipa.gov

If to EGE: Regency Metropolitan District

c/o Special District Management Services, Inc.

**Attn:** Ann E. Finn

**Street Address:** 141 Union Boulevard, Suite 150

**City, State, Zip:** Lakewood, Colorado 80228

**Phone:** 303-987-0835

**Fax:** 303-987-2032

**Email: [afinn@sdmsi.com](mailto:afinn@sdmsi.com)**

And/or

McGeady Becher P.C.

**Attn: MaryAnn McGeady, Esq.**

**Street Address: 450 East 17th Avenue, Suite 400**

**City, State, Zip: Denver, Colorado 80203**

**Phone: 303-592-4380**

**Fax: 303-592-4385**

**Email: [mmcgeady@specialdistrictlaw.com](mailto:mmcgeady@specialdistrictlaw.com)**

And to other address or addresses as the parties may designate in writing.

G: Third Party Beneficiary: EGE shall enjoy those rights of a third party as may be set forth expressly in any contract between SIPA and its contractors under which SIPA provides electronic information, products, and services to EGE, including the Master Contract Section 20.M., as may be amended.

H. Disputes. Any failure of either Party to perform in accordance with the terms of this Agreement shall constitute a breach of the Agreement. Any dispute concerning the performance of this Agreement which cannot be resolved at the operational level shall be referred to superior management and staff designated by each Party. Failing resolution at this level, EGE may ask the SIPA Board of Directors to address the dispute. If the dispute is not resolved after reference to the SIPA Board of Directors, the Parties may use whatever procedures may be available, including but not limited to termination of the Agreement.

This Agreement is entered into as of the day and year set forth above.

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

Name:

Title:

Entity:           Statewide Internet Portal Authority

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

Name: Thomas J. Brinkman II

Title: President

Entity: Regency Metropolitan District

Address: 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228

Phone: 303-987-0835

Email: [afinn@sdmsi.com](mailto:afinn@sdmsi.com) -- [tombrinkman@bcxdevelopment.com](mailto:tombrinkman@bcxdevelopment.com)

Regency Metro District

Vendor	Invoice #	Date	Due Date	Approval Status	Payment Status	Open Balance
Marchetti & Weaver, LLC	15718	3/31/2019	5/15/2019	Assigned	Unpaid	926.23
McGeady Becher, P.C.	823m 3/19	3/31/2019	5/15/2019	Assigned	Unpaid	81.31
Marchetti & Weaver, LLC	15816	4/30/2019	5/10/2019	Assigned	Unpaid	378.1
Special District Managment Services, Inc	Apr-19	4/30/2019	5/15/2019	Assigned	Unpaid	307.99
Grand Total						1693.63

Regency Metropolitan District  
Payment of Claims  
September 30, 2019

GENERAL FUND PAYMENTS TO BE RATIFIED

<u>Payee</u>	<u>Description</u>	<u>Amount</u>
Colorado Community Medial	Advertising	\$15.64
First Bank	Bank Fees - June - Sept	\$70.00
Marchetti & Weaver, LLC	Accounting - May	\$2,201.04
	Accounting - June	\$275.53
	Accounting - July	\$321.72
	Accounting - August	\$1,228.50
McGeady Becher, P.C.	Legal - May	\$238.00
	Legal - June	\$3,264.22
	Legal - July	\$380.00
	Legal - August	\$178.00
Simons & Wheeler, P.C.	2018 Audit	\$4,100.00
Special District Management Services, Inc	District Management - May	\$2,974.99
	District Management - June	\$381.19
	District Management - July	\$324.83
	District Management - August	\$279.74
TOTAL GENERAL FUND PAYMENTS TO BE RATIFIED & APPROVED		<u><u>\$16,233.40</u></u>

DEBT SERVICE PAYMENTS TO BE RATIFIED

<u>Date of Invoice</u>	<u>Amount</u>	<u>Payee</u>
Kutak Rock LLP	Bond Issuance Costs	\$50,000.00
Marchetti & Weaver LLC	Bond Issuance Costs	\$3,274.50
McGeady Becher, P.C.	Bond Issuance Costs	\$42,182.50
Mountain Financial Design	Bond Issuance Costs	\$1,500.00
Sherman & Howard	Bond Issuance Costs	\$60,000.00
Simons & Wheeler, P.C.	Bond Issuance Costs	\$15,000.00
Special District Management Services, Inc	Bond Issuance Costs	\$1,428.00
UMB Bank, N.A.	Bond Issuance Costs	\$5,500.00
US Bank	Bond Issuance Costs	\$1,000.00
Zoom Aerial	Bond Issuance Costs	\$613.00
TOTAL DEBT SERVICE PAYMENTS TO BE RATIFIED & APPROVED		<u><u>\$180,498.00</u></u>

TOTAL TO BE RATIFIED & APPROVED

\$377,229.40



Regency Metropolitan District  
Statement of Net Position  
August 31, 2019

	General Fund	Debt Service	Fixed Assets & LTD	TOTAL ALL FUNDS
<b>ASSETS</b>				
<b>CASH</b>				
First Bank Checking	1,462			1,462
ColoTrust	249,517			249,517
US Bank - Pledged Revenue Fund		-		-
US Bank - Loan Payment Fund		215		215
US Bank - Reserve Fund		-		-
UMB - Reserve Fund		303,361		303,361
UMB- Cost of Issuance Account		16,885		16,885
Inter-Fund Balances	(214,333)	214,333		-
<b>TOTAL CASH</b>	<b>36,646</b>	<b>534,794</b>	<b>-</b>	<b>571,440</b>
<b>OTHER CURRENT ASSETS</b>				
Due From County Treasurer	-	-		-
Property Taxes Receivable	-	-		-
Prepaid Expenses	-			-
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FIXED ASSETS</b>				
Parks Equipment			80,000	80,000
Accumulated Depreciation			(64,000)	(64,000)
<b>TOTAL FIXED ASSETS</b>	<b>-</b>		<b>16,000</b>	<b>16,000</b>
<b>DEFERRED OUTFLOWS</b>				
Deferred Loss on Refunding			114,263	114,263
<b>TOTAL DEFERRED INFLOWS</b>	<b>-</b>	<b>-</b>	<b>114,263</b>	<b>114,263</b>
<b>TOTAL ASSETS &amp; DEF INFLOWS</b>	<b>36,646</b>	<b>534,794</b>	<b>130,263</b>	<b>701,703</b>
<b>LIABILITIES &amp; DEFERRED INFLOWS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	10,427			10,427
<b>TOTAL CURRENT LIABILITIES</b>	<b>10,427</b>	<b>-</b>	<b>-</b>	<b>10,427</b>
<b>DEFERRED INFLOWS</b>				
Deferred Property Taxes	-	-		-
<b>TOTAL DEFERRED INFLOWS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LONG-TERM LIABILITIES</b>				
Bonds Payable-Series 2015			-	-
Bonds Payable-Series 2019			3,720,000	3,720,000
Developer Advance- Ops			148,801	148,801
Developer Advance- Cap			351,141	351,141
Accrued Interest- Bonds			9,131	9,131
Accrued Interest- Dev Adv- Ops			105,973	105,973
Accrued Interest- Dev Adv- Cap			323,943	323,943
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>-</b>		<b>4,658,988</b>	<b>4,658,988</b>
<b>TOTAL LIAB &amp; DEF INFLOWS</b>	<b>10,427</b>	<b>-</b>	<b>4,658,988</b>	<b>4,669,415</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets			16,000	16,000
Amount to be Provided for Debt			(4,544,725)	(4,544,725)
Fund Balance- Nonspendable	-			-
Fund Balance- Restricted	1,380	534,794	-	536,174
Fund Balance- Unassigned	24,839			24,839
<b>TOTAL NET POSITION</b>	<b>26,219</b>	<b>534,794</b>	<b>(4,528,725)</b>	<b>(3,967,712)</b>

**REGENCY  
METROPOLITAN DISTRICT**

Financial Statements

December 31, 2018

with  
Independent Auditors' Report

## C O N T E N T S

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Board of Directors  
Regency Metropolitan District  
Douglas County, Colorado

### Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities and each major fund of the Regency Metropolitan District, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Regency Metropolitan District as of December 31, 2018, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other-Matters***

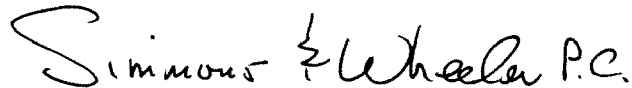
### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Regency Metropolitan District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Englewood, CO  
May 24, 2019

# REGENCY METROPOLITAN DISTRICT

## BALANCE SHEET/STATEMENT OF NET POSITION GOVERNMENTAL FUNDS December 31, 2018

	General	Debt Service	Total	Adjustments	Statement of Net Position
<b>ASSETS</b>					
Cash and investments	\$ 13,660	\$ -	\$ 13,660	\$ -	\$ 13,660
Cash and investments - restricted	1,389	69,782	71,171	-	71,171
Receivable - County Treasurer	411	2,675	3,086	-	3,086
Property taxes receivable	41,212	263,618	304,830	-	304,830
Prepaid expenses	3,431	-	3,431	-	3,431
Capital assets, net of accumulated depreciation	-	-	-	16,000	16,000
Total Assets	<u>60,103</u>	<u>336,075</u>	<u>396,178</u>	<u>16,000</u>	<u>412,178</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred loss on refunding	-	-	-	114,263	114,263
Total Deferred Outflows of Resources	-	-	-	114,263	114,263
Total Assets and Deferred Outflows of Resources	<u>\$ 60,103</u>	<u>\$ 336,075</u>	<u>\$ 396,178</u>		
<b>LIABILITIES</b>					
Accounts payable	\$ 8,623	\$ -	\$ 8,623	-	8,623
Accrued interest on bonds	-	-	-	9,131	9,131
Long-term liabilities:					
Due within one year	-	-	-	95,000	95,000
Due in more than one year	-	-	-	4,117,225	4,117,225
Total Liabilities	<u>8,623</u>	<u>-</u>	<u>8,623</u>	<u>4,221,356</u>	<u>4,229,979</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred property taxes	<u>41,212</u>	<u>263,618</u>	<u>304,830</u>	<u>-</u>	<u>304,830</u>
Total Deferred Inflows of Resources	<u>41,212</u>	<u>263,618</u>	<u>304,830</u>	<u>-</u>	<u>304,830</u>
<b>FUND BALANCES/NET POSITION</b>					
Fund Balances:					
Nonspendable:					
Prepays	3,431	-	3,431	(3,431)	-
Restricted:					
Emergencies	1,389	-	1,389	(1,389)	-
Debt service	-	72,457	72,457	(72,457)	-
Unassigned	<u>5,448</u>	<u>-</u>	<u>5,448</u>	<u>(5,448)</u>	<u>-</u>
Total Fund Balances	<u>10,268</u>	<u>72,457</u>	<u>82,725</u>	<u>(82,725)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 60,103</u>	<u>\$ 336,075</u>	<u>\$ 396,178</u>		
<b>Net Position:</b>					
Net investment in capital assets				(4,081,962)	(4,081,962)
Restricted for:					
Emergencies				1,389	1,389
Debt service				63,326	63,326
Unrestricted				<u>8,879</u>	<u>8,879</u>
Total Net Position				<u>\$ (4,008,368)</u>	<u>\$ (4,008,368)</u>

The notes to the financial statements are an integral part of these statements.

# REGENCY METROPOLITAN DISTRICT

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES GOVERNMENTAL FUNDS For the Year Ended December 31, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>EXPENDITURES</b>					
Accounting	\$ 13,074	\$ -	\$ 13,074	\$ -	\$ 13,074
Audit	4,100	-	4,100	-	4,100
Election expense	1,154	-	1,154	-	1,154
Insurance	4,236	-	4,236	-	4,236
Legal	6,074	-	6,074	-	6,074
Management fees	5,964	-	5,964	-	5,964
Miscellaneous expenses	335	-	335	-	335
Treasurer's fees	612	3,968	4,580	-	4,580
Loan principal	-	90,000	90,000	(90,000)	-
Interest expense	-	113,348	113,348	45,458	158,806
Non-Use fee	-	21	21	-	21
Paying agent fees	-	2,000	2,000	-	2,000
Payment to Developer - Operations	10,500	-	10,500	(10,500)	-
Payment to Developer - Capital	-	177,801	177,801	(177,801)	-
Depreciation	-	-	-	8,000	8,000
Total Expenditures	<u>46,049</u>	<u>387,138</u>	<u>433,187</u>	<u>(224,843)</u>	<u>208,344</u>
<b>GENERAL REVENUES</b>					
Property taxes	40,806	264,445	305,251	-	305,251
Specific ownership taxes	4,315	27,965	32,280	-	32,280
Interest income	<u>1,005</u>	<u>5,063</u>	<u>6,068</u>	<u>-</u>	<u>6,068</u>
Total General Revenues	<u>46,126</u>	<u>297,473</u>	<u>343,599</u>	<u>-</u>	<u>343,599</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>					
	77	(89,665)	(89,588)	224,843	135,255
<b>OTHER FINANCING SOURCES (USES)</b>					
Loan Proceeds	<u>-</u>	<u>29,000</u>	<u>29,000</u>	<u>(29,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>29,000</u>	<u>29,000</u>	<u>(29,000)</u>	<u>-</u>
<b>NET CHANGES IN FUND BALANCES</b>					
	77	(60,665)	(60,588)	60,588	
<b>CHANGE IN NET POSITION</b>					
				135,255	135,255
<b>FUND BALANCES/NET POSITION:</b>					
BEGINNING OF YEAR	<u>10,191</u>	<u>133,122</u>	<u>143,313</u>	<u>(4,286,936)</u>	<u>(4,143,623)</u>
END OF YEAR	<u>\$ 10,268</u>	<u>\$ 72,457</u>	<u>\$ 82,725</u>	<u>\$ (4,091,093)</u>	<u>\$ (4,008,368)</u>

The notes to the financial statements are an integral part of these statements.

# REGENCY METROPOLITAN DISTRICT

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2018

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ 157,855	\$ 40,804	\$ 40,806	\$ 2
Specific ownership taxes	9,800	4,100	4,315	215
Interest income	<u>141</u>	<u>1,000</u>	<u>1,005</u>	<u>5</u>
Total Revenues	<u>167,796</u>	<u>45,904</u>	<u>46,126</u>	<u>222</u>
<b>EXPENDITURES</b>				
Accounting	7,200	7,200	13,074	(5,874)
Audit	4,500	4,500	4,100	400
Insurance	4,100	4,100	4,236	(136)
Legal	9,500	9,500	6,074	3,426
Management fees	6,600	6,600	5,964	636
Miscellaneous expenses	1,525	1,525	335	1,190
Treasurer's fees	2,368	612	612	-
Election	1,000	1,000	1,154	(154)
Payment to Developer	124,000	10,000	10,500	(500)
Emergency reserve	<u>5,034</u>	<u>5,034</u>	<u>-</u>	<u>5,034</u>
Total Expenditures	<u>165,827</u>	<u>50,071</u>	<u>46,049</u>	<u>4,022</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER</b>				
EXPENDITURES	1,969	(4,167)	77	4,244
<b>FUND BALANCE:</b>				
BEGINNING OF YEAR	<u>6,225</u>	<u>10,191</u>	<u>10,191</u>	<u>-</u>
END OF YEAR	<u>\$ 8,194</u>	<u>\$ 6,024</u>	<u>\$ 10,268</u>	<u>\$ 4,244</u>

The notes to the financial statements are an integral part of these statements.



## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

#### Note 1: Summary of Significant Accounting Policies

The accounting policies of the Regency Metropolitan District, (“the District”), located in the Town of Parker, Douglas County, Colorado, (“the County”); conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

#### Definition of Reporting Entity

The District was organized on May 25, 2006, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to finance and construct certain public infrastructure improvements that benefit the citizens of the District. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB, Statement No. 61, *The Financial Reporting Entity: Omnibus, which amended* GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, which provides guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization’s elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization’s governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

#### Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

#### Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

#### Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

In December 2018, the District amended its total appropriations in the General Fund from \$165,827 to \$50,071 due to fund allocations of payments to the developer, and the Debt Service Fund from \$235,263 to \$387,419 due to fund allocations of payments to the developer.

#### Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position

##### Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2018, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

##### Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

#### Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has one type of item that qualifies for reporting in this category. It is the deferred loss on refunding reported in the government-wide Statement of Net Position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one type of item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. Depreciation expense of \$8,000 was recognized during 2018.

It is the policy of the Town of Parker to accept the maintenance responsibility for streets and drainage facilities within the Town of Parker only after a probationary period following completion of construction. Upon final acceptance of the improvements by the Town of Parker, the District removed the cost of construction from its Statement of Net Assets. The District will retain the landscaping of the common areas containing park equipment.

The playground equipment will be depreciated using a straight-line method over the following estimated useful lives:

Parks, equipment:	10 years
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#### Property Taxes

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

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

#### Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

#### Deferred Loss on Refunding

The Deferred Loss on Refunding on the 2015 Loan is being amortized over the term of the 2015 Loan using the straight-line method. Accumulated amortization on the loss on refunding amounted to \$23,168 at December 31, 2018.

#### Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

#### Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

The nonspendable fund balance in the General Fund in the amount of \$3,431 represents prepaid expenditures.

#### Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$1,389 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$72,457 is restricted for the payment of the debt service costs associated with the Series 2015 Loan (see Note 4).

#### Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

#### Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

# REGENCY METROPOLITAN DISTRICT

## Notes to Financial Statements December 31, 2018

### Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all other funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

### Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

### Note 2: Cash and Investments

As of December 31, 2018, cash and investments are classified in the accompanying financial statements as follows:

#### Statement of Net Position:

Cash and investments	\$ 13,660
Cash and investments - Restricted	<u>71,171</u>
Total	\$ <u>84,831</u>

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

Cash and investments as of December 31, 2018, consist of the following:

Deposits with financial institutions	\$ 68,943
Investments - COLOTRUST	<u>15,888</u>
	\$ <u>84,831</u>

#### Deposits

##### Custodial Credit Risk

The Colorado Public Deposit Protection Act, ("PDPA") requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District follows state statutes for deposits. None of the District's deposits were exposed to custodial credit risk.

#### Investments

##### Investments

##### Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investment is not required to be categorized within the fair value hierarchy. This investment's value is calculated using the net asset value method (NAV) per share.

##### Credit risk

The District has adopted a formal investment policy and follows the state statutes regarding investments. Colorado statutes specify types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

##### Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.



# REGENCY METROPOLITAN DISTRICT

## Notes to Financial Statements December 31, 2018

### Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

As of December 31, 2018, the District had the following investments:

### COLOTRUST

The local government investment pool, Colorado Local Government Liquid Asset Trust ("COLOTRUST") is rated AAAM by Standard & Poor's with a weighted average maturity of under 60 days, a Level 2 investment under the fair value hierarchy. COLOTRUST is an investment trust/joint ventures established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The trusts operate similarly to a money market fund with each share maintaining a value of \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Designated custodian banks provide safekeeping and depository services to the trusts. Substantially all securities owned by the trusts are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. At December 31, 2018, the District had \$15,888 invested in COLOTRUST.

### Note 3: Capital Assets

An analysis of the changes in fixed assets for the period ended December 31, 2018 follows:

<u>Governmental Type Activities:</u>	<u>Balance</u> <u>01-01-18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-18</u>
<u>Capital assets being depreciated:</u>				
Parks, equipment	\$ 80,000	\$ -	\$ -	\$ 80,000
Total capital assets being depreciated	80,000	-	-	80,000
<u>Accumulated Depreciation:</u>				
Parks, equipment	(56,000)	(8,000)	-	(64,000)
Total accumulated depreciation	(56,000)	(8,000)	-	(64,000)
Net capital assets being depreciated	24,000	(8,000)	-	16,000
Government type assets, net	\$ 24,000	\$ (8,000)	\$ -	\$ 16,000

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

The Town of Parker has accepted conveyance of the street improvements. The HOA will maintain the park and landscaping improvements in the common areas.

#### Note 4: Long-Term Debt

A description of the long-term obligations as of December 31, 2018, is as follows:

##### \$3,569,000 Refunding and Improvement Loan, Series 2015

On December 10, 2015 the District authorized the issuance of its Refunding and Improvement Loan, Series 2015, dated December 15, 2015 in the amount of \$3,569,000 primarily for refunding of the outstanding Limited Tax General Obligation Bonds Series 2006. The Loan is a tax exempt Loan due on December 1, 2020. The Loan bears interest at a fixed rate of 3.28% per annum calculated on the basis of a 360-day year and the actual number of days elapsed in the applicable accrual period. The Loan is payable semiannually on each June 1 and December 1, commencing on June 1, 2016. Net loan proceeds were used to refund the outstanding Series 2006 Bonds, fund the reserve account in the amount of \$65,000 and to pay capital project costs.

As a result of the refunding, the Series 2006 Refunded Bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$137,431. This amount is recorded as a deferred inflow and is being amortized over the remaining life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the remaining life of the old debt at the time of the refunding by \$3,121,852 and resulted in an economic gain of \$14,485.

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

The pledged revenue for the repayment of the 2015 Loan consists of: (a) a required mill levy (RML); (b) that portion of ownership taxes allocable to the amount of the RML; and (c) any other legally available monies, which the Board in its discretion determines to apply as pledged revenue. The amount of the RML depends upon the debt-to-assessed value (D:AV) ratio. When the D:AV ratio is 50% or less, the RML is an amount sufficient, when combined with the Loan Payment Fund (as defined in the Loan Agreement and Custodial Agreement), to pay estimated debt requirements, less the operations mill levy (OML), and less the number of mills necessary to pay unlimited mill levy debt, but not in excess of 35 mills; provided that the limitation of 35 mills shall be adjusted such that the tax revenues generated are neither enhanced nor diminished. The OML is the number of mills necessary to produce the Operations Deduction, which was \$40,000 for 2016, and subject to a 1% increase annually thereafter. For 2018, the D:AV was 50% or less, and the total adjusted mill levy was 47.344 mills (with 6.329 mills levied for operations expenses and 41.015 mills levied for debt service). When the D:AV ratio is 50% or less but greater than 40%, the RML is an amount sufficient, when combined with the Loan Payment Fund, to pay estimated debt requirements, less the OML, and less the number of mills necessary to pay unlimited mill levy debt, but not in excess of 55 mills; provided that the limitation of 55 mills shall be adjusted such that the tax revenues generated are neither enhanced nor diminished. When the D:AV ratio is 40% or less, the RML is an amount sufficient, when combined with the Loan Payment Fund, to pay estimated debt requirements, without limitation of rate and in amounts sufficient to pay the estimated debt requirements; provided that: (a) the debt service mill levy imposed for the purpose of paying the Loan in the calendar year prior to the Maturity Date, and any debt service mill levy imposed in any year for the purpose of paying the Loan after the Maturity Date, shall not be required to exceed 55 mills; and (b) the foregoing mill levy limitation of 55 mills shall be adjusted such that the tax revenues generated are neither enhanced nor diminished.

There is also a Reserve Requirement established by the provisions of the Custodial Agreement in the amount of \$65,000. The 2015 Loan requires that a Loan Payment Fund be credited an amount of Pledged Revenue each loan year which is equal to the loan requirements for the then current year. The 2015 Loan is secured by collateral made up of (a) the Pledged Revenue, (b) all amounts on deposit in the Loan Payment Fund; and (c) all moneys of the District legally available.

#### Operation Funding Agreement

On June 20, 2006, the District entered into a 2006 – 2007 Operation Funding Agreement with BCX Development Partners #1, LLC (the Developer). The District anticipated that it would not have sufficient funds to make the payment of its operations and maintenance expenses in fiscal years 2006 and 2007; therefore pursuant to this agreement the Developer would advance funds to meet any shortfalls. The advances earn interest from the date the moneys are deposited into the District's account at the rate of the Prime Interest Rate plus 1%. On October 17, 2006, this agreement was amended and restated to extend the shortfall dates for the years 2006 through December 31, 2009 ("Amended and Restated OFA"). The Developer agreed to advance up to \$175,000 to the District for operation and maintenance shortfalls through December 31, 2009.

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

As of December 31, 2018 the outstanding principal amount the District owed the Developer was \$148,801, and the total accrued interest was \$99,535.

The District has agreed to repay the Developer advances and accrued interest subject to the availability of funds and subject to annual appropriation. Pursuant to the October 18, 2016 First Amendment to the Amended and Restated OFA, payments shall credit first against the principal amount due and then against the accrued and unpaid interest. The obligation of the District to reimburse the Developer is not a multiple fiscal year obligation of the District. The agreement terminates on December 31, 2031, or when all amounts due to the Developer under the agreement have been repaid, whichever is earlier.

#### Project Funding and Reimbursement Agreement

On June 20, 2006, the District entered into a Project Funding and Reimbursement Agreement (“PFRA”) with the Developer. The Developer has agreed to advance funds to the District for the design, construction and completion of the infrastructure improvements within the District outlined in the Service Plan.

The District has agreed to repay the Developer advances and accrued interest, at the rate of prime plus 1%, subject to the availability of funds and subject to annual appropriation. Pursuant to the October 18, 2016 First Amendment to the PFRA, payments shall credit first against the principal amount due and then against the accrued and unpaid interest. The obligation of the District to reimburse the Developer is not a multiple fiscal year obligation of the District. The agreement terminates on December 31, 2046, or when all amounts due to the Developer under the agreement have been repaid, whichever is earlier.

As of December 31, 2018 the outstanding principal amount the District owed the Developer was \$351,140, and the total accrued interest was \$308,749.

# REGENCY METROPOLITAN DISTRICT

## Notes to Financial Statements December 31, 2018

The following is an analysis of changes in long-term debt for the period ended December 31, 2018:

	<u>Balance 1/1/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2018</u>	<u>Current Portion</u>
Series 2015 Loan	\$ 3,365,000	\$ 29,000	\$ 90,000	\$ 3,304,000	\$ 95,000
Devel Adv - Operating	159,301	-	10,500	148,801	-
Accrued Int.	90,261	9,274	-	99,535	-
Devel Adv - Capital	528,942	-	177,801	351,140	-
Accrued Int.	<u>279,932</u>	<u>28,816</u>	<u>-</u>	<u>308,749</u>	<u>-</u>
Total	<u>\$ 4,423,436</u>	<u>\$ 67,090</u>	<u>\$ 278,301</u>	<u>\$ 4,212,225</u>	<u>\$ 95,000</u>

The following is a summary of the annual long-term debt principal and interest payment requirements for the 2015 Series loan as of December 31, 2018:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 95,000	\$ 109,876	\$ 204,876
2020	<u>3,209,000</u>	<u>107,009</u>	<u>3,316,009</u>
	<u>\$ 3,304,000</u>	<u>\$ 216,885</u>	<u>\$ 3,520,885</u>

### Debt Authorization

At elections held in 2006, a majority of the qualified electors of the District who voted in the elections authorized the issuance of general obligation indebtedness, for public improvements and operations and maintenance, in an amount not to exceed \$3,400,000. The District currently has \$200,119 in authorized but unissued debt. The District did not budget for any issuance of debt in 2019.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area, however, as of the date of this audit, the amount and timing of any debt issuances is not determinable.

### Note 5: Related Parties

The majority of the Board members of the District are employees, officers or consultants to the Developer. The Developer has advanced cash to the District for operating and capital purposes (see Note 4).

## REGENCY METROPOLITAN DISTRICT

### Notes to Financial Statements December 31, 2018

#### Note 6: Tax Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (“TABOR”), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District’s management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On May 2, 2006, a majority of the District’s electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20, of the Colorado Constitution.

#### Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials’ liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

# REGENCY METROPOLITAN DISTRICT

## Notes to Financial Statements December 31, 2018

### Note 8: Reconciliation of government-wide financial statements and fund financial statements

The Governmental Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) Capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and
- 2) Long-term liabilities such as bonds payable and accrued bond interest payable are not due and payable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) Governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities;
- 2) Governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.
- 3) Governmental funds report developer advances and/or bond proceeds as revenue; and,
- 4) Governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

## SUPPLEMENTAL INFORMATION



# REGENCY METROPOLITAN DISTRICT

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND

For the Year Ended December 31, 2018

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES				
Property taxes	\$ 147,397	\$ 264,447	\$ 264,445	\$ (2)
Specific ownership taxes	8,400	27,000	27,965	965
Interest income	<u>2,200</u>	<u>4,201</u>	<u>5,063</u>	<u>862</u>
Total Revenues	<u>157,997</u>	<u>295,648</u>	<u>297,473</u>	<u>1,825</u>
EXPENDITURES				
Loan principal	90,000	90,000	90,000	-
Interest expense	111,905	112,151	113,348	(1,197)
Non-Use Fee	147	-	21	(21)
Paying agent fees	2,000	2,000	2,000	-
Transfer to Capital Fund	29,000	-	-	-
Payment to Developer	-	178,301	177,801	500
Contingency	-	1,000	-	1,000
Treasurer's fees	<u>2,211</u>	<u>3,967</u>	<u>3,968</u>	<u>(1)</u>
Total Expenditures	<u>235,263</u>	<u>387,419</u>	<u>387,138</u>	<u>281</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(77,266)	(91,771)	(89,665)	2,106
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	<u>29,000</u>	<u>29,000</u>	<u>29,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>29,000</u>	<u>29,000</u>	<u>29,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(48,266)	(62,771)	(60,665)	2,106
FUND BALANCE:				
BEGINNING OF YEAR	<u>129,860</u>	<u>133,122</u>	<u>133,122</u>	<u>-</u>
END OF YEAR	<u>\$ 81,594</u>	<u>\$ 70,351</u>	<u>\$ 72,457</u>	<u>\$ 2,106</u>

The notes to the financial statements are an integral part of these statements.

# REGENCY METROPOLITAN DISTRICT

## SUMMARY OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED

December 31, 2018

Year Ended	Prior Year Assessed Valuation for Current Year Property	Mills Levied		Total Property Tax		Percent Collected
	Tax Levy	General	Debt	Levied	Collected	to Levied
		Fund	Service			
2007	\$ 224,870	8.000	34.826	\$ 9,630	\$ 9,630	100.00%
2008	\$ 594,130	8.000	34.826	\$ 25,444	\$ 25,444	100.00%
2009	\$ 1,802,560	8.000	34.826	\$ 77,196	\$ 77,198	100.00%
2010	\$ 2,502,690	8.000	34.826	\$ 107,180	\$ 104,746	97.73%
2011	\$ 2,641,070	8.000	34.826	\$ 113,106	\$ 112,964	99.87%
2012	\$ 2,286,920	10.470	32.356	\$ 97,940	\$ 97,940	100.00%
2013	\$ 3,192,700	8.000	34.826	\$ 136,731	\$ 136,733	100.00%
2014	\$ 4,432,403	8.000	34.826	\$ 189,822	\$ 178,858	94.22%
2015	\$ 4,859,640	6.750	36.076	\$ 208,119	\$ 205,564	98.77%
2016	\$ 5,970,460	6.699	36.127	\$ 255,691	\$ 255,894	100.08%
2017	\$ 5,968,290	6.769	36.057	\$ 255,598	\$ 255,603	100.00%
2018	\$ 6,447,520	6.329	41.015	\$ 305,252	\$ 305,251	100.00%
Estimated for year ending December 31, 2019	\$ 6,446,390	6.393	40.894	\$ 304,830		

### NOTE

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

## REGENCY METROPOLITAN DISTRICT

May 24, 2019

Simmons & Wheeler, P.C.  
304 Inverness Way South, Suite 490  
Englewood, Colorado 80112

This representation letter is provided in connection with your audit of the financial statements of the Regency Metropolitan District, which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information (where applicable) as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of the audit report, the following representations made to you during your audit:

### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, including (where applicable) our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for the preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the primary government and all component units, where applicable, as required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements (or in the schedule of findings and questioned costs, if applicable).
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements, where applicable, is attached to the representation letter.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been recorded and disclosed.

**Information Provided**

11. We have provided you with:
  - (a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters (and all audit or relevant monitoring reports, if any, received from funding sources).
  - (b) Additional information that you have requested from us for the purpose of the audit.
  - (c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - (d) Minutes of the meetings of the Board of Directors, or summaries of actions of recent meetings for which minutes have not yet been prepared.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

14. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
  - (a) Management,
  - (b) Employees who have significant roles in internal control, or
  - (c) Others where the fraud could have a material effect on the financial statements.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
16. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
17. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
18. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
19. We have made available to you all financial records and related data, and, all audit or relevant monitoring reports, if any, received from funding sources.

**Government Specific**

20. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
21. Where applicable, we have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse that you have reported to us.
22. Where applicable, we have a process to track the status of audit findings and recommendations.
23. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
24. The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
25. Where applicable, we have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
26. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

27. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

28. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

29. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

30. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

31. Where applicable, as part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

32. The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral except as noted in the financial statements.

33. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

34. We have followed all applicable laws and regulation in adopting, approving and amending budgets.

35. Where applicable, the financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

36. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.

37. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
38. Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
39. Where applicable, investments, derivative transactions, and land and other real estate held by endowments are properly valued.
40. Provisions for uncollectible receivables have been properly identified and recorded.
41. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
42. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
43. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
44. Special and extraordinary items are appropriately classified and reported, if applicable.
45. Deposits and investment securities and derivative transactions are properly classified as to risk and are properly disclosed.
46. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
47. The entity meets the GASB-established requirements for accounting for eligible infrastructure assets using the modified approach if applicable.
48. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

49. We are following our established accounting policy regarding resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

50. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

51. Where applicable, with respect to the supplementary information:

(a) We acknowledge our responsibility for presenting the supplementary information, as defined in the table of contents of the financial statements, in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

(b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

52. We have evaluated the entity's ability to continue as a going concern and have included appropriate disclosures, as necessary, in the financial statements.

53. The entity understands that TABOR (Section 20 of Article X of the Colorado Constitution) is complex and subject to interpretation and that many of the provisions will require judicial interpretation. We have reviewed the various provisions and interpretations and believe to the best of our knowledge at this time, the entity is in compliance.

REGENCY METROPOLITAN DISTRICT

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

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

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

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



# CERTIFICATION OF VALUATION BY DOUGLAS COUNTY ASSESSOR

Name of Jurisdiction: 4490 - Regency Metro District

IN DOUGLAS COUNTY ON 8/23/2019

New Entity: No

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

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2019 IN DOUGLAS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$6,446,390
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$6,933,030
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$6,933,030
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.): ##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

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

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

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

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

## USE FOR 'TABOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2019 IN DOUGLAS COUNTY, COLORADO ON AUGUST 25, 2019

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$96,825,206
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

### DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

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

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

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

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->

\$0

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2019

Data Date: 8/23/2019

Regency Metropolitan District  
Statement of Revenues, Expenditures, & Changes In Fund Balance  
Modified Accrual Basis For the Period Indicated

Print Date: 10/02/19

	2018 Audited Actual	2019 Adopted Budget	2019 Amended Budget	2019 Forecast	YTD Thru 08/31/19 Actual	YTD Thru 08/31/19 Budget	Variance Favorable (Unfavor)	2020 Prelim Budget	Notes/Assumptions
<b>PROPERTY TAXES</b>									
Assessed Valuation	6,447,520	6,446,390	6,446,390	6,446,390				6,923,130	Prelim August Values
<b>Mill Levy Breakdown:</b>									
Mill Levy - Operations	6.329	6.393	6.393	6.393				22.121	Remaining Available
Mill Levy - Debt Service	41.015	31.782	31.782	31.782				25.500	To Cover Debt Service Costs
Mill Levy - Contractual Obligations	0.000	9.112	9.112	9.112				0.000	No Longer Used
<b>Total</b>	<b>47.344</b>	<b>47.287</b>	<b>47.287</b>	<b>47.287</b>				<b>47.621</b>	35 mills gallagherized
Property Tax Revenue - Operations	40,804	41,212	41,212	41,212				153,147	AV * Mill Levy / 1,000
Property Tax Revenue - Debt & Cont Oblig	264,445	263,619	263,619	263,619				176,540	AV * Mill Levy / 1,000
<b>Total</b>	<b>305,249</b>	<b>304,830</b>	<b>304,830</b>	<b>304,830</b>				<b>329,686</b>	
<b>COMBINED FUNDS</b>									
<b>REVENUE</b>									
Property Taxes	305,252	304,830	304,830	304,828	304,831	304,830	0	329,686	AV * Mill Levy / 1,000
Specific Ownership Taxes	32,281	30,500	30,500	30,521	17,128	17,792	(664)	29,583	9% of Taxes
Interest	6,068	5,200	5,200	6,650	4,603	3,467	1,136	5,200	Based on 2019 Forecast
Loan/Bond Proceeds, Prem, & Disc	29,000	-	3,805,523	3,805,523	3,805,523	-	3,805,523	-	Bonds Refunded in 2019
<b>TOTAL REVENUE</b>	<b>372,600</b>	<b>340,530</b>	<b>4,146,053</b>	<b>4,147,522</b>	<b>4,132,084</b>	<b>326,089</b>	<b>3,805,996</b>	<b>364,469</b>	
<b>EXPENDITURES</b>									
General Government	41,539	52,387	63,387	43,235	31,953	40,415	8,462	59,860	All non-debt expenses
Debt Service- Bond Principal & Interest	203,348	204,876	3,446,873	3,446,873	3,364,205	54,938	(3,309,267)	186,000	See Debt Service Fund
Debt Service- Developer Repayments	188,301	97,000	155,000	160,000	-	-	-	120,000	See General & Debt Svc Funds
Debt Service- Cost of Issuance	-	-	259,898	257,639	257,639	-	(257,639)	-	
<b>TOTAL EXPENDITURES</b>	<b>433,188</b>	<b>354,263</b>	<b>3,925,157</b>	<b>3,907,747</b>	<b>3,653,797</b>	<b>95,354</b>	<b>(3,558,444)</b>	<b>365,860</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>(60,588)</b>	<b>(13,733)</b>	<b>220,896</b>	<b>239,775</b>	<b>478,287</b>	<b>230,735</b>	<b>247,552</b>	<b>(1,391)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>143,314</b>	<b>86,044</b>	<b>87,150</b>	<b>82,726</b>	<b>82,725</b>	<b>86,044</b>	<b>(3,319)</b>	<b>322,501</b>	
<b>ENDING FUND BALANCE</b>	<b>82,726</b>	<b>72,311</b>	<b>308,047</b>	<b>322,501</b>	<b>561,013</b>	<b>316,779</b>	<b>244,233</b>	<b>321,110</b>	
<b>COMPONENTS OF FUND BALANCE</b>									
Nonspendable	-	4,305	4,305	4,000	-	-	-	4,200	Prepaid Insurance
TABOR Emergency Reserve	1,384	-	-	1,380	1,380	1,019	361	-	Budgeted as an Expense
Restricted For Debt Service	72,457	66,739	302,474	316,529	534,794	291,777	243,017	316,529	Per Debt Service Fund
Unassigned/ Other	8,884	1,267	1,267	592	24,839	23,983	856	381	Per General Fund
<b>TOTAL ENDING FUND BALANCE</b>	<b>82,726</b>	<b>72,311</b>	<b>308,047</b>	<b>322,501</b>	<b>561,013</b>	<b>316,779</b>	<b>244,233</b>	<b>321,110</b>	
	=	=	=	=	=	=	=	=	

Regency Metropolitan District  
Statement of Revenues, Expenditures, & Changes In Fund Balance  
Modified Accrual Basis For the Period Indicated

Print Date: 10/02/19

	2018 Audited Actual	2019 Adopted Budget	2019 Amended Budget	2019 Forecast	YTD Thru 08/31/19 Actual	YTD Thru 08/31/19 Budget	Variance Favorable (Unfavor)	2020 Prelim Budget	Notes/Assumptions
<b>GENERAL FUND</b>									
<b>REVENUE</b>									
1-510 Property Taxes	40,806	41,212	41,212	41,212	41,212	41,212	0	153,147	AV * Mill Levy / 1,000
1-515 Specific Ownership Taxes	4,315	4,100	4,100	4,121	2,316	2,392	(76)	13,783	9% of Taxes
1-560 Interest Income	1,005	1,000	1,000	650	421	667	(246)	500	Based on 2019 Forecast
<b>TOTAL REVENUE</b>	<b>46,127</b>	<b>46,312</b>	<b>46,312</b>	<b>45,983</b>	<b>43,948</b>	<b>44,270</b>	<b>(322)</b>	<b>167,430</b>	
<b>EXPENDITURES</b>									
<b>Administration</b>									
1-612 Accounting	13,074	7,200	7,200	7,200	5,796	5,400	(396)	7,500	Based on 2019 Forecast
1-614 District Management	5,964	6,600	6,600	8,600	6,592	4,400	(2,192)	7,000	Based on 2019 Budget
1-615 Audit	4,100	4,500	4,500	4,100	4,100	4,500	400	4,750	Based on 2019 Forecast
1-635 Election	1,154	-	-	-	-	-	-	1,500	Assume Canceled
1-670 Insurance & SDA Dues	4,236	4,100	4,100	3,736	3,736	4,100	364	4,000	Based on 2019 Forecast
1-675 Legal	6,074	9,500	9,500	9,500	6,560	6,333	(226)	10,000	Based on 2019 Forecast
1-685 Miscellaneous Expense	335	1,525	1,525	1,525	596	1,017	420	1,750	Based on 2019 Forecast
1-700 Treasurer's Fees	612	618	618	618	618	618	(0)	2,297	1.5% of property taxes
1-795 Emergencies	-	1,389	1,389	-	-	926	926	5,023	Emergencies- 3% of Revenues
Contingency		10,000	10,000	-		6,667	6,667	5,000	Unforseen needs
<b>Total Administration</b>	<b>35,550</b>	<b>45,433</b>	<b>45,433</b>	<b>35,279</b>	<b>27,998</b>	<b>33,961</b>	<b>5,964</b>	<b>48,820</b>	
<b>Debt Service</b>									
1-710 Developer Repayment- Ops Principal	10,500	-	-	15,000	-	-	-	120,000	Use available funds
Developer Repayment- Cap Principal		10,000	10,000	-		-	-	-	Ops above paid first
Developer Repayment- Ops Interest		-	-	-		-	-	-	Principal paid first
Developer Repayment- Cap Interest		-	-	-		-	-	-	Principal paid first
<b>Total Debt Service</b>	<b>10,500</b>	<b>10,000</b>	<b>10,000</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120,000</b>	
<b>TOTAL EXPENDITURES</b>	<b>46,050</b>	<b>55,433</b>	<b>55,433</b>	<b>50,279</b>	<b>27,998</b>	<b>33,961</b>	<b>5,964</b>	<b>168,820</b>	
<b>REVENUE OVER / (UNDER) EXP</b>	<b>77</b>	<b>(9,121)</b>	<b>(9,121)</b>	<b>(4,296)</b>	<b>15,951</b>	<b>10,309</b>	<b>5,642</b>	<b>(1,391)</b>	
<b>OTHER SOURCES / (USES)</b>									
1-780 Transfer to Debt Service		-	-	-		-	-	-	
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>77</b>	<b>(9,121)</b>	<b>(9,121)</b>	<b>(4,296)</b>	<b>15,951</b>	<b>10,309</b>	<b>5,642</b>	<b>(1,391)</b>	
1-450 <b>BEGINNING FUND BALANCE</b>	<b>10,191</b>	<b>14,693</b>	<b>14,693</b>	<b>10,268</b>	<b>10,268</b>	<b>14,693</b>	<b>(4,425)</b>	<b>5,972</b>	
<b>ENDING FUND BALANCE</b>	<b>10,268</b>	<b>5,572</b>	<b>5,572</b>	<b>5,972</b>	<b>26,219</b>	<b>25,002</b>	<b>1,217</b>	<b>4,581</b>	
<b>COMPONENTS OF FUND BALANCE:</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	
Nonspendable	-	4,305	4,305	4,000	-	-	-	4,200	Prepaid Insurance
Restricted for Emergencies	1,384	-	-	1,380	1,380	-	-	-	Budgeted as an Expense
Unassigned	8,884	1,267	1,267	592	24,839	-	-	381	
<b>TOTAL FUND BALANCE</b>	<b>10,268</b>	<b>5,572</b>	<b>5,572</b>	<b>5,972</b>	<b>26,219</b>	<b>-</b>	<b>-</b>	<b>4,581</b>	

No assurance is provided on these financial statements;  
substantially all disclosures required by GAAP omitted.

Regency Metropolitan District  
Statement of Revenues, Expenditures, & Changes In Fund Balance  
Modified Accrual Basis For the Period Indicated

Print Date: 10/02/19

	2018 Audited Actual	2019 Adopted Budget	2019 Amended Budget	2019 Forecast	YTD Thru 08/31/19 Actual	YTD Thru 08/31/19 Budget	Variance Favorable (Unfavor)	2020 Prelim Budget	Notes/Assumptions
<b>DEBT SERVICE FUND</b>									
<b>REVENUE</b>									
2-510 Property Taxes	264,445	263,619	263,619	263,617	263,619	263,619	0	176,540	AV * Mill Levy / 1,000
2-515 Specific Ownership Taxes	27,965	26,400	26,400	26,400	14,812	15,400	(588)	15,800	9% of Taxes
2-560 Interest Income	5,063	4,200	4,200	6,000	4,182	2,800	1,382	4,700	1.5% of Beginning Fund Balance
<b>TOTAL REVENUE</b>	<b>297,473</b>	<b>294,219</b>	<b>294,219</b>	<b>296,017</b>	<b>282,613</b>	<b>281,819</b>	<b>795</b>	<b>197,040</b>	
<b>EXPENDITURES</b>									
2-605 Note Principal- 2015	90,000	95,000	3,304,000	3,304,000	3,304,000	-	(3,304,000)	-	Refunded in 2019
2-606 Note Interest- 2015	113,348	109,876	60,206	60,206	60,205	54,938	(5,267)	-	Refunded in 2019
Bond Principal- 2019	-	-	82,667	82,667	-	-	-	186,000	Per Amortization Schedule
Bond Interest- 2019	-	-	-	-	-	-	-	-	Per Amortization Schedule
2-610 Developer Repayment- Ops Principal	-	-	-	-	-	-	-	-	Now in General Fund
2-615 Developer Repayment- Cap Principal	177,801	87,000	145,000	145,000	-	-	-	-	Now in General Fund
Developer Repayment- Ops Interest	-	-	-	-	-	-	-	-	Now in General Fund
Developer Repayment- Cap Interest	-	-	-	-	-	-	-	-	Now in General Fund
2-607 Non-Use Fees	21	-	-	-	-	-	-	-	No Longer Applicable
2-668 Trustee / Paying Agent Fees	2,000	2,000	4,000	4,000	-	2,000	2,000	4,000	Per Financial Model
2-700 Treasurer's Fees	3,968	3,954	3,954	3,956	3,956	3,954	(1)	2,648	1.5% of property taxes
2-618 Bond Cost of Issuance	-	-	259,898	257,639	257,639	-	(257,639)	-	
Contingency	-	1,000	10,000	-	-	500	500	4,392	Unforeseen needs/ rev shortfalls
<b>TOTAL EXPENDITURES</b>	<b>387,138</b>	<b>298,831</b>	<b>3,869,725</b>	<b>3,857,468</b>	<b>3,625,800</b>	<b>61,392</b>	<b>(3,564,407)</b>	<b>197,040</b>	
<b>REVENUE OVER / (UNDER) EXP</b>	<b>(89,665.29)</b>	<b>(4,612)</b>	<b>(3,575,506)</b>	<b>(3,561,451)</b>	<b>(3,343,186)</b>	<b>220,426</b>	<b>(3,563,613)</b>	<b>(0)</b>	
<b>OTHER SOURCES / (USES)</b>									
2-523 Bond / Loan Proceeds	29,000	-	3,720,000	3,720,000	3,720,000	-	3,720,000	-	
2-525 Bond Premium	-	-	85,523	85,523	85,523	-	85,523	-	
2-894 Transfer to Capital Fund	-	-	-	-	-	-	-	-	
<b>TOTAL OTHER SOURCES / (USES)</b>	<b>29,000</b>	<b>-</b>	<b>3,805,523</b>	<b>3,805,523</b>	<b>3,805,523</b>	<b>-</b>	<b>3,805,523</b>	<b>-</b>	
<b>CHANGE IN FUND BALANCE</b>	<b>(60,665)</b>	<b>(4,612)</b>	<b>230,017</b>	<b>244,072</b>	<b>462,336</b>	<b>220,426</b>	<b>241,910</b>	<b>(0)</b>	
2-450 <b>BEGINNING FUND BALANCE</b>	<b>133,123</b>	<b>71,351</b>	<b>72,457</b>	<b>72,457</b>	<b>72,457</b>	<b>71,351</b>	<b>1,106</b>	<b>316,529</b>	
<b>ENDING FUND BALANCE</b>	<b>72,457</b>	<b>66,739</b>	<b>302,474</b>	<b>316,529</b>	<b>534,794</b>	<b>291,777</b>	<b>243,017</b>	<b>316,529</b>	
<b>COMPONENTS OF FUND BALANCE:</b>									
Reserve Fund	65,000	65,000	302,000	302,000	302,000	65,000	237,000	302,000	Required by Loan
Restricted for Debt Service	7,457	1,739	474	14,529	232,794	226,777	6,017	14,529	
<b>TOTAL FUND BALANCE</b>	<b>72,457</b>	<b>66,739</b>	<b>302,474</b>	<b>316,529</b>	<b>534,794</b>	<b>291,777</b>	<b>243,017</b>	<b>316,529</b>	
Balance of Loan/Bond (Beginning of Year)	3,365,000	3,365,000	3,720,000	3,720,000	=	=	=	3,720,000	
Assessed Valuation	6,447,520	6,446,390	6,446,390	6,446,390				6,923,130	
<b>Debt to Assessed Ratio (Beg of Year)</b>	<b>52%</b>	<b>52%</b>	<b>58%</b>	<b>58%</b>				<b>54%</b>	

RESOLUTION NO. 2019 - 10 - \_\_\_\_\_  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE REGENCY METROPOLITAN DISTRICT  
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Regency Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2019, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 8, 2019, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Regency Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Regency Metropolitan District for the 2020 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 8th day of October, 2019.

---

Secretary

(SEAL)

EXHIBIT A  
(Budget)

I, Ann E. Finn, hereby certify that I am the duly appointed Secretary of the Regency Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors of the Regency Metropolitan District held on October 8, 2019.

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



RESOLUTION NO. 2019 - 10 - \_\_\_\_  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE REGENCY METROPOLITAN DISTRICT  
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Regency Metropolitan District (“District”) has adopted the 2020 annual budget in accordance with the Local Government Budget Law on October 8, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Regency Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Douglas County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 8th day of October, 2019.

\_\_\_\_\_  
Secretary

(SEAL)

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

**RESOLUTION NO. 2019-10-\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
REGENCY METROPOLITAN DISTRICT  
CALLING A REGULAR ELECTION FOR DIRECTORS  
ON MAY 5, 2020**

A. The terms of the offices of Directors Lisa S. Brinkman and Shelley D. Marshall shall expire upon the election of their successors at the regular election, to be held on May 5, 2020 (“**Election**”), and upon such successors taking office.

B. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect two (2) Directors to serve until the second regular election, to occur May 2, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Regency Metropolitan District of the Town of Parker, Douglas County, Colorado (the “**District**”):

1. Date and Time of Election. The Election shall be held on May 5, 2020, between the hours of 7:00 a.m. and 7:00 p.m. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the second regular election, to occur May 2, 2023.

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

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

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

5. Mail-in Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-8-104, C.R.S., that applications for and return of mail-in ballots may be filed with the Designated Election Official of the District, at 141 Union Blvd., Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Friday immediately preceding the Election (May 1, 2020), except that if the applicant wishes to receive the mail-in ballot by mail, the application shall be filed no later than the close of business on the seventh (7<sup>th</sup>) day before the Election (April 28, 2020).

6. Self-Nomination and Acceptance Forms. Self-nomination and acceptance forms are available at the office of the Designated Election Official located at the above address. All candidates must file a self-nomination and acceptance form with the Designated Election Official no later than 3:00 p.m. on February 28, 2020.

7. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 p.m. on March 3, 2020, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

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

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

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

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO RESOLUTION  
CALLING A REGULAR ELECTION FOR DIRECTORS ON MAY 5, 2020]**

RESOLUTION APPROVED AND ADOPTED on October 8, 2019.

**REGENCY METROPOLITAN DISTRICT**

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

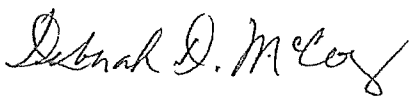
Attest:

\_\_\_\_\_  
Secretary



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

## MEMORANDUM

TO: Board of Directors  
FROM: Deborah D. McCoy   
President  
DATE: June, 2019  
RE: Notice of Rate Restructuring

In accordance with the Management Agreement ("Agreement") between the District and Special District Management Services, Inc. ("SDMS"), as of August 1, 2019, the hourly rates described in Article III for all services provided by SDMS shall be subject to the following rate restructuring schedule.

**District Management & Administration:**

Senior Managers and Managers	\$140.00 - \$190.00
Assistant Managers & Admin. Coordinators	\$115.00 - \$150.00

**Finance & Accounting:**

Senior Accountants and Accountants	\$130.00 - \$160.00
Assistant Accountants & AP Coordinators	\$110.00 - \$150.00

**Utility Billing Service:** \$65.00

**Operations, Maintenance and Field Services:** \$75.00 - \$95.00

**Community Management:**

Managers and Assistant Managers	\$ 95.00 - \$140.00
Administrative Support	\$ 75.00 - \$140.00

SDMS is one of the few consultants that has not adopted a variable rate structure. We hope you will understand that, in order to keep up with the changes in our industry, it is beneficial to implement this rate restructuring so that we may continue to provide the best and most efficient management services you expect from SDMS.

We look forward to serving you for many years to come. Please feel free to speak directly with your current District Manager if you have questions.