

# FOOTHILLS METROPOLITAN DISTRICT

8390 E. CRESCENT PKWY., STE. 300  
GREENWOOD VILLAGE, CO 80111  
303-779-5710 (O) 303-779-0348 (F)

## NOTICE OF REGULAR MEETING AND AGENDA

**DATE:** Wednesday, December 7, 2022  
**TIME:** 2:30 p.m.  
**LOCATION:** Virtual Microsoft Teams

- 1. Online Microsoft Teams Meeting – via link below

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_MzA0M2Q3MDktZGE3Yy00N2FILTIhNjQtNWlyMDExMjQ0NDdi%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_MzA0M2Q3MDktZGE3Yy00N2FILTIhNjQtNWlyMDExMjQ0NDdi%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d)

**ACCESS:**

- 2. To attend via telephone, dial 720-547-5281 and enter the following additional information: Conference ID: 473 455 07#

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Rishi Loona	President	May 2023
Josh Kane	Treasurer	May 2025
Clyde Wood	Secretary	May 2025
Patrick Bunyard	Assistant Secretary	May 2023
Tim DePeder	Assistant Secretary	May 2023

### **I. ADMINISTRATIVE MATTERS**

- A. Call to Order
- B. Disclosures of Potential Conflicts of Interest
- C. Approval of Agenda
- D. Public Comment – Members of the public may express their views to the Board on matters that affect the District that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person.

- E. Discuss and consider approval of 2023 insurance renewal. Consider adoption of documents needed to obtain or maintain insurance coverage through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management and authorize membership in the Special District Association (enclosure).

## **II. CONSENT AGENDA**

- A. Review and Approve Minutes of the October 5, 2022 Regular Meeting (enclosure).
- B. Ratification/Approval of Claims Totaling \$299,385.33 (enclosure).
- C. Consideration and Approval of 2023 Annual Administrative Matters Resolution 2022-11-01 (enclosed).
- D. Consideration and Approval of 2023 Meeting Resolution 2022-11-02(enclosed).
- E. Consideration and Approval of Resolution 2022-11-03, Calling May 2, 2023 Directors' Regular Election for May 2023 Election (enclosure).

## **III. FINANCIAL MATTERS**

- A. Review and Accept October 31, 2022 Unaudited Financial Statements and December 2022 Cash Position Report (enclosure).
- B. Consider Approval of Fiscal Focus Partners LLC Engagement Letter to Perform 2022 Audit (enclosure).
- C. Conduct Public Hearing to Consider Adoption of 2023 Budget (enclosure).
  - 1. Consider Adoption of Resolution 2022-11-04, Adopting 2023 Budget, Appropriating Expenditures and Certifying Mill Levies (enclosure).
- D. Appointment of Board member and/or General Counsel to sign the DLG-70 Certification of Tax Levies.
- E. Other.

## **IV. LEGAL MATTERS**

- A. Consideration and Approval of First Amendment to 2022 Funding and Reimbursement Agreement with MXD Fort Collins, LLC, for Operation Costs (enclosure).
- B. Consideration and Approval of First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with MXD Fort Collins, LLC for Capital Costs (enclosure).
- C. Ratify Event Holiday Lights Agreement (enclosure).
- D. Ratify Tree Lighting Agreement (enclosure).
- E. Ratify Mountain West Landscapes, LLC Snow Agreement (enclosure).
- F. Consider Approval of Consent Resolution to Entitle the Metro District Surface Parking (enclosure).

**V. CONSTRUCTION REPORT**

**VI. MANAGER MATTER**

A. Approval of CliftonLarsonAllen LLP 2023 Statements of Work (enclosure).

**VII. DIRECTOR MATTERS**

A. Other

**VIII. OTHER BUSINESS**

**IX.** Executive Session pursuant to Section 24-6-402(4)(e), C.R.S., if needed.

**X. ADJOURNMENT**

**There are no other regular scheduled meetings in 2022.**

## 2023 CSD Pool General Coverage Notes

### Drones

We are seeing many Districts either purchase or entertain purchasing Drones. The CSD Pool now offers coverage. To trigger liability coverage, subject to a \$200,000 sublimit, for member owned drones, we will want to add the number of drones to the GL Schedule to account for the liability at no cost. If you would like physical damage for the Drone itself, you must add the drone to the inland marine schedule subject to a maximum limit of \$25,000. Please contact us if you have or are considering purchasing one, so that we may help you secure the appropriate Coverage.

### Property Coverages:

Property Coverage applies only at the locations listed on the policy. Verify that all locations at which you have property are listed in the declarations.

#### **If an item or location is not listed on the policy, there is no coverage.**

The limit of insurance is the amount you have listed on your schedule. Verify the limits of insurance for all lines of coverage (Building, Contents - to include tenant improvements if required in contract, Outdoor Property, EDP – Computer, and Business Income) are enough to cover a total loss to that item.

The sublimit for outdoor property includes \$25,000 for Outdoor Property (permanently affixed structures or equipment) that is within 1,000 feet of a scheduled premise. Outdoor property includes exterior signs attached or detached, lighting, fencings, flagpoles, pavilions, park/playground entities, paved walkways, driveways or parking lots. The valuation for this property is **actual cash value**. To have replacement cost valuation, the outdoor property must be schedule on the property policy.

When scheduling property, keep in mind that items such as excavation, dirt work, and landscape mulch are not covered property or expenses. They are excluded under the land and land improvements exclusion.

#### **Consider increasing property values.**

Due to the recent spike in labor and material cost to the state of Colorado, we would recommend you consider increasing your property values to account for these increases and to help assure that in the event of a loss, your property is adequately covered. The CSD Pool will be automatically increasing limits 18% - 24%

Computer Coverage is provided with a \$250,000 sublimit. If you have more than \$250,000 of computer equipment, please let us know so that we can help you address the coverage. If you have less than \$250,000, you should not be scheduling the equipment as it may have a limiting effect on coverage. New Sublimit for Member Personal Computer/Computing Equipment - \$1,500 Sublimit with a \$10,000 aggregate; requires member approval.

Equipment Breakdown coverage is automatically included for scheduled buildings and business personal property. Coverage applies to outdoor property (NOC-not otherwise classified) only when specified on the schedule. If your outdoor property has electrical components please check the field "NOC Equipment Breakdown Applies" when updating your 2021 schedule. Please contact us if you need help with your property schedule.

Loss of Income and Extra Expense coverage is provided with a \$250,000 sublimit. If damage to one of your properties could cause you to lose in excess of \$250,000 of revenue or would increase your operating costs by over \$250,000, please let us know so that we can help you address the coverage.

### **Roofs and Hail**

The Pool policy carries a 2% deductible for property losses caused by hail. Your deductible will be 2% of the value of the damaged property with a \$5,000 minimum and \$50,000 maximum deductible. For any real property over \$25,000,000 – deductible is \$75,000.

The Pool is offering a deductible buy down option to a flat \$5,000 hail deductible. For pricing, please let us know (last year it was about a 30% surcharge to building and not otherwise classified property premiums).

The Pool policy has a cosmetic damage waiver. The endorsement waives coverage for claims involving wind and hail damage to a roof that suffers only cosmetic damage. Cosmetic damage refers to scuffs and dents that do not affect the structural integrity of your roof and are not visible to patrons of your facility.

If the age of your District's roof exceeds the manufacturer's expected usage warranty, the Pool will assess the value of the roof on Actual Cash Value. Actual Cash Value is the cost to replace the roof less depreciation.

The Pool is adding a building vacancy provision to the property policy. The provision states losses to buildings that are vacant for more than 60 days will be valued at Actual Cash Value unless reasonable steps are taken to maintain heat in the building or the building was winterized prior to becoming vacant.

The Excess/Umbrella Liability policy does not provide coverage for damage to property owned by the District.

Flood coverage and additional flood coverage is available. Consider the Stafford Act when considering higher flood limits and whether or not to cover specific property. If you sustained flood damage, paid for by FEMA, the Act may prevent future FEMA payments should you incur damage to uninsured property for a second time.

There is a lot of development and construction in Colorado. Property in the course of construction is not automatically covered. If you have this exposure, please let us know so that we can help you obtain the appropriate coverage.

### **Inland Marine/Auto Coverages:**

Any vehicle or piece of equipment that is licensed for use on the road needs to be scheduled on the Auto policy – in lieu of the Inland Marine policy. Please verify that all pieces of equipment such as Snowplows, ATVs, UTVs, etc. are itemized on the appropriate auto or inland marine schedule.



**Auto Physical Damage Deductibles:**

For Comprehensive and/or Collision claims, involving losses to more than 5 vehicles in a single occurrence, the deductible for the loss will be limited to the deductibles on the 5 vehicles with the largest deductibles.

**Crime and Employee Dishonesty Coverage:**

We find that many districts have elected to carry minimal limits (\$5,000 or \$10,000) of Employee Dishonesty Coverage. We are seeing a sharp increase in claims in this area and often these limits turn out to be too low. **We highly recommend an increase in limits to a minimum of \$100,000.**

For those with budgets in excess of \$1,000,000 we can provide you with a tool to help determine appropriate limits. Please contact us if you would like to review your Limit.

Third Party Accounting and Bookkeeping Services. Many Districts do not have employees, but instead employ a third party / independent contractor to handle their financials. As the service does not qualify as an employee, the POOLs Employee Dishonesty coverage will not cover the loss. The District needs to be sure the third party / independent contractor has their own Crime coverage in place, with Third-Party coverage for the District's protection. NOTE: There is no coverage for the entity owner, only for employees of the third party / independent contractor.

If you are dealing with a one person operation, a 'Designated Agent Addendum' is available through the POOL that can be added to the existing Crime policy, to provide protection from loss by the third party / independent contractor. The additional contribution to add the Designated Agent Addendum to the Crime policy starts at \$350 minimum. In order for the POOL to consider eligibility and provide a formal quote, they require a Designated Agent Questionnaire.

Fraudulent Impersonation Coverage sometimes referred to as Social Engineering pays for the voluntary parting of money and securities caused by fraudulent instruction. The limit for this coverage is the same as the employee dishonesty limit up to \$250,000. The deductible for this coverage is substantial at 20% of the Fraudulent Impersonation Limit.

### **Liability Coverages:**

The Liability policy has a sublimit for Securities Claims. The annual limit is \$1,250,000 and that limit is reduced by the cost of defense.

**Excess Liability** – this coverage increases the limit of insurance available in any one occurrence for Liability Claims, Public Officials Liability Claims, Employment Practices Liability Claims, and Auto Liability Claims.

**Employment Practices Liability** - Similar to Crime Coverage, we are seeing an increase in claim activity from Employment Related Practices claims. The CSD Pool deductible is 50% of both loss and defense costs up to the point your portion reaches the deductible on your declarations page – Per Occurrence. The standard deductible is 50% up to \$100,000. We recommend consideration of lower deductible options.

**No Fault Water and Sewer Back Up** – Coverage includes a per residence/commercial occupancy limit of \$10,000 with a \$200,000 per occurrence aggregate limit. An all Member Pool coverage aggregate of \$1,000,000 also applies.

The CSD Pool has also contracted with ServPro to help homeowners address backups to their homes. ServPro is offering preferred pricing and expedited response services to CSD Pool customers. For information on this program, please contact us.

**Pollution Liability – Water and Sewer Lines.** If you want coverage for the release of pollutants from water or sewer lines, the lines must be scheduled on the property policy. **This would hold true for issues associated with lines that are located on your scheduled premises – they must be specifically schedule for coverage to apply.** We have very few lines scheduled, so it is very likely pollution coverage for your district would not apply to pollutant escape from your lines. We want you to be aware of this situation and are happy to get quotes for you to provide the coverage.

**Above Ground Tanks** – With the exception of water tanks, in order for **General Liability** coverage to apply to loss associated with a tank, the tanks must be noted on the liability schedule. If you have tanks (other than water), please make sure the appropriate number of tanks is listed on your General Liability schedule. For **Pollution Liability** (i.e. seepage of fuel from an above ground tank) to apply, the tanks must also be schedule on your property policy. Underground tanks are not covered and must be specifically underwritten separately, contact us for an application.

**\*\*Volunteer Accident Coverage** - If you list volunteers on your GL schedule, they will be provided accident coverage. The coverage is Excess of Health Insurance with a \$25,000 Limit and the cost is based on hours. Be sure to include in on your General Liability schedule. It also includes an AD&D component with limits from \$12,500-\$50,000 depending on the injury (2020 info, pending update).

**Cyber Liability** – A \$200,000 limit of liability (subject to a \$1,000,000 All Member maximum) is included in your policy. This is an automatic coverage designed to support smaller district and provide coverage for small losses for other Districts. We have numerous Districts and clients that have experienced cyber losses, such as hacking and ransomware, and we have seen claims nearing \$1,000,000. **We highly recommend considering higher limits. Please contact us to discuss.**

**Sanitation Maintenance Warranty** – For Districts with sanitation operations The Pool offers a discount on the general liability contribution associated with the sanitation operations. There is a requirement that you meet certain criteria at the time of loss with this program. Contact us to discuss the discount and program criteria.

**Homeowners Association Functions** – the CSD Pool requires that you identify the number of homes in your District for which the District is performing architectural control, design review, and/or covenant enforcement. There will be a charge for these operations.

### **Claims:**

The timely reporting of claims is critical.

If you experience damage to your property, please make sure a claim is reported to Sedgwick prior to beginning any repair work. If you fix your property without giving the adjuster the opportunity to review the damages and the cause of damage they have the right to reject your claim. The caveat being that if the damage has the possibility of further damages, you must take steps to mitigate the further damage. Please take photos and document well. Should you have questions, please call us.

If there is the potential of a liability claim, you must notify Sedgwick of the circumstances surrounding the claim as soon as possible. If a formal written or verbal demand for damage is received, Sedgwick must be notified immediately.



### **Workers' Compensation Coverages:**

**Volunteers.** The state statute prescribes coverage for certain type of volunteers, for Special Districts the only volunteer group we typically see covered by statute are Fire/EMS service providers. Those truly providing Fire and EMS services, not peripheral type services like you might see from an auxiliary (traffic assistance, food service, etc.).

If your volunteer group is not providing Fire or EMS services, they are very likely not covered.

The assumed **minimum** payroll for volunteer firefighters is \$2,500 per volunteer firefighter.

There has been significant discussion in how volunteer firefighter's lost wages are calculated in the event of an injury. If the volunteer does NOT receive a stipend, they would receive the State's weekly maximum wage (currently \$1023). In the event you stipend your volunteers, the CSD Pool currently basis their lost wage payment on that stipend. So, if your volunteer is stipend \$100 a month, they would receive 66% of \$25 (\$100 a month divided by 4 weeks) as their weekly wage replacement. Should the volunteer be unable to perform their other regular work, the wage replacement would be increased, up to the State's weekly maximum, to reflect lost wages from their other employment.

**Out of State Operations.** If any of your employees are working out of state or traveling to or through other states as part of their job – particularly to WY, WA, OH and ND – please call us to discuss additional steps necessary to make sure you are appropriately covered.

### **Workers' Compensation – Board Member Only Coverages :**

**\*\*Board Member Only Coverage.** The annual minimum contribution for Board Member Only coverage will stay at \$450.

**Board Members.** C.R.S. Section 8-40-202 (I)(B) requires coverage on board members unless an annual filing is made with the Division of Insurance 45 days ahead of the coverage term.

If a board member is injured, their wage replacement would be based on the compensation they receive for their board duties (typically \$100 a month). If they do not receive compensation for board duties, unlike a volunteer firefighter (who receive the State's weekly maximum) they would not receive any wage replacement. Should the board member be unable to perform their other regular work, the wage replacement would be increased, up to the State's weekly maximum, to reflect lost wages from their other employment.

Board Member Only coverage is designed to cover work-related injuries and illness for board members while in the course and scope of their duties as board members, which are administrative functions. Other job assignments outside of their normal administrative duties, such as occasionally working at a water or sewer plant, helping with landscape maintenance, meter reading, plowing snow, and so forth, are not considered to be duties to be performed by board members and may lead to denial of claims due to misrepresentation of a material exposure to loss. Any job functions not in the normal board member administrative scope must be reported to our agency for appropriate classification. An additional contribution will then be assessed based on assumed comparative wages to compensate for the inherent exposure of other duties being performed. Not reporting accurately may also affect prior years as the NCCI administrative rules allow for audits to be conducted and reconciled for corrected contribution payments for the prior three (3) years

## **Renewal Documents and Invoice 1/1/2023 to EOD 12/31/2023**

Acceptance of this coverage is evidenced only by payment of the enclosed invoice by January 1, 2023.

The following renewal documents are attached where applicable:

1. Invoice: Payment is due upon receipt. Please return a copy of the invoice with your payment to ensure that it is applied correctly. We have attached a Coverage Contribution instructions sheet which provides details about your payment.
2. Comparison of Annual Contributions.
3. Deductible Options:
  - Provides the difference in cost by coverage line if you were to increase or decrease the deductible for that specific coverage.
4. Quote for Excess Liability limits for your consideration:
  - Limits of up to \$8 million, in excess of the primary \$2 million Liability limit, are available. Although the primary \$2 million Liability limit is sufficient to cover the CGIA tort cap, we do recommend you consider purchasing higher limits primarily due to special districts' unlimited liability to federal civil rights, discrimination, harassment, whistle blowing, and other employment-related practices claims.
5. Coverage Declaration Pages: Informational page summarizing the key points about the coverage provided including limits and deductible descriptions for all coverage provided. Full coverage forms will be available at [csdpool.org/documents](https://csdpool.org/documents) by January 1, 2023.
6. Schedules: Lists of exposures and values.
7. Certificates of coverage: Originals are mailed directly to the Certificate Holders.
8. Automobile identification cards: Hard copies will be mailed.

## Property and Liability Coverage Invoice

**Named Member:**

Foothills Metropolitan District  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

**Broker of Record:**

TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

Coverage No.	Entity ID	Effective Date	Expiration Date	Invoice Date
23PL-61181-2779	61181	1/1/2023	EOD 12/31/2023	11/20/2022

Coverage	Contribution
General Liability	\$1,860.00
Property	\$12,591.00
Crime	\$176.00
Non-Owned Auto Liability	\$132.00
Hired Auto Physical Damage	\$65.00
Equipment Breakdown	\$1,973.00
No-Fault Water Intrusion & Sewer Backup	\$150.00
Public Officials Liability	\$1,163.00
Excess	\$2,000.00
Pollution	\$0.00

<b>Total Contribution</b>	<b>\$20,110.00</b>
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Estimated Annualized Contribution (for budgeting purposes only) \$20,110.00

**Total contribution includes commission paid to the Broker reflected above**

**Please note: where included above, Hired Auto Physical Damage and Non-Owned Auto Liability are mandatory coverages and may not be removed. No-Fault Water Intrusion & Sewer Backup coverage may only be removed with completion of the No-Fault Opt Out Endorsement.**

**The following discounts are applied (Not applicable to minimum contributions):**

3.99% Continuity Credit Discount

8% Multi Program Discount for WC Program Participation

**Payment Due Upon Receipt**

Payment evidences "acceptance" of this coverage. The terms of the Intergovernmental Agreement (IGA) require timely payment to prevent automatic cancellation of coverage. Please return this invoice and reference the coverage number on your check to help us apply your payment correctly. Only prior notice to the board of directors of the Colorado Special Districts Property and Liability Pool and subsequent approval may extend cancellation provision.

**Remit checks to:** Colorado Special Districts Property and Liability Pool  
c/o McGriff Insurance Services, Inc.  
PO Box 1539  
Portland, OR 97207-1539

We accept online payments at [E-Bill Express](#)  
Refer to Payment Instructions page for additional options  
billing@csdpool.org  
800-318-8870 ext. 3



## Payment Instructions

The annual contribution for coverage with the Pool is due upon receipt of this invoice.

We accept the following payment methods:

1. Online using **E-Bill Express** ([www.e-billexpress.com/ebpp/CSDPool](http://www.e-billexpress.com/ebpp/CSDPool)). For detailed instructions, please click [here](#) or go to [csdpool.org/documents](http://csdpool.org/documents). You can also find an FAQ [here](#) or go to the E-Bill Express logon screen.
2. Mail your check to:  
Colorado Special Districts Property and Liability Pool  
c/o McGriff Insurance Services, Inc.  
PO Box 1539  
Portland, OR 97207

For express or overnight mail services, please use the address below:

Colorado Special Districts Property and Liability Pool  
c/o McGriff Insurance Services, Inc.  
1800 SW 1<sup>st</sup> Ave, Suite 400  
Portland, OR 97201

**To ensure that your payment is accurately applied, please always include a copy of the invoice.**

3. Wire or ACH transfer from your own bank account. Please let us know if you wish to use this method and we will be happy to provide you with these instructions.

Please be advised that in accordance with the Intergovernmental Agreement (IGA), automatic expulsion will occur on the 60<sup>th</sup> day should your account not be current. If you wish to reinstate your district's coverage after cancellation has occurred, a \$100 reinstatement fee will apply.

If your district requires a payment extension, please submit a written request within ten (10) business days from the date of the invoice, for consideration by the CSD Pool Board of Directors.

Finally, all members of the Pool must be members in good standing with the Special District Association of Colorado (SDA). Please visit the SDA website at [sdaco.org](http://sdaco.org) for member information.

Please contact us at [billing@csdpool.org](mailto:billing@csdpool.org) or 800-318-8870 ext. 3 for billing questions.

**Annual Comparison of 2023 and 2022 contributions.**  
**Loss Ratios based on participation years from 2015 to 2022**

**Foothills Metropolitan District**

Year	Contribution
2023	\$20,110.00
2022	\$18,178.00
Difference	\$1,932.00
% Difference	10.63%

General Liability	Contribution	TOE
Yr. 2023	\$1,860.00	\$530,336.00
Yr. 2022	\$2,283.00	\$659,241.00
Difference	-\$423.00	-\$128,905.00
% Difference	-18.53%	-19.55%
Loss Ratio	0.00%	

Equipment Breakdown	Contribution
Yr. 2023	\$1,973.00
Yr. 2022	\$1,668.00
Difference	\$305.00
% Difference	18.29%
Loss Ratio	0.00%

Auto Liability	Contribution	Auto Count
Yr. 2023	\$132.00	0
Yr. 2022	\$132.00	0
Difference		0
% Difference	NaN	0.00%
Loss Ratio	0.00%	

Crime	Contribution
Yr. 2023	\$176.00
Yr. 2022	\$174.00
Difference	\$2.00
% Difference	1.15%
Loss Ratio	0.00%

Auto Physical Damage	Contribution	TIV
Yr. 2023	\$65.00	\$0.00
Yr. 2022	\$65.00	\$0.00
Difference		\$0.00
% Difference	NaN	0.00%
Loss Ratio	0.00%	

Public Officials Liability	Contribution	EE Count
Yr. 2023	\$1,163.00	0
Yr. 2022	\$1,163.00	0
Difference	\$0.00	0
% Difference	0.00%	0.00%
Loss Ratio	0.00%	

Property/Inland Marine	Contribution	TIV
Yr. 2023	\$12,591.00	\$4,964,080.00
Yr. 2022	\$10,493.00	\$4,194,159.00
Difference	\$2,098.00	\$769,921.00
% Difference	19.99%	18.36%
Loss Ratio	0.00%	

Excess Liability	Contribution
Yr. 2023	\$2,000.00
Yr. 2022	\$2,000.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Earthquake	Contribution
Yr. 2023	\$0.00
Yr. 2022	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Flood	Contribution
Yr. 2023	\$0.00
Yr. 2022	\$0.00
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

No Fault	Contribution
Yr. 2023	\$150.00
Yr. 2022	\$200.00
Difference	-\$50.00
% Difference	-25.00%
Loss Ratio	0.00%



### Deductible Options

**Foothills Metropolitan District**

Based on Coverage 23PL-61181-2779 data as of 11/20/2022

Auto Liability	
	\$20,110.00

General Liability	
\$0.00	\$1,860.00
\$500.00	\$1,451.00
\$1,000.00	\$1,354.00
\$2,500.00	\$1,257.00
\$5,000.00	\$1,160.00
\$7,500.00	\$1,123.00
\$10,000.00	\$1,064.00

Auto Physical Damage	
Comprehensive and Collision Deductibles	
Both	\$20,110.00

Property	
Property and Inland Marine Deductibles (IM Max	
Both \$250.00	\$15,147.00
Both \$500.00	\$12,978.00
Both \$1,000.00	\$12,771.00
Both \$2,500.00	\$12,591.00
Both \$5,000.00	\$12,164.00
Property \$7,500.00	\$11,971.00
Property \$10,000.00	\$11,764.00
Property \$25,000.00	\$11,106.00
Property \$50,000.00	\$10,408.00
Property \$100,000.00	\$9,750.00
\$5,000)	

No-Fault	
\$500.00	\$150.00
\$1,000.00	\$105.00
\$2,500.00	\$98.00
\$5,000.00	\$75.00
\$7,500.00	\$68.00

Public Officials Liability	
<b>EPLI \$100,000 &amp;:</b>	
POL \$1,000.00	\$1,163.00
POL \$2,500.00	\$1,163.00
POL \$5,000.00	\$1,163.00
POL \$7,500.00	\$1,163.00
POL \$10,000.00	\$1,163.00
<b>POL \$1,000 &amp;:</b>	
EPLI \$5,000.00	\$2,613.00
EPLI \$7,500.00	\$2,332.00
EPLI \$10,000.00	\$2,050.00
EPLI \$25,000.00	\$1,488.00
EPLI \$50,000.00	\$1,207.00
EPLI \$100,000.00	\$1,163.00

Equipment Breakdown	
\$1,000.00	\$2,013.00
\$2,500.00	\$1,973.00
\$5,000.00	\$1,792.00
\$7,500.00	\$1,752.00
\$10,000.00	\$1,691.00





## 2023 Excess Liability Options Proposal

### This Proposal Does Not Bind Coverage

This report demonstrates what it would cost your district to increase coverage from your current limit of liability to a higher limit.

**Named Member:** Foothills Metropolitan District

**Certificate Number:** 23PL-61181-2779

<u>Excess Limit</u>	<u>Annual Excess Contribution</u>	<u>Change in Contribution</u>
\$1,000,000	\$456	-\$1,544
\$2,000,000	\$661	-\$1,339
\$3,000,000	\$810	-\$1,190
\$4,000,000	\$1,020	-\$980
\$5,000,000	\$1,250	-\$750
\$6,000,000	\$1,500	-\$500
\$7,000,000	\$1,750	-\$250
\$8,000,000*	\$2,000	\$0

\* This is your current excess limit.

**Note: This is not your Coverage Document. It was created solely for informational purposes.**

11/20/2022



## Public Entity Liability and Auto Physical Damage Certificate Holder Declaration

**Master Coverage Document Number:** CSD Pool CTC 01 01 22 and CSD Pool PEL 01 01 23

**Certificate Number:** 23PL-61181-2779

**Named Member:**

Foothills Metropolitan District  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

**Coverage Period:** 1/1/2023 to EOD 12/31/2023

**Broker of Record:**

TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

Coverage is provided only for those coverages indicated below for which a contribution is shown.

Coverage	Per Occurrence Limit	Annual Aggregate Limit	Deductible	Contribution
<b>Public Entity Liability Coverage including:</b>	\$2,000,000	None		
General Liability	Included	None	None	\$1,860
Medical Payments - Premises	\$10,000	None	None	Included
Employee Benefits Liability	Included	None	None	Included
Public Officials Liability	Included	None	\$1,000	\$1,163
Employment Practices Liability	Included	None	*\$100,000	Included
Pre Loss Legal Assistance	\$3,500	\$7,000	None	Included
No-Fault Water Intrusion & Sewer Backup	\$200,000 limited to \$10,000 Any One Premises	***\$1,000,000	\$500	\$150
Cyber	\$200,000	**\$200,000	\$1,000	Included
Fiduciary Liability	\$200,000	**\$200,000	\$1,000	Included
Excess Liability - Coverage agreements	\$8,000,000	None	None	\$2,000
Auto Liability	No Coverage	No Coverage	N/A	No
Medical Payments – Auto	No Coverage	No Coverage	N/A	No
Non-Owned and Hired Auto Liability	Included	None	None	\$132
Uninsured/Underinsured Motorists Liability	No Coverage	No Coverage	N/A	No
<b>Auto Physical Damage</b>	No Coverage	No Coverage	N/A	No
Hired Auto Physical Damage	\$50,000	N/A	\$500/\$500	\$65
Auto Physical Damage - Employee Deductible	\$2,500	N/A	None	Included
<b>Total Contribution</b>				<b>\$5,370</b>

\*Employment Practices Liability Deductible: 50% of loss including Indemnity and Legal Expenses subject to a maximum deductible of \$100,000 each occurrence.

\*\*A \$5,000,000 All Member Annual Aggregate Limit shall apply to Cyber.

\*\*A \$1,000,000 All Member Annual Aggregate Limit shall apply to Fiduciary Liability.

\*\*\*No-Fault Water Intrusion & Sewer Backup has \$1,000,000 All Member Annual Aggregate Limit.

**Additional Endorsements applicable to Member:**

This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Public Entity Liability Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage Document for actual coverage, terms, conditions, and exclusions.

Countersigned by: \_\_\_\_\_

Authorized Representative



### Property Certificate Holder Declaration

**Master Coverage Document Number:** CSD Pool CTC 01 01 22 and CSD Pool Property 01 01 23

**Certificate Number:** 23PL-61181-2779

**Coverage Period:** 1/1/2023 to EOD 12/31/2023

**Named Member:**

Foothills Metropolitan District  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

**Broker of Record:**

TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

**Limit of Coverage per Occurrence:**

\$4,964,080 Reported Buildings, Business Personal Property, Other Scheduled Items, Outdoor Property and EDP per Schedule.

\$250,000 Business Income including Extra Expense/Rental Income sublimit unless a higher amount is specified on Schedule.  
\$ Inland Marine Scheduled items.

\$0 Excess of \$2,000,000 Earthquake Limit per occurrence and annual aggregate per Property Schedule.

\$0 Excess of \$2,000,000 Flood Limit per occurrence and annual aggregate per Property Schedule.  
Flood Zone A and Flood Zone V are subject to an all member combined limit of \$60,000,000 per occurrence and annual aggregate.

**Locations Covered:**

Per Schedules on file. Property in Course of Construction must be shown on the Schedule to be covered.

**Report of Values:**

Annual Statement of Values must be submitted and additions/deletions are to be reported as they occur.

**Perils Covered:**

Risk of Direct Physical Loss subject to the terms, conditions, and exclusions in the Master Property Coverage Document.

**Deductibles:**

\$2,500 Per Occurrence, except where noted on Member's Schedules

Earthquake - 2% Per Occurrence of the value of the covered damaged property at the time of loss, subject to a \$5,000 minimum and \$50,000 maximum.

Flood - 2% Per Occurrence of the value of the covered damaged property at the time of loss, subject to a \$5,000 minimum and \$50,000 maximum.

**Contribution:**

\$12,591

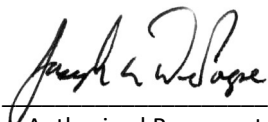
**Additional Endorsements applicable to Member:**

Cosmetic Damage Exclusion

Wind and Hail Deductible Endorsement

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Property Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage Document for actual coverage, terms, conditions, and exclusions.**

Countersigned by:

  
\_\_\_\_\_

Authorized Representative



## PROPERTY ENDORSEMENT

<b>Named Member:</b> Foothills Metropolitan District	<b>Property Form No:</b> CSD Pool Property 01 01 23
<b>Certificate Number:</b> 23PL-61181-2779	<b>Effective Date of Endorsement:</b> 1/1/2023
<b>Issued By:</b> Colorado Special Districts Property and Liability Pool	

This endorsement modifies coverage provided under the following:

**PROPERTY COVERAGE DOCUMENT**

**WIND AND HAIL DEDUCTIBLE**

**PLEASE READ IT CAREFULLY**

The following is added to Section 2. **DEDUCTIBLE:**

**E. Wind and/or Hail damage to a building or structure identified in the Member District property schedule as Real Property or Outdoor Property:**

In respect to Member District's whose total scheduled property values are below \$25M, 2% per **Occurrence** of the value of the covered damaged property and applicable business income at the time the loss occurs, subject to a \$5,000 minimum and \$50,000 maximum per **Occurrence**, unless a higher deductible is scheduled at the damaged location.

In respect to Member District's whose total scheduled property values are over \$25M, 2% per **Occurrence** of the value of the covered damaged property and applicable business income at the time the loss occurs, subject to a \$5,000 minimum and \$75,000 maximum per **Occurrence**, unless a higher deductible is scheduled at the damaged location.

**ALL OTHER TERMS AND CONDITIONS OF THE PROPERTY COVERAGE FORM REMAIN UNCHANGED.**



**PROPERTY ENDORSEMENT**

<b>Named Member:</b> Foothills Metropolitan District	<b>Property Form No:</b> CSD Pool Property 01 01 23
<b>Certificate Number:</b> 23PL-61181-2779	<b>Effective Date of Endorsement:</b> 1/1/2023
<b>Issued By:</b> Colorado Special Districts Property and Liability Pool	

This endorsement modifies the coverage provided under the following:

**PROPERTY COVERAGE DOCUMENT**  
**COSMETIC DAMAGE EXCLUSION**  
**PLEASE READ IT CAREFULLY**

The following is added to Section 7 PERILS EXCLUDED:

**V. Against Cosmetic Damage to Roof Surfacing** caused by or resulting from wind and/or hail to a building or structure identified in the **Member District** property schedule as **Real Property** or **Outdoor Property**.

For purposes of this endorsement, the following is added to SECTION 32 ADDITIONAL DEFINITIONS:

**Roof Surfacing** means the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing, vent covers and gutters.

**Cosmetic Damage** means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

However, this exclusion shall not apply to **Cosmetic Damage** to the front entry, areas of **Roof Surfacing** visibly apparent to a pedestrian from the street or sidewalk composing less than 25% of the roof area of a **Member District's** scheduled building or structure identified as **Real Property** or **Outdoor Property**. The **Pool** will pay for **Cosmetic Damage** to such areas, limited to less than 25% of the roof area of the scheduled building or structure, subject to all other terms, conditions and exclusions of the Property Coverage Form.

**ALL OTHER TERMS AND CONDITIONS OF THE PROPERTY COVERAGE FORM REMAIN UNCHANGED.**



## Equipment Breakdown Declarations

**Master Coverage Document Number:** CSD Pool EB 01 01 21

**Certificate Number:** 23PL-61181-2779

**Coverage Period:** 1/1/2023 to EOD 12/31/2023

**Named Member:**

Foothills Metropolitan District  
 c/o CliftonLarsonAllen LLP  
 8390 East Crescent Parkway, Suite 300  
 Greenwood Village, CO 80111

**Broker of Record:**

TCW Risk Management  
 384 Inverness Parkway  
 Suite 170  
 Englewood, CO 80112

**Covered Equipment:**

Equipment that (1) generates, transmits or utilizes energy, including electronic communications and data processing equipment; or (2) which during normal usage, operates under vacuum or pressure, other than the weight of its contents.

**Locations:**

Property must be at a location described in the Named Member's current Schedule of Property on file with the CSD Pool and must be owned, leased, or operated under the control of the Member District.

**Equipment Breakdown Limit:** \$4,747,092 Scheduled Property

**Sub Limits:**

Newly Acquired Locations (90 Days Reporting)	\$2,500,000
Business Income / Extra Expense	\$1,000,000
Expediting Expenses	\$1,000,000
Rental Income	\$1,000,000
Demolition & Increased Cost of Construction	\$1,000,000
Off-Premises Equipment Breakdown	\$500,000
Service Interruption	\$250,000
Hazardous Substances	\$250,000
Perishable Goods	\$250,000
Data Restoration	\$250,000
Green Property Upgrade	\$100,000
Public Relations Coverage	\$5,000

**Deductible:** \$2,500 per Occurrence

**Contribution:** \$1,973

This Equipment Breakdown Declarations is made and is mutually accepted by the CSD Pool and the Member District subject to all terms which are made a part of the Equipment Breakdown Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Equipment Breakdown Coverage Document for actual coverage, terms, conditions, and exclusions.

Countersigned by: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "Joseph W. Page", is written over a horizontal line.

Authorized Representative

**Crime Certificate Holder Declaration**

**Master Coverage Document Number:** J05931794  
**Certificate Number:** 23PL-61181-2779

**Insurer:** Federal Insurance Company (Chubb)  
**Coverage Period:** 1/1/2023 to EOD 12/31/2023

**Named Member:**

Foothills Metropolitan District  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

**Broker of Record:**

TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

**Covered Designated Agent(s):**

**Coverages and Limits:**

<b>Employee Theft:</b>	\$10,000
<ul style="list-style-type: none"> <li>· Limit is maximum for each loss</li> <li>· Employee includes executives, full-time, part-time, seasonal, leased and temporary employee(s), interns or non-compensated volunteer.</li> <li>· Includes funds from a sponsored benefit plan.</li> </ul>	
<b>Public Official Faithful Performance of Duty:</b>	\$10,000
<b>Client Theft:</b>	\$10,000
<b>Forgery or Alteration:</b>	\$10,000
<b>On Premises:</b>	\$10,000
<b>In Transit:</b>	\$10,000
<b>Computer System Fraud:</b>	\$10,000
<b>Funds Transfer Fraud:</b>	\$10,000
<b>Debit, Credit or Charge Card Fraud:</b>	\$10,000
<b>Money Orders and Counterfeit Paper Currency Fraud:</b>	\$10,000
<b>Social Engineering Fraud:</b>	\$10,000

**Deductible(s):**

<b>All Crime except Social Engineer Fraud:</b>	\$250
<b>Social Engineering Fraud:</b>	20% of Social Engineering Fraud Limit

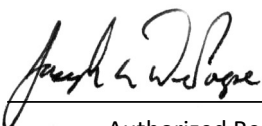
**Contribution:**

\$176

**Policy Forms:**

PF-52815 (04/20)	The Chubb Primary <sup>SM</sup> Commercial Crime Insurance
PF-52853 (04/20)	Governmental Entity (Colorado Special Districts Pool) Endorsement
PF-53127 (04/20)	Colorado Amendatory Endorsement
PF-52851 (04/20)	Add Corporate Credit Card Coverage

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Master Crime Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Policy Documents for actual coverage, terms, conditions, and exclusions.**

Countersigned by:   
 \_\_\_\_\_  
 Authorized Representative



## Identity Recovery Certificate Holder Declaration

**Master Coverage Policy Number:**

CSD 2009 CP IDR Form 01 01 21

**Insurer:**

The Hartford Steam Boiler Inspection  
and Insurance Company

**Certificate Number:** 23PL-61181-2779

**Coverage Period:** 1/1/2023 to EOD 12/31/2023

**Named Member:**

Foothills Metropolitan District  
c/o CliftonLarsonAllen LLP  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

**Broker of Record:**

TCW Risk Management  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

**Member:**

All permanent employees and District Board members participating in the Colorado Special Districts Property and Liability Pool; Special District Association of Colorado staff and Board of Directors.

**Coverage:**

Reimbursement coverage for expenses arising from a defined "Identity Theft" event. Including: legal fees for answer of civil judgements and defense of criminal charges; phone, postage, shipping fees; notary and filing fees; credit bureau reports; lost wages; child/elder care and mental health counseling.

This coverage does not reimburse the member for monies stolen or fraudulently charged to the member, and excludes loss arising from the member's fraudulent, dishonest or criminal act.

**Annual Aggregate Limit per Member:      \$35,000**

Case Management Service Expenses - does not reduce the limit available

Legal Costs - reduces the limit available

**Sub Limits:**

<b>\$5,000</b>	Lost Wages and Child/Elder Care
<b>\$1,000</b>	Mental Health Counseling
<b>\$1,000</b>	Miscellaneous Expenses

**Coverage Trigger:** Coverage is provided on a discovery basis with a 60-day reporting requirement

**Claims:** For Recovery Assistance and Counseling, please call 1-800-945-4617

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Identity Recovery Coverage Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage document for actual coverage, terms, conditions, and exclusions.**

Countersigned by:

A handwritten signature in black ink, appearing to read "Joseph L. W. Ragan", is written over a horizontal line.

Authorized Representative





## Environmental Legal Liability Certificate Holder Declaration

**Master Policy Number:** ER00A9V23  
**Certificate Number:** 23PL-61181-2779  
**Named Member:**  
 Foothills Metropolitan District  
 c/o CliftonLarsonAllen LLP  
 8390 East Crescent Parkway, Suite 300  
 Greenwood Village, CO 80111

**Insurer:** Aspen Specialty Insurance Company  
**Coverage Period:** 1/1/2023 to EOD 12/31/2023  
**Broker of Record:**  
 TCW Risk Management  
 384 Inverness Parkway  
 Suite 170  
 Englewood, CO 80112

### Claims-Made Coverage:

1. **First Party Protection:** For coverages 1.a – 1.d, the pollution incident must be first discovered by the responsible insured and reported to the insurer during the policy period.
  - a. **Clean up:** Covers clean-up costs resulting from a pollution incident on, at, under, or migrating from or through an insured location.
  - b. **Emergency Response:** Covers emergency response cost resulting from a
  - c. **Pollution Incident:** (i) on, at, under or migrating from or through an insured location; (ii) caused by transportation; or (iii) caused by covered operations.
  - d. **Environmental Crisis:** Covers crisis cost resulting from a crisis event.
  - e. **Business Interruption:** Covers business interruption cost and extra expense incurred by the insured and solely and directly by a pollution incident on, at or under an insured location, provided the pollution incident results in clean-up cost covered by this policy.
  
2. **Legal Liability Protection:** For coverages 2.a – 2.d, the claim for damages because of such bodily injury or property damage, or a claim for such clean-up cost, is first made against an insured and reported to the insurer during the policy period.
  - a. **Insured Location:** Covers sums the insured becomes legally obligated to pay: (1) as damages because of bodily injury or property damage; or (ii) for clean-up costs, resulting from a pollution incident on, at under, or migrating from or through an insured location.
  - b. **Non-owned Site:** Covers sums the insured becomes legally obligated to pay (1) as damages because of bodily injury or property damage; or (ii) for clean-up costs, resulting from a pollution incident on, at under, or migrating from or through any non-owned site.
  - c. **Transportation:** Covers sums the insured becomes legally obligated to pay (1) as damages because of bodily injury or property damage; or (ii) for clean-up costs, resulting from a pollution incident caused by transportation.
  - d. **Covered Operations:** Covers sums the insured becomes legally obligated to pay (1) as damages because of bodily injury or property damage; or (ii) for clean-up costs, resulting from a pollution incident caused by covered operations or completed operations.

**Limits of Liability:**           \$1,000,000 Each Pollution Incident  
   \$5,000,000 Total Policy and Program Aggregate – Shared All Members  
**Sublimits:**   \$500,000 Environmental Crisis Aggregate  
   \$250,000 Business Interruption Aggregate  
   \$100,000 Perfluorinated Compounds Aggregate

**Member Deductible:**       \$1,000 Each Pollution Incident

**Retroactive Date:** January 1, 2009 (unless otherwise specified)  
**Defense Costs:** Legal defense expenses and settlement shall erode the Limits of Liability

**Partial List of Exclusions:**

Asbestos, Contractual Liability, Criminal Fines and Criminal Penalties, Cross Liability (Insured vs. Insured), Damage to Insured's Product/Work, Divested Property, Employers Liability, Fraud or Misrepresentation, Intentional Non-Compliance, Internal Expenses, Known Conditions, Lead-Based Paint, Material Change in Risk, Non-Owned Disposal Sites, Underground Storage Tanks and Above Ground Storage Tanks excluded unless scheduled, Vehicle Damage, War or Terrorism, Workers Compensation, Lead at all gun or shooting ranges, Maintenance, Upgrades, Improvements or Installations where required by law, Microbial Matter with carveback for sudden and accidental water intrusion; 10-day discovery period/30 day reporting period, Prior Claims, Communicable Disease

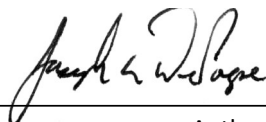
**Policy Forms:**

ASPENV110 06 17	Environmental Legal Liability Policy
ASPENV098 11 17	Cap on Losses from Certified Acts of Terrorism
ASPENV340 05 17	Insured Location(s) Schedule Endorsement
ASPENV310 05 17	Known Conditions Exclusion Endorsement
ASPENV316 05 17	Legal Expense Aggregate Limit of Liability Endorsement
ASPENV117 11 17	Self-Insured Retention Aggregate (Erosion by Underlying Policies)
ASPENV117 11 17	Sewage Back-up Deductible Amendatory Endorsement
ASPENV117 11 17	Perfluorinated Compounds, Sublimit and Retroactive Date Amendatory Endorsement
ASPENV117 11 17	Cancellation Amendatory Endorsement
ASPENV117 11 17	Microbial Matter Exclusion Endorsement
ASPENV117 11 17	Maintenance, Upgrade, Improvements or Installations Exclusion Endorsement
ASPENV117 11 17	Retroactive Date All Coverage Endorsement
ASPENV117 11 17	Microbial Matter Sudden and Accidental Coverage Limitation Amendatory Endorsement
ASPENV117 11 17	Insured Location/Acquired Property Endorsement
ASPENV117 11 17	Public Entity Amendatory Endorsement
ASPENV322 05 17	Minimum Earned Premium Endorsement
ASPENV341 05 17	Named Insured Schedule Endorsement
ASPENV118 11 17	Nuclear, Biological, Chemical, or Radiological Terrorism Exclusion
ASPENV003 05 17	Other Insurance Condition Amendatory Endorsement
ASPER334 01 14	Prior Claim Exclusion Endorsement
ASPENV338 04 19	Schedule of Crisis Management Firms Endorsement
ASPENV431 11 17	Aspen Environmental Emergency Response Hotline
SNCO 0314	Colorado Surplus Lines Notice
ASPENV117 11 17	Communicable Disease Exclusion

**Additional Endorsements Applicable to Named Member:**

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all coverage terms under the Pollution Liability Policy #EV00A9V23 issued by Aspen Specialty Insurance Company. This Certificate represents a brief summary of coverages. Please refer to the Master Coverage Document for all coverage terms, conditions and exclusions.**

Countersigned by:



Authorized Representative

**Terrorism, Sabotage and Malicious Attack Certificate Holder Declaration**

**Master Coverage Policy Number:**  
 TER P 004 CW (06/11) physical loss or damage  
 33HIS00151 Terrorism Combined Liability  
 TER P0027CW (05/17) Malicious Attack  
 10/17 Malicious Attack combined liability

**Insurer:**  
 Lloyds, Hiscox Syndicate 33

**Certificate Number:** 23PL-61181-2779

**Coverage Period:** 1/1/2023 to EOD 12/31/2023

**Named Member:**  
 Foothills Metropolitan District  
 c/o CliftonLarsonAllen LLP  
 8390 East Crescent Parkway, Suite 300  
 Greenwood Village, CO 80111

**Broker of Record:**  
 TCW Risk Management  
 384 Inverness Parkway  
 Suite 170  
 Englewood, CO 80112

Coverage for All CSD Pool Members combined	Per Occurrence Limit	Annual Aggregate Limit	Deductible
<b>All Coverages Combined</b>	n/a	<b>\$105,000,000</b>	n/a
Terrorism and Sabotage – Physical Loss or Damage	\$100,000,000	\$100,000,000	\$10,000
Terrorism – Combined Liability	\$10,000,000	\$10,000,000	\$10,000
Malicious Attack – Physical Loss or Damage & Combined Liability	\$5,000,000	\$5,000,000	\$5,000
<i>Malicious Attack Sub-limits applicable:</i>			
Prevention or Restriction of Access	\$2,500,000	\$2,500,000	\$5,000
Utilities	\$2,500,000	\$2,500,000	\$5,000
Personal Accident Costs	\$250,000	\$250,000	\$5,000
Crisis Management Costs	\$250,000	\$250,000	\$5,000

**Report all Claims to:** Phone: (800) 318-8870, ext. 1  
 Email: claims@csdpool.org

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Terrorism, Sabotage and Malicious Attack Coverage Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage document for actual coverage, terms, conditions, and exclusions.**

Countersigned by:  \_\_\_\_\_  
 Authorized Representative

**General Liability Schedule  
Metropolitan District**

**Policy Number:** 23PL-61181-2779  
**Named Member:** Foothills Metropolitan District

**Coverage Period:** 1/1/2023 – EOD 12/31/2023  
**Broker:** TCW Risk Management

Code	Description	Unit	Amount	Effective Date	Expiration Date
1	1-Number of Skate Board Parks	Total	0.00	1/1/2023	12/31/2023
2	2-Number of Diving Boards	Total	0.00	1/1/2023	12/31/2023
3	3-Number of Water Slides	Total	0.00	1/1/2023	12/31/2023
4	4-Maximum Bond Issued	Dollars	72,950,000.00	1/1/2023	12/31/2023
5	5-Number of Bonds Issued	Total	1.00	1/1/2023	12/31/2023
20	20-Day Care Operations - Total Annual Payroll	Dollars	0.00	1/1/2023	12/31/2023
30	30-Number of EMT Personnel	Total	0.00	1/1/2023	12/31/2023
32	32-Paid Firefighters - Non-EMT	Total	0.00	1/1/2023	12/31/2023
37	37-Pipe Line - Under Drain	Miles	0.00	1/1/2023	12/31/2023
39	39-Pipe Line	Miles	0.00	1/1/2023	12/31/2023
43	43-Pipe Line - Sewer / Storm Drainage Combined	Miles	0.00	1/1/2023	12/31/2023
50	50-Number of Teachers	Total	0.00	1/1/2023	12/31/2023
70	70-Number of Golf Courses	Total	0.00	1/1/2023	12/31/2023
80	80-Number of Go Cart Tracks	Total	0.00	1/1/2023	12/31/2023
98	98-Additional First Named Members	Total	0.00	1/1/2023	12/31/2023
105	105-Total Operating Expenses - Any other	Dollars	530,336.00	1/1/2023	12/31/2023
130	130-Total Operating Expenses - Park & Recreation	Dollars	0.00	1/1/2023	12/31/2023
131	131-Total Operating Expenses - Cemetery	Dollars	0.00	1/1/2023	12/31/2023
132	132-Total Operating Expenses - Soil & Water Conservation	Dollars	0.00	1/1/2023	12/31/2023

133	133-Total Operating Expenses - Pest Control	Dollars	0.00	1/1/2023	12/31/2023
134	134-Total Operating Expenses - Hospital / Health	Dollars	0.00	1/1/2023	12/31/2023
135	135-Total Operating Expenses - Drainage	Dollars	0.00	1/1/2023	12/31/2023
136	136-Total Operating Expenses - Library	Dollars	0.00	1/1/2023	12/31/2023
137	137-Total Operating Expenses - Water Control	Dollars	0.00	1/1/2023	12/31/2023
138	138-Total Operating Expenses - Fire / Ambulance	Dollars	0.00	1/1/2023	12/31/2023
139	139-Total Operating Expenses - Water	Dollars	0.00	1/1/2023	12/31/2023
140	140-Total Operating Expenses - Irrigation	Dollars	0.00	1/1/2023	12/31/2023
141	141-Total Operating Expenses - Sanitation	Dollars	0.00	1/1/2023	12/31/2023
142	142-Total Operating Expenses - Transit	Dollars	0.00	1/1/2023	12/31/2023
143	143-Total Operating Expenses - Improvement	Dollars	0.00	1/1/2023	12/31/2023
151	151-Total Operating Expenses - Sanitation MW Discounted	Dollars	0.00	1/1/2023	12/31/2023
215	215-Buildings & Premises Occupied by District	Sq. Ft.	0.00	1/1/2023	12/31/2023
250	250-Number of Homes – Covenant Enforcement/Design Review Services under District Authority	Total	0.00	1/1/2023	12/31/2023
270	270-Number of Aboveground Storage Tanks (excluding water tanks)	Total	0.00	1/1/2023	12/31/2023
331	331-Number of Paid Firefighters - Full-Time	Total	0.00	1/1/2023	12/31/2023
332	332-Number of Paid Firefighters - Part-Time	Total	0.00	1/1/2023	12/31/2023
333	333-Number of Volunteer Firefighters	Total	0.00	1/1/2023	12/31/2023
334	334-Number of Paid EMT - Full-Time	Total	0.00	1/1/2023	12/31/2023
335	335-Number of Paid EMT - Part-Time	Total	0.00	1/1/2023	12/31/2023
341	341-Time Spent by Club/Recreation/Camp Volunteers	Hours	0.00	1/1/2023	12/31/2023
342	342-Time Spent by Day Care Volunteers	Hours	0.00	1/1/2023	12/31/2023
344	344-Time Spent by Event Organizer Volunteers	Hours	0.00	1/1/2023	12/31/2023
345	345-Time Spent by General Volunteers	Hours	0.00	1/1/2023	12/31/2023

348	348-Number of Board Members	Total	5.00	1/1/2023	12/31/2023
350	350-Number of Permanent Employees - Full-Time	Total	0.00	1/1/2023	12/31/2023
351	351-Number of Permanent Employees - Part-Time	Total	0.00	1/1/2023	12/31/2023
366	366-Total Payroll	Dollars	0.00	1/1/2023	12/31/2023
400	400-Number of Boats - Under 26'	Total	0.00	1/1/2023	12/31/2023
411	411-Total Water Delivered Annually - Millions of Gallons (MGAL)	MGAL	0.00	1/1/2023	12/31/2023
414	414-Playground/parks (Area)	Acres	0.00	1/1/2023	12/31/2023
415	415-Number of Grandstands/Stadiums	Total	0.00	1/1/2023	12/31/2023
420	420-Vacant Land	Acres	0.00	1/1/2023	12/31/2023
450	450-Miles of Road Maintained	Miles	0.00	1/1/2023	12/31/2023
522	522-Number of Ponds, Lakes & Reservoirs	Total	0.00	1/1/2023	12/31/2023
550	550-Fire Department Area Served	Sq Miles	0.00	1/1/2023	12/31/2023
671	671-Number of Parks	Total	0.00	1/1/2023	12/31/2023
710	710-Dams - Class 1 - Low Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2023	12/31/2023
712	712-Dams - Class 1 - Low Hazard - Number of Dams	Count	0.00	1/1/2023	12/31/2023
720	720-Dams - Class 2 - Med Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2023	12/31/2023
722	722-Dams - Class 2 - Med Hazard - Number of Dams	Count	0.00	1/1/2023	12/31/2023
730	730-Dams - Class 3 - High Hazard - Total Acre-Feet	Acre Ft.	0.00	1/1/2023	12/31/2023
732	732-Dams - Class 3 - High Hazard - Number of Dams	Count	0.00	1/1/2023	12/31/2023
811	811-Number of Spillways	Total	0.00	1/1/2023	12/31/2023
900	900-Services Contracted out to Others	Dollars	378,030.00	1/1/2023	12/31/2023
924	924-Revenue from use of Swimming Pools	Dollars	0.00	1/1/2023	12/31/2023
925	925-Number of Swimming Pools	Total	0.00	1/1/2023	12/31/2023
945	945-Number of Sewage Taps	Total	0.00	1/1/2023	12/31/2023

946	946-Number of Water Mains or Connections	Total	0.00	1/1/2023	12/31/2023
947	947-Sewer and/or Sanitation Line Maintenance (budget)	Dollars	0.00	1/1/2023	12/31/2023
948	948-Water Line Maintenance (budget)	Dollars	0.00	1/1/2023	12/31/2023
997	997-Number of district sponsored Events/Fundraisers - No Alcohol Served	Total	0.00	1/1/2023	12/31/2023
998	998-Number of District sponsored Events/Fundraisers – With Alcohol Served	Total	0.00	1/1/2023	12/31/2023
999	999-Prior Acts Coverage Under a Previous "Claims Made" Policy	Premium	0.00	1/1/2023	12/31/2023

**If your district has exposures not listed on the General Liability schedule above, such as airplanes, security staff, bridges, drones, etc., please furnish details. Certain activities may be excluded or restricted.**



**Property Schedule**

Coverage Period: 1/1/2023-EOD 12/31/2023

**Named Member:**

Foothills Metropolitan District

**Broker:**

TCW Risk Management

Per Occurrence Deductible: \$2,500.00

Location/Premise Address / Description	Construction Class	Prot. Class	Valuation	Values	Property Contrib.	Quake Contrib.	Flood Contrib.
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Location / Premise#	Unique#	PROP-	Construction Class	Prot. Class	Valuation	Buildings:	Values	Property Contrib.	Quake Contrib.	Flood Contrib.
		00114143	Fire Resistive	2	Replacement		\$3,476,830.00	\$4,733	\$	\$
Parking Structure	Year Built:		Term:	1/1/2023 to 12/31/2023		Contents:	\$ 0.00			
219 E Foothills Pkwy	Sq. Feet:		County:	Larimer	Ded:	\$2,500.00	EDP:	\$ 0.00		
							Business Inc:	\$ 0.00		
Fort Collins, CO 80525	# Stories		Flood Zone:	Zone X			UG Pipes:	\$ 0.00		
NOC Equipment Breakdown Applies: No	Excess Quake Applies: No		Excess Flood Applies: No				Otherwise Classified:	\$ 0.00		

Location / Premise#	Unique#	PROP-	Construction Class	Prot. Class	Valuation	Buildings:	Values	Property Contrib.	Quake Contrib.	Flood Contrib.
		00114142	Not Assigned	2	Replacement		\$ 0.00	\$764	\$	\$
Ice Rink Railing	Year Built:		Term:	1/1/2023 to 12/31/2023		Contents:	\$ 0.00			
218 E Foothills Pkwy	Sq. Feet:		County:	Larimer	Ded:	\$2,500.00	EDP:	\$ 0.00		
							Business Inc:	\$ 0.00		
Fort Collins, CO 80525	# Stories		Flood Zone:	Zone X			UG Pipes:	\$ 0.00		
NOC Equipment Breakdown Applies: No	Excess Quake Applies: No		Excess Flood Applies: No				Otherwise Classified:	\$144,659.00		

Location / Premise#	Unique#	PROP-	Construction Class	Prot. Class	Valuation	Buildings:	Values	Property Contrib.	Quake Contrib.	Flood Contrib.
		00114141	Not Assigned	2	Replacement		\$ 0.00	\$2,564	\$	\$
Ice Rink Flooring & Associated Brine Refrigerant System	Year Built:		Term:	1/1/2023 to 12/31/2023		Contents:	\$ 0.00			
217 E Foothills Pkwy	Sq. Feet:		County:	Larimer	Ded:	\$2,500.00	EDP:	\$ 0.00		
							Business Inc:	\$ 0.00		
Fort Collins, CO 80525	# Stories		Flood Zone:	Zone X			UG Pipes:	\$ 0.00		





**Property Schedule**

Coverage Period: 1/1/2023-EOD 12/31/2023

**Named Member:**

Foothills Metropolitan District

**Broker:**

TCW Risk Management

Per Occurrence Deductible: \$2,500.00

Location/Premise Address / Description	Construction Class	Prot. Class	Valuation	Values	Property Contrib.	Quake Contrib.	Flood Contrib.
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<b>NOC Equipment Breakdown Applies:</b> Yes	<b>Excess Quake Applies:</b> No	<b>Excess Flood Applies:</b> No		<b>Otherwise Classified:</b>	\$485,359.00
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<b>Location / Premise#</b>	<b>Unique#</b>	PROP-00114140	Not Assigned	2	Replacement	<b>Buildings:</b>	\$ 0.00	\$420	\$	\$
West Fountain Hardscaping & Equipment	<b>Year Built:</b>		<b>Term:</b>	1/1/2023 to 12/31/2023		<b>Contents:</b>	\$ 0.00			
216 E Foothills Pkwy	<b>Sq. Feet:</b>		<b>County:</b>	Larimer	Ded:	\$2,500.00	<b>EDP:</b>	\$ 0.00		
							<b>Business Inc:</b>	\$ 0.00		
Fort Collins, CO 80525	<b># Stories</b>		<b>Flood Zone:</b>	Zone X			<b>UG Pipes:</b>	\$ 0.00		
<b>NOC Equipment Breakdown Applies:</b> Yes	<b>Excess Quake Applies:</b> No	<b>Excess Flood Applies:</b> No				<b>Otherwise Classified:</b>	\$79,548.00			

<b>Location / Premise#</b>	<b>Unique#</b>	PROP-00114139	Not Assigned	2	Replacement	<b>Buildings:</b>	\$ 0.00	\$1,989	\$	\$
East Fountain Hardscaping & Equipment	<b>Year Built:</b>		<b>Term:</b>	1/1/2023 to 12/31/2023		<b>Contents:</b>	\$ 0.00			
215 E Foothills Pkwy	<b>Sq. Feet:</b>		<b>County:</b>	Larimer	Ded:	\$2,500.00	<b>EDP:</b>	\$ 0.00		
							<b>Business Inc:</b>	\$ 0.00		
Fort Collins, CO 80525	<b># Stories</b>		<b>Flood Zone:</b>	Zone X			<b>UG Pipes:</b>	\$ 0.00		
<b>NOC Equipment Breakdown Applies:</b> Yes	<b>Excess Quake Applies:</b> No	<b>Excess Flood Applies:</b> No				<b>Otherwise Classified:</b>	\$376,381.00			

<b>Location / Premise#</b>	<b>Unique#</b>	PROP-00114146	Not Assigned	2	Replacement	<b>Buildings:</b>	\$ 0.00	\$382	\$	\$
Porte Cochere	<b>Year Built:</b>		<b>Term:</b>	1/1/2023 to 12/31/2023		<b>Contents:</b>	\$ 0.00			
222 E Foothills Pkwy	<b>Sq. Feet:</b>		<b>County:</b>	Larimer	Ded:	\$2,500.00	<b>EDP:</b>	\$ 0.00		
							<b>Business Inc:</b>	\$ 0.00		
Fort Collins, CO 80525	<b># Stories</b>		<b>Flood Zone:</b>	Zone X			<b>UG Pipes:</b>	\$ 0.00		



**Property Schedule**

Coverage Period: 1/1/2023-EOD 12/31/2023

**Named Member:**

Foothills Metropolitan District

**Broker:**

TCW Risk Management

Per Occurrence Deductible: \$2,500.00

Location/Premise Address / Description	Construction Class	Prot. Class	Valuation	Values	Property Contrib.	Quake Contrib.	Flood Contrib.
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<b>NOC Equipment Breakdown Applies:</b> No	<b>Excess Quake Applies:</b> No	<b>Excess Flood Applies:</b> No		<b>Otherwise Classified:</b>	\$72,329.00
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<b>Location / Premise#</b>	<b>Unique#</b>	PROP-00114145	Not Assigned	2	Replacement	<b>Buildings:</b>	\$ 0.00	\$238	\$	\$
Fire Alarm System at East Parking Structure	<b>Year Built:</b>		<b>Term:</b>	1/1/2023 to 12/31/2023		<b>Contents:</b>	\$ 0.00			
221 E Foothills Pkwy	<b>Sq. Feet:</b>		<b>County:</b>	Larimer	Ded:	\$2,500.00	<b>EDP:</b>	\$ 0.00		
							<b>Business Inc:</b>	\$ 0.00		
Fort Collins, CO 80525	<b># Stories</b>		<b>Flood Zone:</b>	Zone X			<b>UG Pipes:</b>	\$ 0.00		
<b>NOC Equipment Breakdown Applies:</b> Yes	<b>Excess Quake Applies:</b> No	<b>Excess Flood Applies:</b> No				<b>Otherwise Classified:</b>	\$44,965.00			

<b>Location / Premise#</b>	<b>Unique#</b>	PROP-00114144	Not Assigned	2	Replacement	<b>Buildings:</b>	\$ 0.00	\$1,500	\$	\$
2 Elevators in East Parking Structure	<b>Year Built:</b>		<b>Term:</b>	1/1/2023 to 12/31/2023		<b>Contents:</b>	\$ 0.00			
220 E Foothills Pkwy	<b>Sq. Feet:</b>		<b>County:</b>	Larimer	Ded:	\$2,500.00	<b>EDP:</b>	\$ 0.00		
							<b>Business Inc:</b>	\$ 0.00		
Fort Collins, CO 80525	<b># Stories</b>		<b>Flood Zone:</b>	Zone X			<b>UG Pipes:</b>	\$ 0.00		
<b>NOC Equipment Breakdown Applies:</b> Yes	<b>Excess Quake Applies:</b> No	<b>Excess Flood Applies:</b> No				<b>Otherwise Classified:</b>	\$284,009.00			

Totals:	<b>Buildings:</b>	\$3,476,830.00	\$12,590.00	\$0.00	\$0.00
	<b>Contents:</b>	\$0.00			
	<b>EDP:</b>	\$0.00			
	<b>Business Inc:</b>	\$0.00			
	<b>UG Pipes:</b>	\$0.00			



**Property Schedule**

**Coverage Period:** 1/1/2023-EOD 12/31/2023

**Named Member:**

Foothills Metropolitan District

**Broker:**

TCW Risk Management

**Per Occurrence Deductible:** \$2,500.00

Location/Premise Address / Description	Construction Class	Prot. Class	Valuation	Values	Property Contrib.	Quake Contrib.	Flood Contrib.
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<b>Otherwise Classified:</b>	\$1,487,250.00
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Minimum Property Contribution: 

\$425
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# CERTIFICATE OF COVERAGE

Certificate Number  
CERT-008432

<b>ADMINISTRATOR</b> Colorado Special Districts Property and Liability Pool c/o McGriff Insurance Services, Inc. PO Box 1539 Portland, OR 97207-1539	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
<b>NAMED MEMBER</b> Foothills Metropolitan District CliftonLarsonAllen LLP 8390 E. Crescent Parkway, Suite 300 Greenwood Village, CO 80111	<b>COMPANIES AFFORDING COVERAGE</b> COMPANY A: Colorado Special Districts Property and Liability Pool COMPANY B: COMPANY C: COMPANY D: COMPANY E:

### COVERAGES

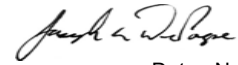
THIS IS TO CERTIFY THAT COVERAGE DOCUMENTS LISTED HEREIN HAVE BEEN ISSUED TO THE NAMED MEMBER HEREIN FOR THE COVERAGE PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE AFFORDED BY THE COVERAGE DOCUMENTS LISTED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH COVERAGE DOCUMENTS.

CO LTR	Type of Coverage	Coverage #	Effective Date	Expiration Date	LIMITS	
	General Liability	23PL-61181-2779	01/01/23	12/31/23	General Aggregate	Unlimited
A	<input checked="" type="checkbox"/> Commercial General Liability <input checked="" type="checkbox"/> Public Officials Liability <input checked="" type="checkbox"/> Employment Practices <input checked="" type="checkbox"/> Occurrence	*Except that for claims, occurrences or suits to which the monetary limits of the Colorado Immunity Act, C.R.S. & 24-10-101, et.seq., as amended, apply, there shall be a further sublimit of (a) \$387,000 for an injury to any one person in any single occurrence; and (b) \$1,093,000 for an injury to two or more persons in any single occurrence; but in the event of an injury to two or more persons in any single occurrence, the sublimit shall not exceed \$387,000 for each injured person.			Each Occurrence*	\$2,000,000
	Automobile Liability <input type="checkbox"/> Scheduled Autos <input type="checkbox"/> Hired Autos <input type="checkbox"/> Non-Owned Autos				Each Occurrence*	
	Auto Physical Damage <input type="checkbox"/> Scheduled Autos <input type="checkbox"/> Hired Autos					
	Excess Liability <input type="checkbox"/> Other Than Umbrella Form				General Aggregate	
					Each Occurrence*	
A	Property <input checked="" type="checkbox"/>	23PL-61181-2779	01/01/23	12/31/23	See below if applicable.	

Description:  
 Evidence of Coverage only.  
 Property coverage is written on a Replacement Cost basis with full cost of replacement up to the limit scheduled. Property coverage is subject to a \$2,500 deductible.

<b>CERTIFICATE HOLDER</b> To Whom It May Concern	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED COVERAGES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE COVERAGE FORM PROVISIONS.
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AUTHORIZED REPRESENTATIVE:  
By: Joseph E. DePaepe



Date: November 20, 2022

**Linked Property Items**

<b>Code</b>	<b>Description</b>	<b>Address</b>	<b>Value</b>
1506	Parking Structure	219 E Foothills Pkw	3,476,830.00

## RECORD OF PROCEEDINGS

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MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FOOTHILLS METROPOLITAN DISTRICT (THE “DISTRICT”)  
HELD  
OCTOBER 5, 2022

A regular meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the “Board”) was convened on Wednesday, October 5, 2022, at 2:30 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

### ATTENDANCE

**Directors in Attendance Were:**

Rishi Loona, President  
Josh Kane, Treasurer  
Clyde Wood, Secretary  
Patrick Bunyard, Assistant Secretary (arrived at 2:55 p.m.)  
Tim DePeder, Assistant Secretary

**Also in Attendance Were:**

Denise Denslow, Carrie Bartow & Curtis Bourgoquin; CliftonLarsonAllen LLP (“CLA”)  
Alan Pogue; Icenogle Seaver Pogue, P.C.

### ADMINISTRATIVE MATTERS

**Call to Order:** Director Bunyard called the meeting to order at 2:34 p.m.

**Disclosures of Potential Conflicts of Interest:** Mr. Pogue noted that disclosures had been filed.

**Approval of Agenda:** Upon a motion duly made by Director Kane, seconded by Director DePeder and upon vote, unanimously carried, the Board approved the Agenda as presented.

**Public Comment:** None.

### CONSENT AGENDA

**Minutes of the June 1, 2022 Regular Meeting:**  
**Ratification of Claims Totaling \$282,815.43:**

Upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board approved the Consent Agenda items.

### LEGAL MATTERS

**Ratify Service Agreement with Environmental Designs, Inc. for cleanup of six detention ponds bi-annually:** The Board requested that Director Bunyard confirm this agreement is within economic parameters. Following discussion, upon a motion duly made by Director DePeder, seconded by Director Loona and, upon vote, unanimously carried, the Board ratified approval of the Service

## RECORD OF PROCEEDINGS

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Agreement with Environmental Designs, Inc. for cleanup of six detention ponds bi-annually.

**Ratify Service Agreement with Environmental Designs, Inc. for 2022 landscape maintenance:** The Board requested that Director Bunyard confirm this agreement is within economic parameters. Following discussion, upon a motion duly made by Director DePeder, seconded by Director Loona and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement with Environmental Designs, Inc. for 2022 landscape maintenance.

**Ratify Service Agreement with Environmental Designs, Inc. for median enhancements.:** The Board requested that Director Bunyard confirm this agreement is within economic parameters. Following discussion, upon a motion duly made by Director DePeder, seconded by Director Loona and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement with Environmental Designs, Inc. for median enhancements.

**Ratify 2022 Service Agreement and Approve 2023 Service Agreement with Federal Cleaning Contractors, Inc.:** The Board requested that Director Bunyard confirm this agreement is within economic parameters. Following discussion, upon a motion duly made by Director DePeder, seconded by Director Loona and, upon vote, unanimously carried, the Board ratified approval of the 2022 Service Agreement and approved the 2023 Service Agreement with Federal Cleaning Contractors, Inc.

**Ratify Agreement with All Sweep Inc. for Sweeping of Foothills Shopping Center:** The Board requested that Director Bunyard confirm this agreement is within economic parameters. Following discussion, upon a motion duly made by Director DePeder, seconded by Director Loona and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement with All Sweep Inc. for sweeping of Foothills Shopping Center.

**Ratify Green Thumb Plantscape Agreement for 2022-2023 Winter Watering:** The Board requested that Director Bunyard confirm this agreement is within economic parameters. Following discussion, upon a motion duly made by Director DePeder, seconded by Director Loona and, upon vote, unanimously carried, the Board ratified approval of the Agreement with Green Thumb Plantscape for 2022-2023 winter watering.

### FINANCIAL MATTERS

**August 31, 2022 Unaudited Financial Statements and October 2022 Cash Position Report:** Mr. Bourgouin reviewed the Financial Statements and Cash Position Report with the Board noting that the cell tower lease revenue as “other” on the General Fund has not been budgeted for the year, but will be

## RECORD OF PROCEEDINGS

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incorporated into the 2023 Budget. Discussion ensued regarding the Debt Service Fund and status of the Reserve Fund. It was determined that the engineering costs currently shown in the General Fund should be moved to the Capital Project Fund. Following discussion, upon a motion duly made by Director Kane seconded by Director Wood and, upon vote, unanimously carried, the Board accepted the August 31, 2022 Unaudited Financial Statements and the October 2022 Cash Position Report.

**2021 Audit Extension and Approval of 2021 Draft Audit:** Mr. Bourgoiu noted that the 2021 Audit has received a clean opinion from the Auditor has been filed. Following discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the 2021 Audit.

**2023 Budget Process:** Mr. Bourgoiu provided a brief overview of the process to the Board. It was determined that a meeting with Patrick and the CLA team would take place next week to refine the draft budget prior to distribution to the Board.

**Other:** None.

**CONSTRUCTION  
REPORT**

None.

**MANAGER  
ITEMS**

None.

**DIRECTOR  
ITEMS**

None.

**OTHER  
BUSINESS**

None.

**EXECUTIVE  
SESSION**

Executive Session pursuant to Section 24-6-402(4)(e), if needed. No Executive Session was needed.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at 3:06 p.m.

Respectfully submitted,



**RECORD OF PROCEEDINGS**

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

**Foothills Metro District**  
**Claims Listing July 29 Through November 30, 2022**

<u>Payment Date</u>	<u>Vendor</u>	<u>Ref #</u>	<u>Account Name</u>
8/1/2022	LRM-COM Inc	60987	Capital outlay 307861
8/19/2022	Icenogle Seaver Pogue	22093	Legal services 107460
8/19/2022	Green Thumb Plantscape	39452	Repairs and maintenance 107802
8/19/2022	Environmental Design Inc.	154693	Repairs and maintenance 107802
8/19/2022	Environmental Design Inc.	154933	Repairs and maintenance 107802
8/19/2022	Environmental Design Inc.	155398	Repairs and maintenance 107802
8/19/2022	Environmental Design Inc.	155471	Repairs and maintenance 107802
8/19/2022	Environmental Design Inc.	155475	Repairs and maintenance 107802
8/19/2022	Environmental Design Inc.	155479	Repairs and maintenance 107802
8/19/2022	Environmental Design Inc.	155505	Repairs and maintenance 107802
8/19/2022	Precision Pavement Marking Co	350294	Repairs and maintenance 107802
8/19/2022	CliftonLarsonAllen LLP	3349492	District management 107440
8/19/2022	CliftonLarsonAllen LLP	3373970	Accounting 107000
8/19/2022	CliftonLarsonAllen LLP	3374044	PIF Collection 107590
8/19/2022	Federal Building Services Inc.	0122506-IN	Repairs and maintenance 107802
8/19/2022	All Sweep Inc	22-731	Repairs and maintenance 107802
8/19/2022	All Sweep Inc	22-732	Repairs and maintenance 107802
8/23/2022	Traverse General Contractors LLC	Pay App #2	Capital outlay 307861
9/28/2022	Dogwood Forestry	66	Repairs and maintenance 107802
9/28/2022	Dogwood Forestry	77	Repairs and maintenance 107802
9/28/2022	Icenogle Seaver Pogue	22242	Legal services 107460
9/28/2022	Green Thumb Plantscape	39577	Repairs and maintenance 107802
9/28/2022	Environmental Design Inc.	156272	Repairs and maintenance 107802
9/28/2022	Environmental Design Inc.	156328	Repairs and maintenance 107802
9/28/2022	Environmental Design Inc.	156844	Repairs and maintenance 107802
9/28/2022	Farnsworth Group Inc.	235412	Engineering 107584
9/28/2022	CliftonLarsonAllen LLP	3375703	District management 107440
9/28/2022	Federal Building Services Inc.	0122824-IN	Repairs and maintenance 107802
9/28/2022	All Sweep Inc	22-743	Repairs and maintenance 107802
9/28/2022	CO Special Dist Prop & Liab Pool	23WC-61181-0321	Prepaid insurance 101255
9/28/2022	Fort Collins Utilities	705139-88394	Utilities 107804
10/5/2022	Sasaki Associates Inc.	86981	Engineering 107584
10/5/2022	Sasaki Associates Inc.	87140	Engineering 107584
10/12/2022	Colorado Hardscapes	Pay App #8	Capital outlay 307861
10/28/2022	Fiscal Focus Partners, LLC	1691	Auditing 107020
10/28/2022	Summit Compression LLC	1848	Repairs and maintenance 107802
10/28/2022	Icenogle Seaver Pogue	22387	Legal services 107460
10/28/2022	Environmental Design Inc.	157293	Repairs and maintenance 107802
10/28/2022	Environmental Design Inc.	157299	Repairs and maintenance 107802
10/28/2022	Advantage Security Inc.	461636	Security 107570
10/28/2022	Advantage Security Inc.	461637	Security 107570
10/28/2022	Advantage Security Inc.	461638	Security 107570
10/28/2022	Advantage Security Inc.	461639	Security 107570
10/28/2022	Advantage Security Inc.	461641	Security 107570
10/28/2022	Advantage Security Inc.	461724	Security 107570
10/28/2022	Advantage Security Inc.	461731	Security 107570
10/28/2022	Advantage Security Inc.	461903	Security 107570
10/28/2022	Advantage Security Inc.	462345	Security 107570

<u>Payment Date</u>	<u>Vendor</u>	<u>Ref #</u>	<u>Account Name</u>
10/28/2022	UMB Bank, NA	930989	Paying agent fees 207591
10/28/2022	CliftonLarsonAllen LLP	3407118	PIF Collection 107590
10/28/2022	CliftonLarsonAllen LLP	3407119	Accounting 107000
10/28/2022	CliftonLarsonAllen LLP	3407981	District management 107440
10/28/2022	CliftonLarsonAllen LLP	3439546	PIF Collection 107590
10/28/2022	Stanley Access Tech LLC	906638341	Repairs and maintenance 107802
10/28/2022	KONE	962302999	Repairs and maintenance 107802
10/28/2022	Federal Building Services Inc.	0123606-IN	Repairs and maintenance 107802
10/28/2022	All Sweep Inc	22-909	Repairs and maintenance 107802
10/28/2022	Fort Collins Utilities	705139-88394	Utilities 107804
10/28/2022	Redline Fire Services	FSI-22124	Repairs and maintenance 107802
11/9/2022	Green Thumb Plantscape	39716	Repairs and maintenance 107802
11/9/2022	Environmental Design Inc.	158080	Repairs and maintenance 107802
11/17/2022	Fort Collins Utilities	705139-88394	Utilities 107804
11/17/2022	Fort Collins Utilities	705139-88394	Utilities 107804
11/18/2022	Summit Compression LLC	1919	Repairs and maintenance 107802
11/18/2022	Icenogle Seaver Pogue	22491	Legal services 107460
11/18/2022	Green Thumb Plantscape	39810	Repairs and maintenance 107802
11/18/2022	Green Thumb Plantscape	39864	Repairs and maintenance 107802
11/18/2022	Environmental Design Inc.	158614	Repairs and maintenance 107802
11/18/2022	Environmental Design Inc.	158615	Repairs and maintenance 107802
11/18/2022	Environmental Design Inc.	159114	Repairs and maintenance 107802
11/18/2022	Environmental Design Inc.	159180	Repairs and maintenance 107802
11/18/2022	Advantage Security Inc.	462448	Security 107570
11/18/2022	Advantage Security Inc.	462657	Security 107570
11/18/2022	Advantage Security Inc.	462804	Security 107570
11/18/2022	Advantage Security Inc.	463217	Security 107570
11/18/2022	CliftonLarsonAllen LLP	3441833	District management 107440
11/18/2022	CliftonLarsonAllen LLP	3474464	Accounting 107000
11/18/2022	Federal Building Services Inc.	0124154-IN	Repairs and maintenance 107802
11/18/2022	All Sweep Inc	22-994	Repairs and maintenance 107802
11/22/2022	Farnsworth Group Inc.	237540	Engineering 107584
11/22/2022	McWhinney Real Estate Services	350318	Management fee 107589
11/23/2022	Sasaki Associates Inc.	87308	Engineering 307584
11/23/2022	Colorado Hardscapes	Pay App #9	Capital outlay 307861
11/30/2022	Summit Compression LLC	1862	Repairs and maintenance 107802



Amount

3,500.00  
1,222.43  
2,677.22  
1,715.31  
1,246.68  
420.93  
2,679.42  
4,325.80  
2,353.00  
3,321.04  
970.00  
3,100.00  
5,441.00  
3,275.99  
3,361.91  
1,053.73  
1,187.00  
15,455.27  
1,125.00  
16,163.58  
3,555.55  
5,441.00  
2,215.69  
1,715.00  
1,715.00  
1,715.00  
1,715.00  
1,829.42  
2,713.14  
4,325.80  
2,353.00  
13,934.00  
127.00  
1,168.05  
1,722.00  
458.85

**\$299,385.33**

**RESOLUTION NO. 2022-\_\_-\_\_**  
**FOOTHILLS METROPOLITAN DISTRICT**  
**2023 ANNUAL ADMINISTRATIVE MATTERS RESOLUTION**

WHEREAS, the Board of Directors (the “Board”) of the Foothills Metropolitan District (the “District”) are required to perform certain administrative obligations during each calendar year to comply with certain statutory requirements, as further described below, and to assure the efficient operations of the District; and

WHEREAS, the Board desires to set forth such obligations herein and to designate, where applicable, the appropriate person or person(s) to perform such obligations on behalf of the District; and

WHEREAS, the Board further desires to acknowledge and ratify herein certain actions and outstanding obligations of the District.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF FOOTHILLS METROPOLITAN DISTRICT HEREBY RESOLVES AS FOLLOWS:

1. The Board directs the legal counsel to prepare and file either an accurate map as specified by the Colorado Division of Local Government (the “Division”) or a notice that the District’s boundaries have not changed since the filing of the last map for the District, with the Division, the Larimer County Clerk and Recorder, and the Larimer County Assessor on or before January 1, 2023, as required by Section 32-1-306, C.R.S.

2. Pursuant to Section 24-32-116(3)(b), C.R.S, the Board directs legal counsel to update the Division with any of the following information previously provided to the Division, in the event such information changes: (i) the official name of the District; (ii) the principal address and mailing address of the District; (iii) the name of the District’s agent; and (iv) the mailing address of the District’s agent.

3. The Board directs legal counsel to prepare, no more than sixty (60) days prior to and not later than January 15, 2023, the District’s annual transparency notice containing the information set forth in Section 32-1-809(1), C.R.S., and to provide such notice to the eligible electors of the District in one of the manners set forth in Section 32-1-809(2), C.R.S. In addition, legal counsel is directed to file a copy of the notice with the Larimer County Board of County Commissioners, the Larimer County Assessor, the Larimer County Treasurer, the Larimer County Clerk and Recorder’s Office, the City of Fort Collins City Council (“City Council”), and the Division as set forth in Section 32-1-104(2), C.R.S. A copy of the notice shall be made available for public inspection at the principal business office of the District.

4. The Board directs the District’s accountant to submit a proposed 2024 budget for the District to the Board on or before October 15, 2023, to schedule a public hearing on the proposed budget, prepare a final budget, and budget resolution, including certification of mill levies and amendments to the budget if necessary; to certify the mill levy to Larimer County Assessor on or before December 15, 2023 in accordance with Section 39-5-128, C.R.S.; and to file

the approved budgets and amendments thereto with the proper governmental entities in accordance with the Local Government Budget Law of Colorado, Sections 29-1-101 to 29-1-115, C.R.S.

5. In the event additional real property is included into the boundaries of the District in the future, the District authorizes legal counsel to record the special district public disclosure document and a map of the new boundaries of the District concurrently with the recording of the order for inclusion in the Larimer County Clerk and Recorder's office, in accordance with Section 32-1-104.8(2), C.R.S.

6. The Board directs legal counsel to notify the City Council of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan attached to the District's Service Plan, as required by Section 32-1-202(2)(b), C.R.S.

7. For any nonrated public securities issued by the District, the Board directs the District accountant to prepare and file with the Division on or before March 1, 2023, an annual information report with respect to any of the District's nonrated public securities which are outstanding as of the end of the District's fiscal year in accordance with Section 11-58-105, C.R.S.

8. The Board hereby authorizes the District's accountant to prepare and file an audit exemption and resolution for approval of audit exemption with the Colorado State Auditor by March 31, 2023, as required by Section 29-1-604, C.R.S.; or, if required by Section 29-1-603, C.R.S., the Board authorizes that an audit of the financial statements be prepared and submitted to the Board before June 30, 2023 and filed with the State Auditor by July 31, 2023. In addition, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, the District's accountant shall cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, the District's audit report or a copy of its application for exemption from audit in accordance with Section 29-1-606(7), C.R.S.

9. The Board directs its staff to prepare the Unclaimed Property Act report and forward the report to the Colorado State Treasurer by November 1, 2023 if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with Sections 38-13-401 *et seq.*, C.R.S.

10. The Board directs the District's accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by Sections 11-58-101 *et seq.*, C.R.S.

11. The Board directs legal counsel to oversee the preparation of any continuing annual disclosure report required to be filed pursuant to a continuing disclosure agreement, in accordance with the Securities Exchange Commission Rule 15c2-12 and pursuant to any authorizing resolution, indenture, pledge agreement, loan document, and/or any other document related to the issuance of any general or special obligation bonds, revenue bonds, loans from financial institutions or other multiple fiscal year obligations by the District and any refundings thereof.

12. The Board designates the Secretary of the District as the official custodian of “public records,” as such term is used in Section 24-72-202(2), C.R.S. Public records may also be maintained at the office of Icenogle Seaver Pogue, P.C. and the offices of the District Manager.

13. The Board directs legal counsel to advise it on the requirements of the Fair Campaign Practices Act, Sections 1-45-101 *et seq.*, C.R.S., when applicable.

14. The Board directs that all legal notices shall be published in accordance with Section 32-1-103(15), C.R.S., in a paper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District including, but not limited to, *Fort Collins Coloradoan*.

15. The Board determines that each director will receive compensation for services as directors pursuant to Section 32-1-902(3)(a)(II), C.R.S. in the amount of \$100 per meeting. The Board directs the District’s accountant to withhold federal employment taxes from the amount that the directors receive in compensation and to furnish each director with an annual IRS W-2 form.

16. The District hereby acknowledges, in accordance with Section 32-1-902, C.R.S., the following officers for the District:

Chairman/President:	Rishi Loona
Secretary:	Clyde Wood
Treasurer:	Josh Kane
Assistant Secretary:	Patrick Bunyard
Assistant Secretary:	Tim DePeder
Recording Secretary:	District Manager or its designee

The Board acknowledges that the Board may elect new officers during the fiscal year if new directors are elected or appointed to the Board, or if any director or officer resigns from the Board. Any change in officers shall be recorded in the meeting minutes in which the new officers are elected.

17. The Board hereby determines that each member of the Board shall execute an Affidavit of Qualification of Director at such time the member is either elected or appointed to the Board. Such forms shall be retained in the District’s files. Section 32-1-103(5), C.R.S. sets forth the qualifications required. Pursuant to Section 32-1-901, C.R.S., the Board directs legal counsel to prepare, administer and file an oath of office and a certificate of appointment, if applicable, and procure a surety bond for each Director, and to file copies of each with the Clerk of the Court and with the Division.

18. The Board confirms its obligations with regards to the defense and indemnification of its public employees, which by definition, includes elected and appointed officers, as set forth in the Indemnification Resolution adopted by the Board on November 1, 2021, and hereby specifically appropriates sufficient funds for such purpose.



19. Pursuant to Section 32-1-1101.5, C.R.S., the Board directs legal counsel to certify the results of any special district ballot issue elections to incur general obligation indebtedness by certified mail to the City Council and to file a copy of the certification with the Colorado Division of Securities within forty-five (45) days after the election. Furthermore, whenever the District authorizes or incurs a general obligation debt, the Board authorizes legal counsel to record notice of such action and a description of such debt, in a form prescribed by the Division, in the Larimer County Clerk and Recorder's office within thirty (30) days after authorizing or incurring the debt in accordance with Section 32-1-1604, C.R.S. Furthermore, whenever the District incurs general obligation debt, the Board directs legal counsel to submit a copy of the recorded notice to the City Council within thirty (30) days after incurring the debt in accordance with Section 32-1-1101.5(1), C.R.S.

20. The Board directs legal counsel to prepare and file an application for a quinquennial finding of reasonable diligence with the City Council, if requested, in accordance with Section 32-1-1101.5(1.5) & (2), C.R.S.

21. The Board directs legal counsel to prepare and file the special district annual report in accordance with the District's Service Plan and Section 32-1-207(3)(c), C.R.S.

22. The Board has determined that legal counsel will file conflicts of interest disclosures provided by board members with the Colorado Secretary of State seventy-two (72) hours prior to each meeting of the Board, in accordance with Sections 32-1-902(3)(b) and 18-8-308, C.R.S. Annually, legal counsel shall request that each Board member submit updated information regarding actual or potential conflicts of interest. Additionally, at the beginning of every term, legal counsel shall request that each Board member submit information regarding actual or potential conflicts of interest.

23. The District is currently a member of the Special District Association ("SDA") and is insured through the Colorado Special Districts Property and Liability Pool. The Board directs the District's accountant to pay the annual SDA membership dues and insurance premiums in a timely manner. The Board and District consultants will biannually review all insurance policies and coverage in effect to determine appropriate insurance coverage is maintained.

24. The Board hereby opts to include elected or appointed officials as employees within the meaning of Section 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs the District Manager to obtain workers' compensation coverage for the District.

25. Pursuant to Section 32-1-104.5(3)(a), C.R.S., the Board hereby designates the District's official website as <https://www.foothillsmetrodistrict.org/>. The Board directs the District manager to maintain and update the official website of the District in compliance with Section 32-1-104.5(3)(a), C.R.S.

26. The Board members have reviewed the minutes from the November 1, 2021 through October 5, 2022 meetings of the Board, which minutes are attached hereto as Exhibit A. The Board, being fully advised of the premises, hereby ratifies and affirms each and every action of the Board taken at said meetings.

27. Pursuant to Section 24-6-402(2)(d.5)(II)(E), C.R.S., the Board hereby declares that all electronic recordings of executive sessions shall be retained for purposes of the Colorado Open Meetings Law for ninety (90) days after the date of the executive session. The Board further directs the custodian of the electronic recordings of the executive session to systematically delete all such recordings made for purposes of the Colorado Open Meetings Law at its earliest convenience after the ninetieth (90<sup>th</sup>) day after the date of the executive session.

28. The District hereby acknowledges, agrees and declares that the District's policy for the deposit of public funds shall be made in accordance with the Public Deposit Protection Act (Sections 11-10.5-101 *et seq.*, C.R.S.). As provided therein, the District's official custodian may deposit public funds in any bank which has been designated by the Colorado Banking Board as an eligible public depository. For purposes of this paragraph, "official custodian" means a designee with plenary authority including control over public funds of a public unit which the official custodian is appointed to serve. The District hereby designates the District's accountant as its official custodian over public deposits.

29. To the extent the District adopted a Declaration of Local Emergency Resolution, such resolution is hereby terminated.

(Signatures Begin Next Page.)

ADOPTED AND APPROVED THIS 7th DAY OF DECEMBER, 2022.

FOOTHILLS METROPOLITAN DISTRICT

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By: Rishi Loona, President

**EXHIBIT A**

**Minutes from the  
November 1, 2021 through October 5, 2022  
Meetings of the Board**

## RECORD OF PROCEEDINGS

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MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FOOTHILLS METROPOLITAN DISTRICT (THE “DISTRICT”)  
HELD  
NOVEMBER 1, 2021

A special meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the “Board”) was convened on November 1, 2021, at 2:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

### ATTENDANCE

#### **Directors in Attendance Were:**

Patrick Bunyard, President  
Josh Kane, Treasurer  
Clyde Wood, Secretary  
Michael Tonniges, Assistant Secretary  
Rishi Loona, Assistant Secretary

#### **Also in Attendance Were:**

Denise Denslow, Carrie Bartow and Curtis Bourgoquin; CliftonLarsonAllen LLP (“CLA”)  
Alan Pogue; Icenogle Seaver Pogue, P.C.

### CALL TO ORDER

Director Bunyard called the meeting to order at 2:02 p.m.

### DECLARATION OF QUORUM/DIRECTOR QUALIFICATIONS /REAFFIRMATION OF DISCLOSURES

Mr. Pogue reported that disclosures for those directors that provided Icenogle Seaver Pogue with notice of potential or existing conflicts of interest were filed with the Secretary of State’s Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Pogue inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

### APPROVAL OF AGENDA

Following review, upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the agenda as presented.

### PUBLIC COMMENT

**Members of the public may express their views to the Board on matters that affect the District that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person. Comments will be taken in the order reflected on the sign in sheet:** There were no public comments.

## RECORD OF PROCEEDINGS

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### CONSENT AGENDA

**The items listed below are a group of items to be acted on with a single motion and vote by the Board. An item may be removed from the consent agenda to the regular agenda, by any Board member. Items on the consent agenda are then voted on by a single motion, second, and vote by the Board:**

- **Minutes of August 23, 2021 Special Meeting**
- **Claims Listing**
- **CliftonLarsonAllen LLP Master Service Agreement**
- **Resolution 2021-11-01; 2022 Administrative Matters**
- **Resolution 2021-11-02; Meeting Resolution**
- **Resolution 2021-11-03; Calling May 3, 2022 Directors' Election**

The Consent Agenda items were briefly outlined for the Board, and no items were pulled from the Agenda. Following discussion, and upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the Consent Agenda as presented.

### LEGAL MATTERS

**Resolution 2021-11-04; Indemnification Resolution:** Mr. Pogue reviewed with the Board. Following discussion, and upon a motion duly made by Director Kane, seconded by Director Tonniges and, upon vote, unanimously carried, the Board approved Resolution 2021-11-04; Indemnification Resolution.

**Resolution 2021-11-05; Investment Policy Resolution:** Mr. Pogue reviewed with the Board. Following discussion, and upon a motion duly made by Director Kane, seconded by Director Tonniges and, upon vote, unanimously carried, the Board approved Resolution 2021-11-05; Invest Policy Resolution.

**Resolution 2021-11-06; Consumer Data Protection Policy Resolution:** Mr. Pogue reviewed with the Board. Following discussion, and upon a motion duly made by Director Kane, seconded by Director Tonniges and, upon vote, unanimously carried, the Board approved Resolution 2021-11-06; Consumer Data Protection Policy Resolution.

**Resolution 2021-11-07; Public Records Policy Resolution:** Mr. Pogue reviewed with the Board. Following discussion, and upon a motion duly made by Director Kane, seconded by Director Tonniges and, upon vote, unanimously carried, the Board approved Resolution 2021-11-07; Public Records Policy Resolution.

### FINANCIAL MATTERS

**September 30, 2021 Unaudited Financial Statements and November Cash Position Report:** Ms. Bartow reviewed with the Board. Discussion followed regarding the Public Improvement Fee revenue. Following discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board accepted the September 30, 2021

## RECORD OF PROCEEDINGS

---

Unaudited Financial Statements and November Cash Position Report.

**Public Hearing to Consider Amendment of 2021 Budget; Consider Approval of Resolution 2021-11-08 to Amend 2021 Budget:** Upon a motion duly made by Director Tonniges, seconded by Director Bunyard and, upon vote, unanimously carried the Board opened the public hearing at 2:42 p.m. The Board closed the public hearing, and there were no public comment nor were any received prior to the meeting.

Ms. Bartow reviewed the 2021 Budget, noting that an amendment was needed for the Debt Service Fund from \$5,533,000 to \$5,545,000. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the amendment of the 2021 Budget, and adoption of Resolution 2021-11-08 to amend the 2021 Budget.

**Public Hearing to Consider Approval of 2022 Budget; Consider Adoption of Resolution 2021-11-09 to Approve 2022 Budget:** Upon a motion duly made by Director Tonniges, seconded by Director Bunyard and, upon vote, unanimously carried the Board opened the public hearing at 2:42 p.m. The Board closed the public hearing, and there were no public comment nor were any received prior to the meeting.

Ms. Bartow reviewed the 2022 Budget with the Board. Discussion followed regarding the maintenance costs associated with the District owned property. The General Fund mill levy was reviewed, in relation to the anticipated maintenance costs and property management fee. It was determined that more information regarding the maintenance costs and property management fee were needed prior to final budget approval.

**Other:** None.

**MANAGER MATTERS** **Grounds Maintenance Services for 2022:** This item was discussed during the 2022 Budget discussion.

**DIRECTOR MATTERS** **Other:** Director Wood inquired about insurance coverage of the District facilities and general liability. Ms. Denslow will provide that information to the Board as soon as it becomes available. Discussion followed regarding the Directors' parcels, but no action was taken.

**OTHER BUSINESS** **Executive Session pursuant to Section 24-6-402(4)(e), C.R.S. to discuss matters subject to negotiation related to District Management:** This item was deferred.

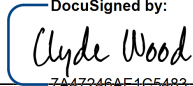
## RECORD OF PROCEEDINGS

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### ADJOURNMENT

At 3:38 p.m., there being no further business to come before the Board, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved to continue the meeting on December 3, 2021 at 10:00 a.m.

Respectfully submitted,

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



## RECORD OF PROCEEDINGS

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MINUTES OF A CONTINUED SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FOOTHILLS METROPOLITAN DISTRICT (THE “DISTRICT”)  
HELD  
DECEMBER 3, 2021

A continued special meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the “Board”) was convened on December 3, 2021, at 10:00 a.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

### ATTENDANCE

**Directors in Attendance Were:**

Patrick Bunyard, President  
Josh Kane, Treasurer  
Clyde Wood, Secretary  
Michael Tonniges, Assistant Secretary  
Rishi Loona, Assistant Secretary

**Also in Attendance Were:**

Denise Denslow and Curtis Bourgoon; CliftonLarsonAllen LLP (“CLA”)  
Alan Pogue; Icenogle Seaver Pogue, P.C.

### ADMINISTRATIVE MATTERS

**Public Comment:** None.

**Consider Approval of Facilities Management Proposal:** Director Bunyard presented the scope for 2022 for facilities management. Discussion followed regarding the costs associated with site and facility management. Prism proposed a fee of 10% of the budget for those expenses. Following discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the proposed agreement for facilities management with Prism for 2022, not to exceed \$492,000, 10% of which is the management fee, with the understanding that Prism will work with the property owner to determine a solution to bridge the budget gap.

**Approval of 2022 Insurance Policy:** Ms. Denslow briefed the Board on the status of the policy renewal, noting that the new schedule has not yet been received from the Pool. She confirmed that the District’s coverage was current. Following discussion, upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the 2022 insurance policy renewal, and directed staff to forward the policy once received.

**Review of Current Vendors:** Director Bunyard indicated that this has not yet been completed, but he is working with the vendors to identify the property/district split of costs.

## RECORD OF PROCEEDINGS

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### FINANCIAL MATTERS

**Resolution 2021-12-01 to Adopt 2022 Budget, Appropriate Expenditures and Set Mill Levies:** Mr. Bourgouin refreshed the Board on the proposed 2022 Budget. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved Resolution 2021-12-01 to Adopt 2022 Budget, Appropriate Expenditures and Set Mill Levies.

**Service Plan Amendment Regarding General Mil Levy Cap (and mill levy comps):** Attorney Pogue stated that this will be considered through the Service Plan Amendment as part of the re-development process.

### LEGAL MATTERS

**Approval of Quit Claim Deed Transferring Tract A to MXD Fort Collins, LLC:** Following review and discussion, upon a motion duly made by Director Tonniges, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Quit Claim Deed transferring Tract A to MXD Fort Collins, LLC.

**Other/ Capital Outlay:** The Board discussed the potential reallocation of funds for the purpose of replacement of the sod under the ice rink. Ms. Denslow will draft a letter for Director Wood to remit to the City Manager for approval of the use of funds for this purpose.

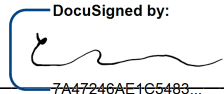
**Executive Session pursuant to Section 24-6-402(4)(e), C.R.S. to discuss matters subject to negotiation related to District Management:** Upon a motion duly made by Director Loona, seconded by Director Kane and, upon vote, unanimously carried, the Board entered into Executive Session at 11:30 a.m.

Upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board adjourned out of Executive Session at 11:37 a.m.

### ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Director Kane, seconded by Director Director Bunyard and, upon vote, unanimously carried, the Board meeting was adjourned at 11:37 a.m.

Respectfully submitted,

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

## RECORD OF PROCEEDINGS

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MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FOOTHILLS METROPOLITAN DISTRICT (THE "DISTRICT")  
HELD  
JANUARY 17, 2022

A special meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the "Board") was convened on January 17, 2022, at 4:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

### ATTENDANCE

#### **Directors in Attendance Were:**

Josh Kane, Treasurer  
Michael Tonniges, Assistant Secretary  
Rishi Loona, Assistant Secretary

#### **Also in Attendance Were:**

Denise Denslow; CliftonLarsonAllen LLP ("CLA")  
Alan Pogue; Icenogle Seaver Pogue, P.C.  
Clyde Wood; Public

### ADMINISTRATIVE MATTERS

**Call to Order:** Director Kane called the meeting to order at 4:04 p.m.

**Disclosures of Potential Conflicts of Interest:** Ms. Denslow noted that disclosures had been filed.

**Approval of Agenda:** Upon a motion duly made by Director Kane, seconded by Director Tonniges and upon vote, unanimously carried, the Board approved the Agenda as presented.

**Public Comment:** None.

### APPOINTMENT OF DIRECTOR

Director Kane administered the Oath of Office to Clyde Wood. Upon a motion duly made by Director Kane, seconded by Director Tonniges and, upon vote, unanimously carried, the Board appointed Clyde Wood to the Board of Directors.

### ELECTION OF OFFICERS

Director Wood was appointed as Secretary to the Board.

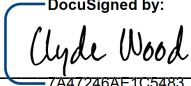
### ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Director Kane, seconded by Director Tonniges and, upon vote, unanimously carried, the Board meeting was adjourned at 11:37 a.m.

## RECORD OF PROCEEDINGS

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Respectfully submitted,

By    
 DocuSigned by:  
Clyde Wood  
7A47246AE1C5483...  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

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MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FOOTHILLS METROPOLITAN DISTRICT (THE "DISTRICT")  
HELD  
FEBRUARY 21, 2022

A special meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the "Board") was convened on Monday, February 21 2022, at 3:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

### ATTENDANCE

**Directors in Attendance Were:**

Patrick Bunyard, President  
Josh Kane, Treasurer  
Clyde Wood, Secretary

The absence of Director Loona was excused.

**Also in Attendance Were:**

Denise Denslow, Carrie Bartow & Curtis Bourgoquin; CliftonLarsonAllen LLP ("CLA")  
Alan Pogue; Icenogle Seaver Pogue, P.C.  
Mike Tonniges; McWhinney

### ADMINISTRATIVE MATTERS

**Call to Order:** Director Bunyard called the meeting to order at 3:05 p.m.

**Disclosures of Potential Conflicts of Interest:** Ms. Denslow noted that disclosures had been filed.

**Approval of Agenda:** Upon a motion duly made by Director Kane, seconded by Director Bunyard and upon vote, unanimously carried, the Board approved the Agenda as presented.

**Appointment of Director and Election of Officers:** Upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board appointed Tim DePeder to the Board as Assistant Secretary. All other officer positions to remain the same.

**Public Comment:** None.

### CONSENT AGENDA

**Minutes of the November 1, 2021, December 3, 2021 Continued, and January 1, 2022 Special Meetings:**  
**Ratification of Claims Totaling \$11,646.32:**  
**Resignation of Director Michael Tonniges:**

## RECORD OF PROCEEDINGS

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Upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the Consent Agenda items.

### LEGAL MATTERS

**Resolution Regarding Consent to Land Use Applications:** Attorney Pogue briefed the Board on the purpose of the resolution. He noted that the developer entity would like to proceed with the planning phase of the redevelopment efforts. A portion of the property that is to potentially be redeveloped is owned by the District. This resolution provides consent for these initial planning endeavors, but is not to be considered an endorsement of the project. Following review, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Resolution Regarding Consent to Land Use Application.

**Memorandum of Understanding Regarding Potential Land Transfer:** Attorney Pogue advised the Board that this Memorandum of Understanding outlines the potential transfer of property, referenced in Item III-A, should the redevelopment project move forward. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Memorandum of Understanding Regarding Potential Land Transfer.

**Improvement Acquisition, Advance, and Reimbursement Agreement with MXD Fort Collins, LLC:** Attorney Pogue explained that this agreement outlines the terms of the funding and reimbursement process for the planning phase of the District improvements related to the redevelopment project. He noted the MXD's legal counsel has not yet reviewed; substantive comments will come back to the Board. Additionally, the current redevelopment agreements with the City and the Urban Renewal Authority will need to be amended as the maximum authorized debt was met with the initial construction of the Foothills Mall. The Service Plan will also need to be amended as part of this process. Discussion followed regarding the amount of costs identified in the reimbursement agreement. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the Improvement Acquisition, Advance, and Reimbursement Agreement with MXD Fort Collins, LLC, subject to final non-substantive changes from legal counsel, and amendments to the redevelopment agreements and Service Plan in the amount not to exceed \$1,500,000,000.

### FINANCIAL MATTERS

**December 31, 2021 Unaudited Financial Statements and February 2022 Cash Position Report:** Ms. Bartow reviewed the Financial Statements and Cash Position Report with the Board. Discussion followed regarding the management fee and T-Mobile lease. Following discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote,

## RECORD OF PROCEEDINGS

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unanimously carried, the Board accepted the December 31, 2021 Unaudited Financial Statements and the February 2022 Cash Position Report.

**Other:** None.

### MANAGER ITEMS

**MRES Project Management Services Proposal:** Mr. Tonniges presented the proposal to the Board noting that the services would be billed in an hourly fashion until such time that the concept budget is finalized, after which a 5% fee would be charged. It was noted that this Scope of Services was not bid out, as the corresponding work with MDX was already underway. Director Kane requested that work of this size and scope be bid out in the future. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the MRES Project Management Services Proposal.

**Proposals for Design and Budget Scope Work:** Mr. Tonniges presented the proposal for the three-phase project pricing for dirt, utilities, site infrastructure and demolition from Connell Resources Inc. in the amount of \$22,140. Following review, upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the Connell Resources Inc. contract totaling \$22,140.

Mr. Tonniges presented a proposal from Farnsworth Group, Inc. for civil engineering of the project from design through permitting, traffic assessment, traffic impact studies, and through FDP including full construction documents. It was noted that this Scope of Services was not bid out, as the corresponding work with MDX was already underway. Director Kane requested that work of this size and scope be bid out in the future. Following review, upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the Farnsworth Group, Inc. Service Agreement.

Mr. Tonniges presented a proposal from Sasaki Associates, Inc. for horizontal design for City submittals, scope and design, and through construction drawings. The amount of the proposal is \$599,000 with an additional costs for reimbursable expenses not to exceed \$20,000. There will be additional costs related to other consultant work to be done as part of the Sasaki contract, ranging from \$100,000 - \$150,000. It was noted that this Scope of Services was not bid out, as the corresponding work with MDX was already underway. Director Kane requested that work of this size and scope be bid out in the future. Following review, upon a motion duly made by Director Wood, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Sasaki Associates, Inc. Service Agreement, subject to the developer agreeing to a dollar amount as a ceiling and development's counsel review.

## RECORD OF PROCEEDINGS

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**Other:** None.

DIRECTOR  
ITEMS

**Other:** None.

OTHER  
BUSINESS

None.

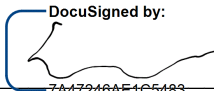
EXECUTIVE  
SESSION

**Executive Session pursuant to Section 24-6-402(4)(e), C.R.S. to discuss matters subject to negotiation related to District Management, if needed:**  
This item was not needed.

ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Director Wood, seconded by Director Bunyard and, upon vote, unanimously carried, the Board meeting was adjourned at 4.28 p.m.

Respectfully submitted,

By  7A47246AE1C5483...  
Secretary for the Meeting



## RECORD OF PROCEEDINGS

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MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FOOTHILLS METROPOLITAN DISTRICT (THE "DISTRICT")  
HELD  
JUNE 1, 2022

A regular meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the "Board") was convened on Wednesday, June 1, 2022, at 2:30 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

### ATTENDANCE

**Directors in Attendance Were:**

Patrick Bunyard, President  
Josh Kane, Treasurer  
Clyde Wood, Secretary  
Rishi Loona, Assistant Secretary  
Tim DePeder, Assistant Secretary

**Also in Attendance Were:**

Denise Denslow, Carrie Bartow & Curtis Bourgoquin; CliftonLarsonAllen LLP ("CLA")  
Alan Pogue; Icenogle Seaver Pogue, P.C.

### ADMINISTRATIVE MATTERS

**Call to Order:** Director Bunyard called the meeting to order at 2:33 p.m.

**Disclosures of Potential Conflicts of Interest:** Mr. Pogue noted that disclosures had been filed.

**Approval of Agenda:** Upon a motion duly made by Director Wood, seconded by Director Kane and upon vote, unanimously carried, the Board approved the Agenda as presented.

**Public Comment:** None.

**Results of May 3, 2022 Directors' Election; Consider appointment of eligible electors to the Board of Directors:** Attorney Pogue noted that Directors Kane and Wood were elected to three year terms ending in 2025, Director DePeder was elected to a one year term and will run again at the 2023 election, and Directors Loona and Bunyard are continuing to serve their 2023 terms from the special election conducted in December 2021.

**Consider Election of Officers:** Upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the following slate of officers:

## RECORD OF PROCEEDINGS

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President: Rishi Loona  
 Treasurer: Josh Kane  
 Secretary: Clyde Wood  
 Assistant Secretary: Tim DePeder  
 Assistant Secretary: Patrick Bunyard  
 Secretary to the Board: Denise Denslow

### CONSENT AGENDA

#### **Minutes of the February 1, 2022 Special Meeting:** **Ratification of Claims Totaling \$400,235.71:**

Upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the Consent Agenda items.

### LEGAL MATTERS

**Ratification of 2022 Funding and Reimbursement Agreement with MXD Fort Collins, LLC (MXD), and in connection therewith, issuance of subordinate promissory note to MXD to secure repayment of advances for operational expenses:** Attorney Pogue briefed the Board that this agreement is contingent upon amendments to the Service Plan and other documents underway with the City of Fort Collins. Discussion followed regarding the availability of funds; Director Wood confirmed, on behalf of MXD Fort Collins, LLC that they are appropriately capitalized.

Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board ratified approval of 2022 Funding and Reimbursement Agreement with MXD Fort Collins, LLC (MXD), and in connection therewith, issuance of subordinate promissory note to MXD to secure repayment of advances for operational expenses.

**Ratification of District Service Contract with MXD:** Upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board ratified the District Service Contract with MXD.

**Ratification of District Service Contract with Prism Places, Inc.:** Attorney Pogue informed the Board that this agreement had one remaining item related to excess auto liability coverage to finalize. Following review, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, the vote carried, with Director Bunyard abstaining, the Board ratified the District Service Contract with Prism Places, Inc.

**Approval of Event Activity License, Release and Hold Harmless Agreement:** Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the

## RECORD OF PROCEEDINGS

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Board approved the Event Activity License, Release and Hold Harmless Agreement.

**Ratify Service Agreement with Precision Pavement Marketing Co.:**

Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board ratified the Service Agreement with Precision Pavement Marketing Co.

**Ratify Services Agreement with Graff's Turf:** Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board ratified the Service Agreement with Graff's Turf.

**Ratify License Agreement with FMFPE, LLC for Temporary Parking:**

Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board ratified the License Agreement with FMFPE, LLC for Temporary Parking.

**Approval of Services Agreement with Traverse Builder LLC:** Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board approved the Services Agreement with Traverse Builder LLC.

**Authorize public space access/event agreement structure and authorize District Manager to execute same for all events on behalf of the District:**

Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board authorized public space access/event agreement structure and authorized the District Manager to execute same for all events on behalf of the District.

**FINANCIAL MATTERS**

**March 31, 2022 Unaudited Financial Statements and May 2022 Cash**

**Position Report:** Ms. Bartow reviewed the Financial Statements and Cash Position Report with the Board. The Board requested that year-to-date reports for the public improvement fee be provided in July and January. Following discussion, upon a motion duly made by Director Kane seconded by Director Wood and, upon vote, unanimously carried, the Board accepted the March 31, 2022 Unaudited Financial Statements and the May 2022 Cash Position Report.

**CONSTRUCTION REPORT**

None.

**MANAGER ITEMS**

None.

## RECORD OF PROCEEDINGS

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DIRECTOR  
ITEMS

**Other:** Director Kane inquired about the Director's fees. Mr. Bourgouin stated that it is being set up through ADP, and the first payment will catch up the prior meetings.

OTHER  
BUSINESS

None.

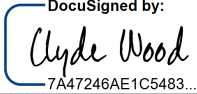
EXECUTIVE  
SESSION

Executive Session pursuant to Section 24-6-402(4)(e), if needed. No Executive Session was needed.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 3:25 p.m.

Respectfully submitted,

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

**RESOLUTION OF  
THE BOARD OF DIRECTORS OF  
FOOTHILLS METROPOLITAN DISTRICT**

**2023 MEETING RESOLUTION**

WHEREAS, Foothills Metropolitan District (the “District”) was organized pursuant to Section 32-1-101 *et seq.*, C.R.S. of the Special District Act; and

WHEREAS, on November 1, 2021, the Board of Directors (the “Board”) of the District adopted a Meeting Resolution to designate the time and place of all regular meetings, and to set forth specific requirements for the Board to call emergency meetings when such meetings are deemed necessary for the immediate protection of the public health, safety, and welfare of the property owners and residents of the District (“Prior Meeting Resolution”); and

WHEREAS, pursuant to Section 32-1-903(1), C.R.S., the Board shall meet regularly at a time and in a “location” to be designated by the Board; and

WHEREAS, pursuant to Section 32-1-903(5)(a), C.R.S., the term “location” means the physical, telephonic, electronic, other virtual place, or combination of such means where a meeting can be attended; and

WHEREAS, Section 32-1-903(1.5), C.R.S., requires that all meetings of the Board that are held solely at physical locations must be held at physical locations that are within the boundaries of the District or that are within the boundaries of the county in which the District is located, in whole or in part, or in any county so long as the physical location does not exceed twenty miles from the district boundaries; and

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

WHEREAS, pursuant to Section 32-1-903(2)(a), special meetings may be held as often as the needs of the District require, upon notice to each director, and may include study sessions at which a quorum of the Board is in attendance, and at which information is presented but no official action can be taken by the Board; and

WHEREAS, pursuant to Section 32-1-903(2)(a), C.R.S., notice of the time and location designated for all regular and special meetings of the Board shall be provided in accordance with Section 24-6-402, C.R.S.; and

WHEREAS, Section 24-6-402(2)(c)(I), C.R.S. requires the District to annually designate one public place within the boundaries of the District where notice of the Board’s meetings shall be posted no less than twenty-four (24) hours prior to the Board’s meetings; and

WHEREAS, pursuant to Section 24-6-402(2)(c)(III), C.R.S., the District shall be deemed to have given full and timely notice of a public meeting if the District posts the notice, with specific agenda information if available, no less than twenty-four (24) hours prior to the holding of the meeting on a public website of the District; and

WHEREAS, if the District posts notice on the District's public website pursuant to Section 24-6-402(2)(c)(III), C.R.S., the District must also designate a public place within its boundaries at which the District may post a notice no less than twenty-four hours prior to a meeting if the District is unable to post notice online in exigent or emergency circumstances; and

WHEREAS, the meeting notice of all meetings of the Board that are held telephonically, electronically, or by other means not including physical presence must include the method or procedure, including the conference number or link, by which members of the public can attend the meeting in accordance with Section 32-1-903(2)(a), C.R.S.; and

WHEREAS, the Board desires to designate the time and location of all regular meetings, and to set forth specific requirements for the Board to call emergency meetings when such meetings are deemed necessary for the immediate protection of the public health, safety, and welfare of the property owners and residents of the District for the ensuing year of 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF FOOTHILLS METROPOLITAN DISTRICT THAT:

1. Effective January 1, 2023, the Board hereby determines to hold regular meetings on \_\_\_\_\_ at \_\_:\_\_ \_\_.M. The location of all regular and special meetings will be held electronically via MS Teams, Zoom or other reliable electronic platform. The meeting notice of all meetings of the Board will include the method or procedure, including the conference number or link, by which members of the public can attend the meeting.

2. The Board hereby designates the District's public website, <https://www.foothillsmetrodistrict.org/>, as the twenty-four (24) hour posting location for all meeting notices. The Board hereby designates the posting location along Peakview near the Curb Cut as the posting location for meeting notices if the District is unable to post a notice online in exigent or emergency circumstances.

3. The designation set forth in Paragraph 2 is hereby deemed to be the Board's annual designation of the location where notices of meetings shall be posted twenty-four hours in advance of said meetings and shall be effective until such time as the Board determines to designate a new posting location.

4. Emergency meetings may be called by the District without notice, if notice is not practicable, by the President or any two (2) Board members in the event of an emergency that requires the immediate action of the Board in order to protect the public health, safety, and welfare of the property owners and residents of the District. If possible, notice of such emergency meeting may be given to the members of the Board by telephone or whatever other means are reasonable to meet the circumstances of the emergency, and shall be provided to the public via any practicable means available, *if any*, including, but not limited to, posting notice of such emergency meeting on the District's website, if any. At such emergency meeting, any action within the power of the

Board that is necessary for the immediate protection of the public health, safety and welfare may be taken; provided however, that any action taken at an emergency meeting shall be ratified at the first to occur: (a) the next regular meeting of the District's Board, or (b) the next special meeting of the District's Board.

5. This Resolution shall repeal, supersede, and replace the Prior Meeting Resolution and any and all previous resolutions or provisions of previous resolutions adopted by the Board concerning meeting location, time, and posting of notices.

6. This Resolution shall take effect on the date and time of adoption and shall remain effective until otherwise supplemented or amended by the Board.

(Signatures Appear on Following Page.)

ADOPTED AND APPROVED THIS 7TH DAY OF DECEMBER, 2022.

FOOTHILLS METROPOLITAN DISTRICT

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Rishi Loona, President



**RESOLUTION NO. 2022-\_\_-\_\_**  
**FOOTHILLS METROPOLITAN DISTRICT**  
**2023 REGULAR SPECIAL DISTRICT ELECTION RESOLUTION**

WHEREAS, Foothills Metropolitan District (the “District”) was organized pursuant to the Special District Act, Article 1 of Title 32, C.R.S. (the “Act”), after approval of the eligible electors of the District, by order of the District Court in and for Larimer County, Colorado (the “Court”); and

WHEREAS, after organization, District elections to elect members to the Board of Directors (the “Board”) of the District and/or to present certain ballot questions to the eligible electors of the District are governed by the Act; the Uniform Election Code of 1992, Articles 1 to 13 of Title 1, C.R.S. (the “Uniform Code”); and the Colorado Local Government Election Code, Article 13.5 of Title 1, C.R.S. (the “Local Government Election Code”) (the Act, Uniform Code, and Local Government Election Code are collectively referred to herein as the “Election Laws”); and

WHEREAS, the Board for the District consists of five (5) director offices; and

WHEREAS, the term of office for three (3) director officers will expire after their successors are elected at the next regular election for the District, scheduled to be held on the Tuesday succeeding the first Monday of May, which is May 2, 2023 (the “Election”), in accordance with Section 1-13.5-111(1), C.R.S.; and

WHEREAS, the term of office for two (2) director offices will expire on the Tuesday succeeding the first Monday of May, 2025; and

WHEREAS, the Board desires to call the Election for purposes of electing three (3) directors to the Board to each serve a four-year term pursuant to Section 32-1-305.5(3)(a), C.R.S.; and

WHEREAS, pursuant to Section 32-1-804(1), C.R.S., the Board shall govern the conduct of the Election and render all interpretations and make all decisions as to controversies or other matters arising in conducting the Election; and

WHEREAS, pursuant to Section 32-1-804(2), C.R.S., all powers granted by the Board by Part 8, Article 1 of Title 32, for the conduct of regular or special elections may be exercised in the absence of the Board by the secretary or by an assistant secretary appointed by the Board, and the person named by the Board who is responsible for the conducting of the Election shall be the designated election official; and

WHEREAS, pursuant to Section 1-13.5-108(1), C.R.S., the designated election official named by the Board shall render all interpretations and shall make all initial decisions as to controversies or other matters arising in operation of the Code; and

WHEREAS, for purposes of the Election, the Board desires to appoint an assistant secretary, who shall be the designated election official for the Election and exercise all powers granted by the Board for the conduct of the Election; and

WHEREAS, Sections 1-13.5-501(1) & -(1.7), C.R.S., require that, between seventy-five (75) and one hundred (100) days before a regular election, the Designated Election Official shall provide public notice of a call for nominations for the election by two methods: (1) by emailing the notice to each active registered elector of the District as of the date that is one hundred fifty (150) days prior to the election or, if no email address is on file, by mail as provided in Section 1-13.5-501(1.7), C.R.S., and (2) by any one of the following means: publication, as defined in Section 1-13.5-501(2), C.R.S.; including the notice as a prominent part of an informational mailing sent by the District to the eligible electors of the District; posting the information of the official website of the District; or, if permitted under Section 1-13.5-501(1.7)(b)(IV), C.R.S., posting the notice in at least three public places within the boundaries of the metropolitan district and in the office of the Clerk and Recorder of Larimer County; and

WHEREAS, Section 1-13.5-1104(2), C.R.S. requires the Designated Election Official to supervise the distributing, handling, and counting of ballots and the survey of returns, and to take the necessary steps to protect the confidentiality of the ballots cast and the integrity of the election; and

WHEREAS, Sections 1-11-103(3) and 32-1-104(1), C.R.S. require the District to certify to the Division the results of any elections held by such District and include such District's business address, telephone number, and contact person; and

WHEREAS, Section 1-13.5-513(1), C.R.S. provides that if the only matter before the electors in an election is the election of persons to office and if, at the close of business day on the sixty-third (63<sup>rd</sup>) day before the election or at any time thereafter, there are not more candidates than offices to be filled at the election, the Designated Election Official shall cancel the election and declare the candidates elected if so instructed by resolution of the governing body; and

WHEREAS, Section 1-11-103(3), C.R.S. provides that if an election is cancelled pursuant to Section 1-13.5-513(1), C.R.S., the District shall file notice and a copy of the resolution of such cancellations with the Colorado Division of Local Government (the "Division"); and

WHEREAS, the Board desires to call the Election and set forth herein the procedures for conducting the Election as authorized by the Election Laws.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CENTENNIAL 360 METROPOLITAN DISTRICT THAT:

1. The Board hereby calls a regular election of the eligible electors of the District to be held on May 2, 2023 between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Election Laws, for the purpose of electing three (3) directors to each serve a four-year term on the Board. Such numbers may change due to one or more vacancies arising on

the Board after the adoption of this Resolution and prior to the Election. The Election shall be conducted as an independent mail ballot election pursuant to Part 11 of the Local Government Election Code and all other relevant provisions of the Code.

2. Pursuant to Section 32-1-804(2), C.R.S., the Board hereby names Stacie Pacheco of Icenogle Seaver Pogue, P.C. as Assistant Secretary to the District for purposes of the Election, who shall be the Designated Election Official for the Election. The Designated Election Official shall act as the primary contact with the Larimer County Clerk and Recorder's office and shall be primarily responsible for ensuring the proper conduct of the Election including, but not limited to, appointing election judges as necessary, appointing the Board of Canvassers, arranging for the required notices of the election and printing of ballots, and directing that all other appropriate actions be accomplished. The Board hereby directs the District's General Counsel to oversee the general conduct of the Election for the District.

3. The Board hereby directs the Designated Election Official to provide public notice of a call for nominations for the Election in accordance with the requirements of Section 1-13.5-501, C.R.S., which shall include information regarding the director offices to be voted upon at the Election for the District, where a self-nomination and acceptance form or letter may be obtained, the deadline for submitting the self-nomination and acceptance form or letter to the Designated Election Official, and information on obtaining an absentee ballot. The notice shall be emailed to each active registered elector of the District as specified in the registration list provided by the Larimer County Clerk and Recorder as of the date that is one hundred fifty (150) days prior to the date of the Election or, if no email address is on file, by mail as provided in Section 1-13.5-501(1.7), C.R.S. In addition, public notice shall be provided by posting the information on the official website of the District.

4. Pursuant to Section 1-13.5-1002(1)(b), C.R.S., applications for absentee voter's ballots may be filed at the Designated Election Official's office (at such address noted in Paragraph 5 below), between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).

5. Pursuant to Section 1-13.5-303, C.R.S., any person who desires to be a candidate for the office of director of the District must file a self-nomination and acceptance form or letter, signed by the candidate and by an eligible elector of the State as a witness to the signature of the candidate, with the Designated Election Official no later than 5:00 P.M. on the day that is sixty-seven (67) days prior to the Election (February 24, 2023). On the date of signing the self-nomination and acceptance form or letter a candidate for director shall be an eligible elector of the applicable District. Pursuant to Section 32-1-103(5), C.R.S., an "eligible elector" means a person who, at the designated time or event, is registered to vote in the State of Colorado and (i) who is a resident of the special district; or (ii) who, or whose spouse or civil union partner, owns taxable real or personal property situated within the boundaries of the special district, whether said person resides within the special district or not. A person who is obligated to pay taxes under a contract to purchase taxable property situated within the boundaries of the special district is considered an "owner" for purposes of this definition. Self-nomination and acceptance forms are available at the Designated Election Official's office located at 4725 S. Monaco St., Suite 360, Denver, Colorado 80237.

6. Pursuant to Sections 1-13.5-513(1) & (6), C.R.S., the Board hereby authorizes and directs the Designated Election Official to cancel the Election and declare the candidates elected if, at the close of business on the sixty-third (63<sup>rd</sup>) day before the Election (February 28, 2023), there are not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates, and so long as the only ballot questions are for the election of candidates. The Board further authorizes and directs the Designated Election Official to file cancellation notices with the Larimer County Clerk and Recorder's Office and with the Colorado Division of Local Government, to post notice of the cancellation in the office of the Designated Election Official, and to provide notice by publication of the cancellation of the election. The Designated Election Official also shall notify the candidates that the Election was cancelled and that they were elected by acclamation.

7. In accordance with Sections 1-11-103(3) & 32-1-104(1), C.R.S., the District directs the Designated Election Official to notify the Division of the results of any elections held by the District, including the District's business address, telephone number, and contact person within thirty (30) days after the Election (June 1, 2023).

8. The Designated Election Official and the officers, agents, consultants, and employees, if any, of the District are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

9. All actions not inconsistent with the provisions of this Resolution heretofore taken by the members of the Board, the Designated Election Official, and the officers, agents, consultants, and employees, if any, of the District, and directed toward holding the Election for the purposes stated herein are hereby ratified, approved, and confirmed.

10. All prior acts, orders, or resolutions, or parts thereof, by the District in conflict with this Resolution are hereby repealed, except that this repealer shall not be construed to revive any act, order, or resolution, or part thereof, heretofore repealed.

11. If any section, paragraph, clause, or provision of this Resolution shall be adjudged to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining sections, paragraphs, clauses or provisions of this Resolution, it being the intention that the various parts hereof are severable.

12. The District shall be responsible for the payment of any and all costs associated with the conduct of the Election, including its cancellation, if necessary, and those costs incurred pursuant to the terms and conditions of an election agreement with Larimer County, if any.

13. This Resolution shall take effect on the date and at the time of its adoption.

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ADOPTED AND APPROVED THIS 7TH DAY OF DECEMBER 2022.

FOOTHILLS METROPOLITAN DISTRICT

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By: Rishi Loona, President

FOOTHILLS METROPOLITAN DISTRICT  
FINANCIAL STATEMENTS  
OCTOBER 31, 2022

FOOTHILLS METROPOLITAN DISTRICT  
 BALANCE SHEET - GOVERNMENTAL FUNDS  
 OCTOBER 31, 2022

	General	Debt Service	Capital Projects	Total
<b>ASSETS</b>				
Cash - Checking	\$ 163,470	\$ 1,330,113	\$ -	\$ 1,493,583
C - Safe	74,116	193	-	74,309
UMB - Unrestricted project fund	-	-	36,869	36,869
UMB - Bond fund	-	2,451,083	-	2,451,083
UMB - Reserve fund	-	7,313,602	-	7,313,602
UMB - Surplus fund	-	480,144	-	480,144
Accounts receivable - PIF	-	57,135	-	57,135
Accounts receivable - TIF	385	3,665	-	4,050
Receivable from County Treasurer	3,065	10,292	-	13,357
Prepaid insurance	450	-	-	450
<b>TOTAL ASSETS</b>	<b>\$ 241,486</b>	<b>\$ 11,646,227</b>	<b>\$ 36,869</b>	<b>\$ 11,924,582</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 93,218	\$ -	\$ 2,890	\$ 96,108
<b>Total Liabilities</b>	<b>93,218</b>	<b>-</b>	<b>2,890</b>	<b>96,108</b>
<b>FUND BALANCES</b>				
<b>Total Fund Balances</b>	<b>148,268</b>	<b>11,646,227</b>	<b>33,979</b>	<b>11,828,474</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 241,486</b>	<b>\$ 11,646,227</b>	<b>\$ 36,869</b>	<b>\$ 11,924,582</b>

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

FOOTHILLS METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE TEN MONTHS ENDED OCTOBER 31, 2022

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GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
<b>REVENUES</b>			
Property taxes	\$ 173,096	\$ 174,901	\$ 1,805
Specific ownership tax	34,186	29,827	(4,359)
Interest income	130	1,652	1,522
FCURA - District Property Taxes	315,279	315,078	(201)
Other income	-	21,714	21,714
<b>TOTAL REVENUES</b>	<u>522,691</u>	<u>543,172</u>	<u>20,481</u>
<b>EXPENDITURES</b>			
Accounting	40,000	26,687	13,313
Auditing	6,500	6,400	100
County Treasurer's fee	3,462	3,473	(11)
Directors' fees	-	2,014	(2,014)
Dues and licenses	950	737	213
Insurance and bonds	16,500	18,628	(2,128)
District management	22,000	17,114	4,886
Legal services	40,000	37,604	2,396
Miscellaneous	1,400	649	751
Collection Fee - URA	4,729	4,726	3
Security	-	22,295	(22,295)
Engineering	-	167,275	(167,275)
Management fee	44,700	1,131	43,569
PIF Collection	30,000	10,643	19,357
Election expense	2,000	1,764	236
Repairs and maintenance	397,000	160,010	236,990
Utilities	50,000	23,639	26,361
Contingency	1,759	-	1,759
<b>TOTAL EXPENDITURES</b>	<u>661,000</u>	<u>504,789</u>	<u>156,211</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(138,309)</u>	<u>38,383</u>	<u>176,692</u>
<b>FUND BALANCES - BEGINNING</b>	<u>154,596</u>	<u>109,885</u>	<u>(44,711)</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 16,287</u>	<u>\$ 148,268</u>	<u>\$ 131,981</u>

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



## SUPPLEMENTARY INFORMATION

FOOTHILLS METROPOLITAN DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE TEN MONTHS ENDED OCTOBER 31, 2022

DEBT SERVICE FUND

	Annual Budget	Year to Date Actual	Variance
<b>REVENUES</b>			
Property taxes	\$ 581,175	\$ 587,235	\$ 6,060
Specific ownership tax	114,782	100,144	(14,638)
Public improvement fees	875,000	865,975	(9,025)
Interest income	8,684	96,555	87,871
FCURA - District Property Taxes	1,058,561	1,057,884	(677)
FCURA - Property Tax Increment	1,567,369	1,887,981	320,612
Sales tax increment	500,000	523,072	23,072
<b>TOTAL REVENUES</b>	<u>4,705,571</u>	<u>5,118,846</u>	<u>413,275</u>
<b>EXPENDITURES</b>			
County Treasurer's fee	11,624	11,661	(37)
Collection Fee - URA	30,389	44,188	(13,799)
Bond interest	4,060,613	2,030,306	2,030,307
Paying agent fees	3,500	3,500	-
Bond principal	1,520,000	-	1,520,000
Contingency	13,874	-	13,874
<b>TOTAL EXPENDITURES</b>	<u>5,640,000</u>	<u>2,089,655</u>	<u>3,550,345</u>
<b>NET CHANGE IN FUND BALANCES</b>	(934,429)	3,029,191	3,963,620
<b>FUND BALANCES - BEGINNING</b>	<u>9,110,606</u>	<u>8,617,036</u>	<u>(493,570)</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 8,176,177</u>	<u>\$ 11,646,227</u>	<u>\$ 3,470,050</u>

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

FOOTHILLS METROPOLITAN DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE TEN MONTHS ENDED OCTOBER 31, 2022

CAPITAL PROJECTS FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Interest income	\$ 110	\$ 647	\$ 537
TOTAL REVENUES	<u>110</u>	<u>647</u>	<u>537</u>
EXPENDITURES			
Engineering	-	1,168	(1,168)
Capital outlay	219,303	184,660	34,643
TOTAL EXPENDITURES	<u>219,303</u>	<u>185,828</u>	<u>33,475</u>
NET CHANGE IN FUND BALANCES	(219,193)	(185,181)	34,012
FUND BALANCES - BEGINNING	<u>219,193</u>	<u>219,160</u>	<u>(33)</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 33,979</u>	<u>\$ 33,979</u>

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

**FOOTHILLS METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized on January 10, 2013, for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services and mosquito control. When appropriate, these improvements will be dedicated to the City of Fort Collins, Larimer County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District's service area is located within the City of Fort Collins, Larimer County, Colorado.

On November 6, 2012, District voters approved general obligation indebtedness of \$100,000,000 for street improvements, \$100,000,000 for parks and recreation, \$100,000,000 for water facilities, \$100,000,000 for sanitation system, \$100,000,000 for transportation, \$100,000,000 for fire protection facilities or services, \$100,000,000 for television relay and translation services, \$100,000,000 for security services, \$25,000,000 for mosquito control, \$100,000,000 for traffic and safety, \$100,000,000 for operations and maintenance, \$600,000,000 for intergovernmental contracts, \$100,000,000 for special assessment debt, \$100,000,000 for private agreements, \$100,000,000 for mortgages and \$600,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$20,000,000 annually and allows the District to collect fees of up to \$20,000,000 annually for operations and maintenance and \$100,000,000 in sales taxes not to exceed 3%.

Pursuant to the Service Plan, the District may issue bond indebtedness in an amount sufficient to produce (a) \$53,000,000 in net proceeds to fund the costs of the eligible improvements and (b) the costs of issuance of such bonds.

The District has no employees and all administrative functions are contractual.

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

**FCURA**

On January 17, 2014, the District entered into a Redevelopment and Reimbursement Agreement with Fort Collins Urban Renewal Authority ("FCURA"), the Developer, and the City of Fort Collins to redevelop Foothills Fashion Mall.

**FOOTHILLS METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year.

The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**Property Tax Increment Revenue**

FCURA will receive property tax revenue ("Pledged Property Tax Increment Revenue") from the Larimer County Treasurer in excess of the amount produced by the levy of those bodies that levy property taxes against the Property Tax Base Amount in the TIF District, excluding the mill levy override payments approved by the electors of Poudre School District in 2012 and subsequent years, the District operations and maintenance and debt service mill levies, FCURA administration and redevelopment fees. The remaining revenue received by FCURA, net of all costs, will be remitted to the District's Bond Trustee and pledged to the payment of the Bonds.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes calculated from the gross assessed valuation.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average fund balance at an interest rate of approximately .10%.

**FOOTHILLS METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**Sales Tax Increment Revenue**

A major source of revenue or cash receipts will be incremental sales tax revenue. The Redevelopment Agreement provides that sales taxes collected by the City within the TIF District in excess of a sales tax base amount are payable to FCURA. Pursuant to the Redevelopment Agreement, FCURA has covenanted to deposit such incremental City sales taxes with the Trustee for payment on the Bonds. The City currently imposes a 2.25% sales tax. Retail sales are calculated on assumed sales per square foot of commercial space at a value that varies based on the type of commercial use. A lease-up percentage and a collection factor are also applied to the estimated sales.

**Public Improvement Fees**

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end.

**Expenditures**

**Administrative Expenditures**

Administrative expenditures include the services necessary to maintain the administrative viability such as legal, accounting, insurance, and other administrative expenses of the District.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 2% of property tax collections.

**Operations and Maintenance**

The district anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the general fund on page 3 of the budget.

**Debt Service**

Principal and interest payments in 2022 are provided based on the debt amortization schedule from the Series 2014 Bonds (discussed under Debt and Leases).

**FOOTHILLS METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

On October 9, 2014, the District issued \$72,950,000 in Series 2014 Special Revenue Bonds for street park and recreation, water and sanitation improvements. Bond proceeds were also transferred by the bond resolution from the Capital Projects Fund to the Debt Service Fund to pay the bond interest for the subsequent construction period and to establish a reserve account. The interest rate ranges from 5.35 to 6.00%. Interest is payable semiannually on June 1 and December 1 and principal is payable annually on December 1. The bonds mature on December 1, 2038, and are term bonds subject to redemption, prior to maturity, at the option of the District, on December 1, 2024, upon payment of par and accrued interest, without redemption premium. The bonds maturing on December 1, 2024, are subject to mandatory sinking fund redemption. The Series 2014 Bonds were issued for the purpose of financing public improvements.

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership tax which is collected as a result of the imposition of the Required Mill Levy, 3) Property Tax Increment revenues, 4) Add-On PIF revenues, 5) sales Tax Increment revenues and 6) any other legally available monies which the District determines to be treated as Pledged Revenue.

The District has no operating or capital leases.

**Developer Advances**

The District has entered into Reimbursement and Acquisition Agreements with the Developer as follows:

**Reimbursement and Infrastructure Acquisition Agreement**

On April 26, 2013, the District has entered into a Reimbursement and Infrastructure Acquisition Agreement with Walton Foothills Holdings VI, LLC (Developer) pursuant to which the District agrees to reimburse the Developer for advances made to or on behalf of the District plus interest of 8% annually for costs related to the construction of public improvements subject to limitations set forth in the Service Plan. This agreement was amended on May 28, 2014. As of December 31, 2020, outstanding advances under the agreement totaled \$630,401 and accrued interest totaled \$371,763.

**FOOTHILLS METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021
Developer Advance	\$ 630,401	\$ -	\$ -	\$ 630,401
Developer Advance - Interest	371,763	80,173	-	451,936
Total	<u>\$ 1,002,164</u>	<u>\$ 80,173</u>	<u>\$ -</u>	<u>\$ 1,082,337</u>

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022
Developer Advance	\$ 630,401	\$ -	\$ -	\$ 630,401
Developer Advance - Interest	451,936	86,587	-	538,523
Total	<u>\$ 1,082,337</u>	<u>\$ 86,587</u>	<u>\$ -</u>	<u>\$ 1,168,924</u>

**Reserve Funds**

**Emergency Reserve**

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

**Debt Service Reserves**

The District maintains a Debt Service Reserve of \$7,295,000 as required with the issuance of the Series 2014 Bonds.



**FOOTHILLS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$72,950,000 Special Revenue Bonds**

**Dated October 9, 2014**

**Principal Due Annually December 1**

**Interest from 5.25 to 6.00%, Due June and December 1**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,520,000	\$ 4,060,613	\$ 5,580,613
2023	1,690,000	3,980,812	5,670,812
2024	1,915,000	3,892,088	5,807,088
2025	2,110,000	3,791,550	5,901,550
2026	2,365,000	3,670,225	6,035,225
2027	2,600,000	3,534,237	6,134,237
2028	2,895,000	3,384,738	6,279,738
2029	3,160,000	3,218,275	6,378,275
2030	3,490,000	3,036,575	6,526,575
2031	3,800,000	2,835,900	6,635,900
2032	4,180,000	2,607,900	6,787,900
2033	4,540,000	2,357,100	6,897,100
2034	4,970,000	2,084,700	7,054,700
2035	5,385,000	1,786,500	7,171,500
2036	5,870,000	1,463,400	7,333,400
2037	6,340,000	1,111,200	7,451,200
2038	12,180,000	730,800	12,910,800
<b>Total</b>	<b>\$ 69,010,000</b>	<b>\$ 47,546,613</b>	<b>\$ 116,556,613</b>

**Foothills Metropolitan District  
Schedule of Cash Position  
October 31, 2022  
Updated as of November 29, 2022**

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	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b><u>1st Bank - Checking</u></b>				
Balance as of 10/31/22	\$ 163,470.45	\$ 1,330,112.61	\$ -	\$ 1,493,583.06
Subsequent activity:				
11/9/2022 Bill.com Payments	(8,541.00)	-	-	(8,541.00)
11/17/2022 Bill.com Payments	(6,637.90)	-	-	(6,637.90)
11/18/2022 Bill.com Payments	(64,278.18)	-	-	(64,278.18)
11/21/2022 Transfer to UMB Revenue Fund	-	(1,330,112.61)	-	(1,330,112.61)
11/22/2022 Bill.com Payments - VOID	458.85	-	-	458.85
11/22/2022 Requisition #45	-	-	2,890.05	2,890.05
11/22/2022 Bill.com Payments	(14,061.00)	-	-	(14,061.00)
11/23/2022 Bill.com Payments	-	-	(2,890.05)	(2,890.05)
<i>Anticipated balance</i>	<u>70,411.22</u>	<u>-</u>	<u>-</u>	<u>70,411.22</u>
<b><u>CSAFE</u></b>				
Balance as of 10/31/22	74,115.88	193.06	-	74,308.94
Subsequent activity:				
11/1/2022 PIF	-	55,319.74	-	55,319.74
11/10/2022 Property/SO Taxes (August)	3,065.48	10,292.45	-	13,357.93
11/21/2022 PIF	-	8,434.68	-	8,434.68
11/21/2022 PIF	-	5,476.99	-	5,476.99
<i>Anticipated Transfer to Bond Fund</i>	-	(79,716.92)	-	(79,716.92)
<i>Anticipated balance</i>	<u>77,181.36</u>	<u>-</u>	<u>-</u>	<u>77,181.36</u>
<b><u>UMB - Bond Fund - 142301.1</u></b>				
Balance as of 10/31/22	-	2,451,083.17	-	2,451,083.17
Subsequent activity:				
11/21/2022 Transfer from 1st Bank	-	1,330,112.61	-	1,330,112.61
<i>Anticipated Debt Service Payment</i>	-	(3,550,306.25)	-	(3,550,306.25)
<i>Anticipated transfer from Csafe</i>	-	79,716.92	-	79,716.92
<i>Anticipated balance</i>	<u>-</u>	<u>310,606.45</u>	<u>-</u>	<u>310,606.45</u>
<b><u>UMB - Reserve Fund - 142301.2</u></b>				
Balance as of 10/31/22	-	7,313,602.37	-	7,313,602.37
Subsequent activity:				
<i>Anticipated balance</i>	<u>-</u>	<u>7,313,602.37</u>	<u>-</u>	<u>7,313,602.37</u>
<b><u>UMB - Surplus Fund - 142301.3</u></b>				
Balance as of 10/31/22	-	480,143.83	-	480,143.83
Subsequent activity:				
<i>Anticipated balance</i>	<u>-</u>	<u>480,143.83</u>	<u>-</u>	<u>480,143.83</u>
<b><u>UMB - Unrestricted Project Fund - 142301.5</u></b>				
Balance as of 10/31/22	-	-	36,869.43	36,869.43
Subsequent activity:				
<i>Anticipated balance</i>	<u>-</u>	<u>-</u>	<u>36,869.43</u>	<u>36,869.43</u>
<b><i>Total Anticipated Balance</i></b>	<u>\$ 147,592.58</u>	<u>\$ 8,104,352.65</u>	<u>\$ 36,869.43</u>	<u>\$ 8,288,814.66</u>

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

Foothills Metro District  
Property Taxes Reconciliation  
2022

	Current Year								Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Interest Owed to County	Treasurer's Fees	Due To County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
									Monthly	Y-T-D		Monthly	Y-T-D
Beg Balance													
January	\$ 2,727.67	\$ (1,762.26)	\$ 13,118.40	\$ -	\$ -	\$ (19.31)	\$ -	\$ 14,064.50	0.13%	0.13%	-	0.03%	0.03%
February	354,993.95	-	11,888.63	-	-	(7,099.89)	-	359,782.69	47.06%	47.19%	60,652.66	13.46%	13.49%
March	6,880.73	-	13,831.06	3.56	-	(137.68)	-	20,577.67	0.91%	48.10%	395,552.89	35.43%	48.92%
April	39,794.52	-	11,233.54	-	-	(795.89)	-	50,232.17	5.28%	53.38%	44,473.80	2.62%	51.54%
May	5,674.20	6,917.85	13,042.49	9.64	-	(142.23)	-	25,501.95	1.67%	55.05%	142,881.89	11.89%	63.42%
June	345,977.03	-	10,468.14	-	-	(6,919.55)	-	349,525.62	45.87%	100.92%	376,461.98	34.28%	97.70%
July	2,600.59	-	12,587.48	52.67	-	(53.07)	-	15,187.67	0.34%	101.26%	24,033.45	0.28%	97.98%
August	32.56	(1,701.20)	16,406.99	(33.80)	-	34.06	-	14,738.61	-0.22%	101.04%	20,811.03	0.00%	97.98%
September	-	-	14,035.37	-	-	-	-	14,035.37	0.00%	101.04%	19,807.14	0.00%	97.98%
October	-	-	13,357.93	-	-	-	-	13,357.93	0.00%	101.04%	22,396.62	0.00%	97.98%
November									0.00%	101.04%	18,175.94	0.00%	97.98%
December									0.00%	101.04%	15,169.63	0.00%	97.98%
	\$ 758,681.25	\$ 3,454.39	\$ 129,970.03	\$ 32.07	\$ -	\$ (15,133.56)	\$ -	\$ 877,004.18	101.04%	101.04%	\$ 1,140,417.03	97.98%	97.98%

	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
<b>Property Tax</b>				
General Fund	\$ 173,096.00	22.95%	\$ 174,900.84	101.04%
Debt Service Fund	581,175.00	77.05%	587,234.80	101.04%
	<u>\$ 754,271.00</u>	<u>100.00%</u>	<u>\$ 762,135.64</u>	<u>101.04%</u>
<b>Specific Ownership</b>				
General Fund	\$ 34,186.00	22.95%	\$ 29,826.54	87.25%
Debt Service Fund	114,782.00	77.05%	100,143.49	87.25%
	<u>\$ 148,968.00</u>	<u>100.00%</u>	<u>\$ 129,970.03</u>	<u>87.25%</u>
<b>Treasurer's Fees</b>				
General Fund	\$ 3,462.00	22.95%	\$ 3,472.97	100.32%
Debt Service Fund	11,624.00	77.05%	11,660.59	100.31%
	<u>\$ 15,086.00</u>	<u>100.00%</u>	<u>\$ 15,133.56</u>	<u>100.32%</u>

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

**Foothills Metro District  
FCURA Sales and Property Tax TIF  
2022**

	<b>FCURA Property Taxes</b>	<b>FCURA Property Tax Increment</b>	<b>URA Fee</b>	<b>Sales tax Increment</b>	<b>Net Amount Received</b>
Beg Balance					
January	\$ 1,762.26	\$ 2,411.76	\$ (62.61)	\$ -	\$ 4,111.41
February	647,127.82	886,973.57	(23,011.58)	147,988.00	1,659,077.81
March	12,560.13	17,204.71	(446.47)	160,345.00	189,663.37
April	72,641.18	99,448.14	(2,581.35)	214,739.00	384,246.97
May	6,501.14	15,102.13	(324.05)	-	21,279.22
June	630,668.27	864,430.53	(22,426.48)	-	1,472,672.32
July	-	-	-	-	-
August	1,701.20	2,409.79	(61.67)	-	4,049.32
September	-	-	-	-	-
October					
November					
December					
	<b>\$ 1,372,962.00</b>	<b>\$ 1,887,980.63</b>	<b>\$ (48,914.20)</b>	<b>\$ 523,072.00</b>	<b>\$ 3,735,100.43</b>

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

Foothills Metropolitan District  
PIF Revenue  
As of 10/31/22

<b>Summary of 2022 PIF Revenues</b>				
<b>1/1/22-12/31/22 Sales</b>				
<u>Month of Sale</u>	<u>Total Revenue - 2022</u>	<u>Total Revenue - 2021</u>	<u>% Change</u>	
January	\$ 63,979.88	\$ 61,970.50	3.24%	
February	66,351.34	60,302.95	10.03%	
March	90,343.08	83,974.87	7.58%	
April	84,549.76	79,893.93	5.83%	
May	92,422.52	85,370.83	8.26%	
June	98,808.87	90,027.12	9.75%	
July	91,036.48	86,249.20	5.55%	
August	100,822.51	94,331.83	6.88%	
September	89,660.23	53,270.47	68.31%	
October	88,000.00	83,736.20	5.09%	
November		75,934.03		
December		116,335.13		
	\$ 865,974.67	\$ 971,397.06		
<b>Budget 2022</b>	\$ 875,000.00			

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

November 9, 2022

To the Board of Directors and Management  
Foothills Metropolitan District  
Larimer County, Colorado

We are pleased to confirm our understanding of the services we are to provide Foothills Metropolitan District (the District) for the year ended December 31, 2022.

### **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities and each major fund, and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2022. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such 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. If the District elects to omit the MD&A, as in prior years, our report will contain a statement that the District has omitted MD&A. The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, will be subjected to the auditing procedures applied in our audit of the financial statements.

We have also been engaged to report on supplementary and other information, other than RSI, that accompanies the District's financial statements. We will subject the following supplementary information, as applicable, to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS), and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Debt Service Funds
- 2) Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Capital Projects Funds
- 3) Schedule of Debt Service Requirements to Maturity, where applicable
- 4) Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected, where applicable

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether the District's financial statements are fairly presented, in all material respects in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement of a reasonable user made based on the financial statements.

## **Fiscal Focus Partners, LLC**

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

### **Audit Procedures—Internal Control**

We will obtain an understanding of the District and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

**Other Services**

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for any nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

**Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is responsible for making drafts of the financial statements, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

**Engagement Administration, Fees, and Other**

We understand that your employees will prepare the financial statements and all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Fiscal Focus Partners, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an applicable regulator or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Fiscal Focus Partners, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to an applicable regulator or its designee. The applicable regulator or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on a date mutually agreed to by your accountants and our firm, and to issue our reports no later than July 31, 2023, or September 30, 2023 if the District is eligible for, and management requests, an extension



of time from state auditor. If the originally scheduled audit commencement date is not met due to delays in availability of required information and rescheduling is necessary, we will advise you of any change in anticipated report issuance dates. Eric Barnes will be the engagement partner and will be responsible for supervising the engagement and signing the report or authorizing another individual to sign it. The designated partner may change depending on scheduling and work demands. You will be advised of any change in the designated partner. Our audit engagement commences when all information necessary to conduct the audit is available and provided to us, and ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service. This engagement agreement may be cancelled by you or by us upon written notice provided at least 45 days prior to engagement commencement.

Our fee for these services will be \$7,050 plus out-of-pocket costs (such as postage, mileage, etc.). Our invoice for these fees will be rendered upon completion of fieldwork and in-house review and is payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel, contractors, and professionals, and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

### **Reporting**

We will issue a written report upon completion of our audit of the District's financial statements. Our report will be address to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

### **Contractor Certification Regarding Illegal Aliens – Public Contracts for Services**

Pursuant to the requirements of Section 8-17.5–102(1), C.R.S., we hereby certify to the District that we do not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that we participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of Fiscal Focus Partners, LLC who are newly hired to perform work under the Agreement.

In accordance with Section 8-17.5-102(2)(a), C.R.S., we shall not:

- 1) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or
- 2) Enter into a contract with a subcontractor that fails to certify to us that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

We represent and warrant that we have confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

We are prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

If we obtain actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, we shall:

- 1) Notify the subcontractor and the District within three days that we have actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- 2) Terminate the subcontract with the subcontractor if within three days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that we shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

We shall comply with any reasonable request by the Colorado Department of Labor and Employment (“Department”) made in the course of an investigation that the Department is undertaking, pursuant to the law.

If we violate any provision of Section 8-17.5–102(1), C.R.S., the District may terminate the Agreement immediately and we shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by us to the Colorado Secretary of State, as required by law.

We appreciate the opportunity to be of service to Foothills Metropolitan District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Fiscal Focus Partners, LLC

RESPONSE:

This letter correctly sets forth the understanding of Foothills Metropolitan District.

Authorized signature: \_\_\_\_\_ Title: \_\_\_\_\_

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

**FOOTHILLS METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**FOOTHILLS METROPOLITAN DISTRICT  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/1/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 8,788,638	\$ 9,484,395	\$ 8,946,080	\$ 8,946,080	\$ 8,271,084
REVENUES					
Property taxes	1,042,305	754,271	762,136	762,136	759,537
Specific ownership tax	228,449	148,968	116,612	150,092	152,164
Interest income	6,329	8,924	72,891	122,750	155,371
Public improvement fees	971,397	875,000	777,975	925,000	975,000
FCURA - district property taxes	1,907,676	1,373,840	1,372,962	1,373,163	1,414,222
FCURA - property tax increment	1,900,725	1,567,369	1,887,981	1,887,981	1,473,943
Sales tax increment	138,681	500,000	523,072	523,072	550,000
Developer advance	-	-	-	-	60,000
Other income	-	-	18,612	25,000	36,000
Total revenues	6,195,562	5,228,372	5,532,241	5,769,194	5,576,237
TRANSFERS IN	-	-	153,341	153,341	-
Total funds available	14,984,200	14,712,767	14,631,662	14,868,615	13,847,321
EXPENDITURES					
General and administrative	159,726	169,300	122,562	152,677	173,250
Operations and maintenance	350,000	491,700	139,444	278,300	519,750
Debt service	5,528,394	5,640,000	2,086,155	5,639,962	5,698,609
Capital projects	-	219,303	338,001	373,251	-
Total expenditures	6,038,120	6,520,303	2,686,162	6,444,190	6,391,609
TRANSFERS OUT	-	-	153,341	153,341	-
Total expenditures and transfers out requiring appropriation	6,038,120	6,520,303	2,839,503	6,597,531	6,391,609
ENDING FUND BALANCES	\$ 8,946,080	\$ 8,192,464	\$ 11,792,159	\$ 8,271,084	\$ 7,455,712
EMERGENCY RESERVE	\$ 16,000	\$ 16,000	\$ 17,000	\$ 17,000	\$ 18,000
DEBT SERVICE RESERVE	7,295,000	7,295,000	7,295,000	7,295,000	7,295,000
TOTAL RESERVE	\$ 7,311,000	\$ 7,311,000	\$ 7,312,000	\$ 7,312,000	\$ 7,313,000

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/1/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>					
Residential - Multi-family	\$ 6,685,243	\$ 7,355,205	\$ 7,355,205	\$ 7,355,205	\$ 6,995,160
Commercial	26,087,335	25,157,107	25,157,107	25,157,107	25,201,639
State assessed	129,975	46,037	46,037	46,037	52,302
Vacant land	1,760	-	-	-	122
	<u>32,904,313</u>	<u>32,558,349</u>	<u>32,558,349</u>	<u>32,558,349</u>	<u>32,249,223</u>
Adjustments	(21,256,487)	(21,018,629)	(21,018,629)	(21,018,629)	(20,980,959)
Certified Assessed Value	<u>\$ 11,647,826</u>	<u>\$ 11,539,720</u>	<u>\$ 11,539,720</u>	<u>\$ 11,539,720</u>	<u>\$ 11,268,264</u>
<b>MILL LEVY</b>					
General	10.072	15.000	15.000	15.000	15.555
Debt Service	50.363	50.363	50.363	50.363	51.850
Refund and abatements	30.893	-	-	-	-
Total mill levy	<u>91.328</u>	<u>65.363</u>	<u>65.363</u>	<u>65.363</u>	<u>67.405</u>
<b>PROPERTY TAXES</b>					
General	\$ 117,317	\$ 173,096	\$ 173,096	\$ 173,096	\$ 175,278
Debt Service	586,619	581,175	581,175	581,175	584,259
Refund and abatements	359,836	-	-	-	-
Levied property taxes	1,063,772	754,271	754,271	754,271	759,537
Adjustments to actual/rounding	(21,467)	-	4,411	4,411	-
Refunds and abatements	-	-	3,454	3,454	-
Budgeted property taxes	<u>\$ 1,042,305</u>	<u>\$ 754,271</u>	<u>\$ 762,136</u>	<u>\$ 762,136</u>	<u>\$ 759,537</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	<u>\$ 173,709</u>	<u>\$ 173,096</u>	<u>\$ 174,901</u>	<u>\$ 174,901</u>	<u>\$ 175,278</u>
Debt Service	<u>868,596</u>	<u>581,175</u>	<u>587,235</u>	<u>587,235</u>	<u>584,259</u>
	<u>\$ 1,042,305</u>	<u>\$ 754,271</u>	<u>\$ 762,136</u>	<u>\$ 762,136</u>	<u>\$ 759,537</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/1/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 89,258	\$ 154,596	\$ 109,882	\$ 109,882	\$ 78,054
<b>REVENUES</b>					
Property taxes	173,709	173,096	174,901	174,901	175,278
Specific ownership tax	38,073	34,186	26,761	35,310	35,115
Interest income	637	130	1,321	2,000	1,000
Developer advance	-	-	-	-	60,000
Other income	-	-	18,612	25,000	36,000
FCURA - District Property Taxes	317,931	315,279	315,078	315,279	326,359
Total revenues	<u>530,350</u>	<u>522,691</u>	<u>536,673</u>	<u>552,490</u>	<u>633,752</u>
Total funds available	<u>619,608</u>	<u>677,287</u>	<u>646,555</u>	<u>662,372</u>	<u>711,806</u>
<b>EXPENDITURES</b>					
General and administrative					
Accounting	28,754	40,000	23,918	32,000	34,500
Auditing	6,100	6,500	6,400	6,400	7,000
County Treasurer's fee	3,486	3,462	3,473	3,473	3,506
Directors' fees	1,000	-	-	2,800	3,000
Dues and licenses	671	950	737	737	1,000
Insurance and bonds	15,547	16,500	18,628	18,628	25,000
District management	18,196	22,000	15,207	20,000	24,300
Legal services	61,446	40,000	36,417	46,500	51,000
Election expense	-	2,000	1,764	1,764	2,500
Contingency	-	1,759	-	-	2,944
PIF Collection	18,031	30,000	10,643	15,000	17,000
Miscellaneous	1,741	1,400	649	649	1,500
Collection Fee - URA	4,754	4,729	4,726	4,726	-
Operations and maintenance					
Property management contract	350,000	-	-	-	-
Management fee	-	44,700	1,131	25,300	47,250
Repairs and maintenance	-	397,000	121,312	225,000	-
Landscape maintenance	-	-	-	-	68,000
Landscape replacement	-	-	-	-	71,000
Detention pond maintenance	-	-	-	-	7,000
Holiday tree lights	-	-	-	-	15,000
Janitorial	-	-	-	-	52,000
Parking garage R&M	-	-	-	-	59,500
Fountain maintenance	-	-	-	-	20,000
Snow removal	-	-	-	-	45,000
Security	-	-	-	-	95,000
Utilities	-	50,000	17,001	28,000	40,000
Total expenditures	<u>509,726</u>	<u>661,000</u>	<u>262,006</u>	<u>430,977</u>	<u>693,000</u>
<b>TRANSFERS OUT</b>					
Transfers to other fund	-	-	153,341	153,341	-
Total expenditures and transfers out requiring appropriation	<u>509,726</u>	<u>661,000</u>	<u>415,347</u>	<u>584,318</u>	<u>693,000</u>
ENDING FUND BALANCE	<u>\$ 109,882</u>	<u>\$ 16,287</u>	<u>\$ 231,208</u>	<u>\$ 78,054</u>	<u>\$ 18,806</u>
EMERGENCY RESERVE	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 17,000</u>	<u>\$ 17,000</u>	<u>\$ 18,000</u>
TOTAL RESERVE	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 17,000</u>	<u>\$ 17,000</u>	<u>\$ 18,000</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/1/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 8,480,287	\$ 9,110,606	\$ 8,617,038	\$ 8,617,038	\$ 8,193,030
REVENUES					
Property taxes	868,596	581,175	587,235	587,235	584,259
Specific ownership tax	190,376	114,782	89,851	114,782	117,049
Public improvement fees	971,397	875,000	777,975	925,000	975,000
Interest income	5,625	8,684	71,017	120,000	154,371
FCURA - District Property Taxes	1,589,745	1,058,561	1,057,884	1,057,884	1,049,436
FCURA - Property Tax Increment	1,900,725	1,567,369	1,887,981	1,887,981	1,473,943
Sales tax increment	138,681	500,000	523,072	523,072	550,000
Total revenues	<u>5,665,145</u>	<u>4,705,571</u>	<u>4,995,015</u>	<u>5,215,954</u>	<u>4,904,057</u>
Total funds available	<u>14,145,432</u>	<u>13,816,177</u>	<u>13,612,053</u>	<u>13,832,992</u>	<u>13,097,087</u>
EXPENDITURES					
Debt Service					
County Treasurer's fee	17,433	11,624	11,661	11,661	11,685
Collection Fee - URA	52,286	30,389	44,188	44,188	-
Paying agent fees	3,500	3,500	-	3,500	3,500
Contingency	-	13,874	-	-	12,612
Bond interest	4,130,175	4,060,613	2,030,306	4,060,613	3,980,812
Bond principal	1,325,000	1,520,000	-	1,520,000	1,690,000
Total expenditures	<u>5,528,394</u>	<u>5,640,000</u>	<u>2,086,155</u>	<u>5,639,962</u>	<u>5,698,609</u>
Total expenditures and transfers out requiring appropriation	<u>5,528,394</u>	<u>5,640,000</u>	<u>2,086,155</u>	<u>5,639,962</u>	<u>5,698,609</u>
ENDING FUND BALANCE	<u>\$ 8,617,038</u>	<u>\$ 8,176,177</u>	<u>\$ 11,525,898</u>	<u>\$ 8,193,030</u>	<u>\$ 7,398,478</u>
DEBT SERVICE RESERVE	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>
TOTAL RESERVE	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>

This financial information should be read only in connection with the accompanying accountant's  
compilation report and summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

12/1/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 219,093	\$ 219,193	\$ 219,160	\$ 219,160	\$ -
REVENUES					
Interest income	67	110	553	750	-
Total revenues	<u>67</u>	<u>110</u>	<u>553</u>	<u>750</u>	<u>-</u>
TRANSFERS IN					
Transfers from other funds	<u>-</u>	<u>-</u>	<u>153,341</u>	<u>153,341</u>	<u>-</u>
Total funds available	<u>219,160</u>	<u>219,303</u>	<u>373,054</u>	<u>373,251</u>	<u>-</u>
EXPENDITURES					
Engineering	-	-	153,341	153,341	-
Capital outlay	-	219,303	184,660	219,910	-
Total expenditures	<u>-</u>	<u>219,303</u>	<u>338,001</u>	<u>373,251</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>219,303</u>	<u>338,001</u>	<u>373,251</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 219,160</u>	<u>\$ -</u>	<u>\$ 35,053</u>	<u>\$ -</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.



**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized on January 10, 2013, for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services and mosquito control. When appropriate, these improvements will be dedicated to the City of Fort Collins, Larimer County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District's service area is located within the City of Fort Collins, Larimer County, Colorado.

On November 6, 2012, District voters approved general obligation indebtedness of \$100,000,000 for street improvements, \$100,000,000 for parks and recreation, \$100,000,000 for water facilities, \$100,000,000 for sanitation system, \$100,000,000 for transportation, \$100,000,000 for fire protection facilities or services, \$100,000,000 for television relay and translation services, \$100,000,000 for security services, \$25,000,000 for mosquito control, \$100,000,000 for traffic and safety, \$100,000,000 for operations and maintenance, \$600,000,000 for intergovernmental contracts, \$100,000,000 for special assessment debt, \$100,000,000 for private agreements, \$100,000,000 for mortgages and \$600,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$20,000,000 annually and allows the District to collect fees of up to \$20,000,000 annually for operations and maintenance and \$100,000,000 in sales taxes not to exceed 3%.

Pursuant to the Service Plan, the District may issue bond indebtedness in an amount sufficient to produce (a) \$53,000,000 in net proceeds to fund the costs of the eligible improvements and (b) the costs of issuance of such bonds.

The District has no employees and all administrative functions are contractual.

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

**FCURA**

On January 17, 2014, the District entered into a Redevelopment and Reimbursement Agreement with Fort Collins Urban Renewal Authority ("FCURA"), the Developer, and the City of Fort Collins to redevelop Foothills Fashion Mall.

**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year.

The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

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

The change in assessment ratio allows the District to adjust its mill levy. Accordingly, the District adjusted its mill levy to 15.472 for operations and 51.576 for debt service.

**Property Tax Increment Revenue**

FCURA will receive property tax revenue ("Pledged Property Tax Increment Revenue") from the Larimer County Treasurer in excess of the amount produced by the levy of those bodies that levy property taxes against the Property Tax Base Amount in the TIF District, excluding the mill levy override payments approved by the electors of Poudre School District in 2012 and subsequent years, the District operations and maintenance and debt service mill levies, FCURA administration and redevelopment fees. The remaining revenue received by FCURA, net of all costs, will be remitted to the District's Bond Trustee and pledged to the payment of the Bonds.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes calculated from the gross assessed valuation.

**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average fund balance at an interest rate of approximately 2.0%.

**Sales Tax Increment Revenue**

A major source of revenue or cash receipts will be incremental sales tax revenue. The Redevelopment Agreement provides that sales taxes collected by the City within the TIF District in excess of a sales tax base amount are payable to FCURA. Pursuant to the Redevelopment Agreement, FCURA has covenanted to deposit such incremental City sales taxes with the Trustee for payment on the Bonds. The City currently imposes a 2.25% sales tax. Retail sales are calculated on assumed sales per square foot of commercial space at a value that varies based on the type of commercial use. A lease-up percentage and a collection factor are also applied to the estimated sales.

**Public Improvement Fees**

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end.

**Expenditures**

**Administrative Expenditures**

Administrative expenditures include the services necessary to maintain the administrative viability such as legal, accounting, insurance, and other administrative expenses of the District.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 2% of property tax collections.

**Operations and Maintenance**

The district anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the general fund on page 3 of the budget.

**Debt Service**

Principal and interest payments in 2023 are provided based on the debt amortization schedule from the Series 2014 Bonds (discussed under Debt and Leases).

**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

On October 9, 2014, the District issued \$72,950,000 in Series 2014 Special Revenue Bonds for street park and recreation, water and sanitation improvements. Bond proceeds were also transferred by the bond resolution from the Capital Projects Fund to the Debt Service Fund to pay the bond interest for the subsequent construction period and to establish a reserve account. The interest rate ranges from 5.35 to 6.00%. Interest is payable semiannually on June 1 and December 1 and principal is payable annually on December 1. The bonds mature on December 1, 2038, and are term bonds subject to redemption, prior to maturity, at the option of the District, on December 1, 2024, upon payment of par and accrued interest, without redemption premium. The bonds maturing on December 1, 2024, are subject to mandatory sinking fund redemption. The Series 2014 Bonds were issued for the purpose of financing public improvements.

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership tax which is collected as a result of the imposition of the Required Mill Levy, 3) Property Tax Increment revenues, 4) Add-On PIF revenues, 5) sales Tax Increment revenues and 6) any other legally available monies which the District determines to be treated as Pledged Revenue.

The District has no operating or capital leases.

**Developer Advances**

The District has entered into Reimbursement and Acquisition Agreements with the Developer as follows:

**Reimbursement and Infrastructure Acquisition Agreement**

On April 26, 2013, the District has entered into a Reimbursement and Infrastructure Acquisition Agreement with Walton Foothills Holdings VI, LLC (Developer) pursuant to which the District agrees to reimburse the Developer for advances made to or on behalf of the District plus interest of 8% annually for costs related to the construction of public improvements subject to limitations set forth in the Service Plan. This agreement was amended on May 28, 2014. As of December 31, 2021, outstanding advances under the agreement totaled \$630,401 and accrued interest totaled \$451,936.

**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022
Developer Advance	\$ 630,401	\$ -	\$ -	\$ 630,401
Developer Advance - Interest	451,936	86,587	-	538,523
Total	<u>\$ 1,082,337</u>	<u>\$ 86,587</u>	<u>\$ -</u>	<u>\$ 1,168,924</u>
	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023
Developer Advance	\$ 630,401	\$ -	\$ -	\$ 630,401
Developer Advance - Interest	538,523	93,514	-	632,037
Total	<u>\$ 1,168,924</u>	<u>\$ 93,514</u>	<u>\$ -</u>	<u>\$ 1,262,438</u>

**Reserve Funds**

**Emergency Reserve**

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

**Debt Service Reserves**

The District maintains a Debt Service Reserve of \$7,295,000 as required with the issuance of the Series 2014 Bonds.

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

**FOOTHILLS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$72,950,000 Special Revenue Bonds**

**Dated October 9, 2014**

**Principal Due Annually December 1**

**Interest from 5.25 to 6.00%, Due June and December 1**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,690,000	\$ 3,980,812	\$ 5,670,812
2024	1,915,000	3,892,088	5,807,088
2025	2,110,000	3,791,550	5,901,550
2026	2,365,000	3,670,225	6,035,225
2027	2,600,000	3,534,237	6,134,237
2028	2,895,000	3,384,738	6,279,738
2029	3,160,000	3,218,275	6,378,275
2030	3,490,000	3,036,575	6,526,575
2031	3,800,000	2,835,900	6,635,900
2032	4,180,000	2,607,900	6,787,900
2033	4,540,000	2,357,100	6,897,100
2034	4,970,000	2,084,700	7,054,700
2035	5,385,000	1,786,500	7,171,500
2036	5,870,000	1,463,400	7,333,400
2037	6,340,000	1,111,200	7,451,200
2038	12,180,000	730,800	12,910,800
<b>Total</b>	<b>\$ 67,490,000</b>	<b>\$ 43,486,000</b>	<b>\$ 110,976,000</b>

No assurance provided. See summary of significant assumptions.

STATE OF COLORADO  
COUNTY OF LARIMER  
FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET RESOLUTION

The Board of Directors (the “Board”) of Foothills Metropolitan District, Fort Collins, Colorado, held on Wednesday, December 7, 2022, at 2:30 p.m. via Microsoft Teams.

The following members of the Board of Directors were present:

Rishi Loona – President  
Joshua Kane – Treasurer  
Clyde Wood – Secretary  
Patrick Bunyard – Assistant Secretary  
Timothy DePeder – Assistant Secretary

Also present: Alan D. Pogue, Esq., Icenogle Seaver Pogue, P.C.; Denise Denslow, Carrie Bartow and Curtis Bourgoon; CliftonLarsonAllen LLP

The President reported that, prior to the meeting, notification was provided to each of the Directors of the date, time, and place of the meeting and the purpose for which it was called. It was further reported that the meeting is a regular meeting of the Board and that a Notice of Regular Meeting was posted to the District’s website at [www.foothillsmetrodistrict.org](http://www.foothillsmetrodistrict.org) and to the best of his knowledge remained posted to the date of this meeting.

At the Board’s regular meeting held on December 1, 2022, the President stated that proper publication was made to allow the Board to conduct a public hearing on the District’s 2023 budget. The Secretary opened the public hearing on the District’s proposed 2023 budget for public comment, if any, and then the public hearing was closed. Upon discussion of the District’s proposed 2023 budget by members of the Board, Director \_\_\_\_\_ moved that the Board adopt the following Resolution:

## RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN, AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, FOR FOOTHILLS METROPOLITAN DISTRICT, LARIMER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE 1ST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023.

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

WHEREAS, the proposed budget has been submitted to the Board for its consideration; and

WHEREAS, due and proper notice was published on Friday, November 18, 2022 in *The Coloradan*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; and (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and

WHEREAS, a public hearing on the proposed budget was opened on Thursday, December 1, 2022 at which time any objections of the electors of the District were considered; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Article X, Section 20 of the Colorado Constitution; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF FOOTHILLS METROPOLITAN DISTRICT OF LARIMER COUNTY, COLORADO:



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

Section 2. Adoption of Budget. That the budget attached hereto as Exhibit A and incorporated herein by this reference is approved and adopted as the budget of Foothills Metropolitan District for fiscal year 2023. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization.

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

Section 4. Budget Certification. That the budget shall be certified by Director Wood, Secretary of the District, and made a part of the public records of the District, and a certified copy of the approved and adopted budget shall be filed with the Colorado Department of Local Affairs Division of Local Government.

Section 5. 2023 Levy of General Property Taxes. That the foregoing budget indicates that the amount of property taxes necessary to be collected from property located within the District's boundaries in Larimer County for the General Fund representing general operating expenses of the District is \$175,345, and that the 2022 valuation for assessment, as certified by the Larimer County Assessor, is \$11,272,590. That for the purposes of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of 15.555 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 6. 2023 Levy of Debt Retirement Expenses. That the amount of property taxes required to be collected from property located within the District's boundaries in Larimer County for payment of Debt Service is \$584,483, and that the 2022 valuation for assessment, as certified by the Larimer County Assessor, is \$11,272,590. That for the purposes of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a tax of 51.850 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2023.

Section 7. Certification to County Commissioners. That General Counsel is hereby authorized and directed to certify to the County Commissioners of Larimer County, the mill levies for the District hereinabove determined and set. That said certification shall be in substantially the following form:

**[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY.]**

# CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

**TO:** County Commissioners<sup>1</sup> of Larimer County, Colorado.

On behalf of the Foothills Metropolitan District,  
 (taxing entity)<sup>A</sup>  
 the Board of Directors,  
 (governing body)<sup>B</sup>  
 of the Foothills Metropolitan District,  
 (local government)<sup>C</sup>

**Hereby** officially certifies the following mills to be levied against the taxing entity's GROSS \$ 32,220,484 assessed valuation of: (GROSS<sup>D</sup> assessed valuation, Line 2 of the Certification of Valuation Form DLG 57<sup>E</sup>)

**Note:** If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area<sup>F</sup> the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 11,272,590 (NET<sup>G</sup> assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

**Submitted:** \_\_\_\_\_ for budget/fiscal year 2023.  
 (not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY <sup>2</sup>	REVENUE <sup>2</sup>
1. General Operating Expenses <sup>H</sup>	15.555 mills	\$ 175,345
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction <sup>I</sup>	< > mills	\$ < >
<b>SUBTOTAL FOR GENERAL OPERATING:</b>	15.555 mills	\$ 175,345
3. General Obligation Bonds and Interest <sup>J</sup>	51.850 mills	\$ 584,483
4. Contractual Obligations <sup>K</sup>	0.000 mills	\$ 0.00
5. Capital Expenditures <sup>L</sup>	0.000 mills	\$ 0.00
6. Refunds/Abatements <sup>M</sup>	0.000 mills	\$ 0.00
7. Other <sup>N</sup> (specify): _____	0.000 mills	\$ 0.00
	0.000 mills	\$ 0.00
<b>TOTAL:</b> [ Sum of General Operating Subtotal and Lines 3 to 7 ]	<b>67.405</b> mills	<b>\$ 759,828</b>

Contact person: Alan D. Pogue Daytime phone: (303) 292-9100  
 (print)  
 Signed: \_\_\_\_\_ Title: General Counsel

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

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

**THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.).** Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively. **CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:**

**BONDS<sup>J</sup>:**

- |    |                   |   |
|----|-------------------|---|
| 1. | Purpose of Issue: | <u>Public Infrastructure</u>              |
|    | Series:           | <u>Special Revenue Bonds, Series 2014</u> |
|    | Date of Issue:    | <u>October 9, 2014</u>                    |
|    | Coupon Rate:      | <u>5.25% - 6.00%</u>                      |
|    | Maturity Date:    | <u>December 1, 2038</u>                   |
|    | Levy:             | <u>51.850</u>                             |
|    | Revenue:          | <u>\$584,483</u>                          |
|    |                   |   |
| 2. | Purpose of Issue: | _____                                     |
|    | Series:           | _____                                     |
|    | Date of Issue:    | _____                                     |
|    | Coupon Rate:      | _____                                     |
|    | Maturity Date:    | _____                                     |
|    | Levy:             | _____                                     |
|    | Revenue:          | _____                                     |

**GENERAL OBLIGATION<sup>J</sup>:**

- |    |                      |       |
|----|----------------------|-------|
| 3. | Purpose of Issue:    | _____ |
|    | Series:              | _____ |
|    | Date of Issue:       | _____ |
|    | Coupon Rate:         | _____ |
|    | Maturity Date:       | _____ |
|    | Levy:                | _____ |
|    | Revenue:             | _____ |
|    |                      |       |
| 4. | Purpose of Contract: | _____ |
|    | Title:               | _____ |
|    | Date:                | _____ |
|    | Principal Amount:    | _____ |
|    | Maturity Date:       | _____ |
|    | Levy:                | _____ |
|    | Revenue:             | _____ |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

The foregoing Resolution was seconded by Director\_\_\_\_\_.

ADOPTED AND APPROVED THIS 1ST DAY OF DECEMBER, 2022.

FOOTHILLS METROPOLITAN DISTRICT

By:           Rishi Loona, President

STATE OF COLORADO  
COUNTY OF LARIMER  
FOOTHILLS METROPOLITAN DISTRICT

I, Clyde Wood, hereby certify that I am a Director and the duly elected and qualified Secretary of Foothills Metropolitan District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of said District, heard at a regular meeting of the Board of Directors of Foothills Metropolitan District held on Thursday, December 1, 2022, at 2:30 p.m. via MS Teams, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2023; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 1st day of December, 2022.

(S E A L)

By: Clyde Wood  
Its: Secretary

**EXHIBIT A**  
Budget Message  
Budget Document

**FOOTHILLS METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**



**FOOTHILLS METROPOLITAN DISTRICT  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 8,788,639	\$ 9,484,395	\$ 8,946,080	\$ 8,946,080	\$ 8,209,684
REVENUES					
Property taxes	1,042,305	754,271	762,136	762,136	759,537
Specific ownership tax	228,449	148,968	102,577	150,092	152,164
Interest income	6,328	8,924	52,524	122,750	154,706
Public improvement fees	971,397	875,000	635,516	925,000	975,000
FCURA - district property taxes	1,907,676	1,373,840	1,372,962	1,373,163	1,370,899
FCURA - property tax increment	1,900,725	1,567,369	1,887,981	1,887,981	1,473,943
Sales tax increment	138,681	500,000	523,072	523,072	550,000
Total revenues	<u>6,195,561</u>	<u>5,228,372</u>	<u>5,336,768</u>	<u>5,744,194</u>	<u>5,436,249</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>153,341</u>	<u>153,341</u>	<u>-</u>
Total funds available	<u>14,984,200</u>	<u>14,712,767</u>	<u>14,436,189</u>	<u>14,843,615</u>	<u>13,645,933</u>
EXPENDITURES					
General and administrative	159,726	169,300	108,299	152,777	172,450
Operations and maintenance	350,000	491,700	110,541	314,600	360,030
Debt service	5,528,394	5,640,000	2,086,155	5,639,962	5,698,609
Capital projects	-	219,303	336,279	373,251	-
Total expenditures	<u>6,038,120</u>	<u>6,520,303</u>	<u>2,641,274</u>	<u>6,480,590</u>	<u>6,231,089</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>153,341</u>	<u>153,341</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>6,038,120</u>	<u>6,520,303</u>	<u>2,794,615</u>	<u>6,633,931</u>	<u>6,231,089</u>
ENDING FUND BALANCES	<u>\$ 8,946,080</u>	<u>\$ 8,192,464</u>	<u>\$ 11,641,574</u>	<u>\$ 8,209,684</u>	<u>\$ 7,414,844</u>
EMERGENCY RESERVE	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
DEBT SERVICE RESERVE	7,295,000	7,295,000	7,295,000	7,295,000	7,295,000
TOTAL RESERVE	<u>\$ 7,311,000</u>	<u>\$ 7,311,000</u>	<u>\$ 7,311,000</u>	<u>\$ 7,311,000</u>	<u>\$ 7,311,000</u>

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>					
Residential - Multi-family	\$ 6,685,243	\$ 7,355,205	\$ 7,355,205	\$ 7,355,205	\$ 6,995,160
Commercial	26,087,335	25,157,107	25,157,107	25,157,107	25,201,639
State assessed	129,975	46,037	46,037	46,037	52,302
Vacant land	1,760	-	-	-	122
	<u>32,904,313</u>	<u>32,558,349</u>	<u>32,558,349</u>	<u>32,558,349</u>	<u>32,249,223</u>
Adjustments	(21,256,487)	(21,018,629)	(21,018,629)	(21,018,629)	(20,980,959)
Certified Assessed Value	<u>\$ 11,647,826</u>	<u>\$ 11,539,720</u>	<u>\$ 11,539,720</u>	<u>\$ 11,539,720</u>	<u>\$ 11,268,264</u>
<b>MILL LEVY</b>					
General	10.072	15.000	15.000	15.000	15.555
Debt Service	50.363	50.363	50.363	50.363	51.850
Refund and abatements	30.893	-	-	-	-
Total mill levy	<u>91.328</u>	<u>65.363</u>	<u>65.363</u>	<u>65.363</u>	<u>67.405</u>
<b>PROPERTY TAXES</b>					
General	\$ 117,317	\$ 173,096	\$ 173,096	\$ 173,096	\$ 175,278
Debt Service	586,619	581,175	581,175	581,175	584,259
Refund and abatements	359,836	-	-	-	-
Levied property taxes	1,063,772	754,271	754,271	754,271	759,537
Adjustments to actual/rounding	(21,467)	-	4,411	4,411	-
Refunds and abatements	-	-	3,454	3,454	-
Budgeted property taxes	<u>\$ 1,042,305</u>	<u>\$ 754,271</u>	<u>\$ 762,136</u>	<u>\$ 762,136</u>	<u>\$ 759,537</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	<u>\$ 173,709</u>	<u>\$ 173,096</u>	<u>\$ 174,901</u>	<u>\$ 174,901</u>	<u>\$ 175,278</u>
Debt Service	<u>868,596</u>	<u>581,175</u>	<u>587,235</u>	<u>587,235</u>	<u>584,259</u>
	<u>\$ 1,042,305</u>	<u>\$ 754,271</u>	<u>\$ 762,136</u>	<u>\$ 762,136</u>	<u>\$ 759,537</u>

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 89,258	\$ 154,596	\$ 109,882	\$ 109,882	\$ 16,654
REVENUES					
Property taxes	173,709	173,096	174,901	174,901	175,278
Specific ownership tax	38,073	34,186	23,540	35,310	35,115
Interest income	637	130	1,006	2,000	335
Developer advance	-	-	-	-	-
FCURA - District Property Taxes	317,931	315,279	315,078	315,279	321,463
Total revenues	<u>530,350</u>	<u>522,691</u>	<u>514,525</u>	<u>527,490</u>	<u>532,191</u>
Total funds available	<u>619,608</u>	<u>677,287</u>	<u>624,407</u>	<u>637,372</u>	<u>548,845</u>
EXPENDITURES					
General and administrative					
Accounting	28,754	40,000	21,205	32,000	34,500
Auditing	6,100	6,500	-	6,500	7,000
County Treasurer's fee	3,486	3,462	3,473	3,473	3,506
Directors' fees	1,000	-	-	2,800	3,000
Dues and licenses	671	950	737	737	1,000
Insurance and bonds	15,547	16,500	18,628	18,628	25,000
District management	18,196	22,000	13,378	20,000	24,300
Legal services	61,446	40,000	34,343	46,500	51,000
Election expense	-	2,000	1,764	1,764	2,500
Contingency	-	1,759	-	-	2,144
PIF Collection	18,031	30,000	9,396	15,000	17,000
Miscellaneous	1,741	1,400	649	649	1,500
Collection Fee - URA	4,754	4,729	4,726	4,726	-
Operations and maintenance					
Property management contract	350,000	-	-	-	-
Management fee	-	44,700	1,004	28,600	32,730
Repairs and maintenance	-	397,000	95,857	258,000	286,500
Utilities	-	50,000	13,680	28,000	40,800
Total expenditures	<u>509,726</u>	<u>661,000</u>	<u>218,840</u>	<u>467,377</u>	<u>532,480</u>
TRANSFERS OUT					
Transfers to other fund	<u>-</u>	<u>-</u>	<u>153,341</u>	<u>153,341</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>509,726</u>	<u>661,000</u>	<u>372,181</u>	<u>620,718</u>	<u>532,480</u>
ENDING FUND BALANCE	<u>\$ 109,882</u>	<u>\$ 16,287</u>	<u>\$ 252,226</u>	<u>\$ 16,654</u>	<u>\$ 16,366</u>
EMERGENCY RESERVE	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>
TOTAL RESERVE	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 8,480,288	\$ 9,110,606	\$ 8,617,038	\$ 8,617,038	\$ 8,193,030
REVENUES					
Property taxes	868,596	581,175	587,235	587,235	584,259
Specific ownership tax	190,376	114,782	79,037	114,782	117,049
Public improvement fees	971,397	875,000	635,516	925,000	975,000
Interest income	5,624	8,684	51,039	120,000	154,371
FCURA - District Property Taxes	1,589,745	1,058,561	1,057,884	1,057,884	1,049,436
FCURA - Property Tax Increment	1,900,725	1,567,369	1,887,981	1,887,981	1,473,943
Sales tax increment	138,681	500,000	523,072	523,072	550,000
Total revenues	<u>5,665,144</u>	<u>4,705,571</u>	<u>4,821,764</u>	<u>5,215,954</u>	<u>4,904,057</u>
Total funds available	<u>14,145,432</u>	<u>13,816,177</u>	<u>13,438,802</u>	<u>13,832,992</u>	<u>13,097,087</u>
EXPENDITURES					
Debt Service					
County Treasurer's fee	17,433	11,624	11,661	11,661	11,685
Collection Fee - URA	52,286	30,389	44,188	44,188	-
Paying agent fees	3,500	3,500	-	3,500	3,500
Contingency	-	13,874	-	-	12,612
Bond interest	4,130,175	4,060,613	2,030,306	4,060,613	3,980,812
Bond principal	1,325,000	1,520,000	-	1,520,000	1,690,000
Total expenditures	<u>5,528,394</u>	<u>5,640,000</u>	<u>2,086,155</u>	<u>5,639,962</u>	<u>5,698,609</u>
Total expenditures and transfers out requiring appropriation	<u>5,528,394</u>	<u>5,640,000</u>	<u>2,086,155</u>	<u>5,639,962</u>	<u>5,698,609</u>
ENDING FUND BALANCE	<u>\$ 8,617,038</u>	<u>\$ 8,176,177</u>	<u>\$ 11,352,647</u>	<u>\$ 8,193,030</u>	<u>\$ 7,398,478</u>
DEBT SERVICE RESERVE	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>
TOTAL RESERVE	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>	<u>\$ 7,295,000</u>

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 8/31/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 219,093	\$ 219,193	\$ 219,160	\$ 219,160	\$ -
REVENUES					
Interest income	67	110	479	750	-
Total revenues	67	110	479	750	-
TRANSFERS IN					
Transfers from other funds	-	-	153,341	153,341	-
Total funds available	219,160	219,303	372,980	373,251	-
EXPENDITURES					
Engineering	-	-	153,341	153,341	-
Capital outlay	-	219,303	182,938	219,910	-
Total expenditures	-	219,303	336,279	373,251	-
Total expenditures and transfers out requiring appropriation	-	219,303	336,279	373,251	-
ENDING FUND BALANCE	\$ 219,160	\$ -	\$ 36,701	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized on January 10, 2013, for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services and mosquito control. When appropriate, these improvements will be dedicated to the City of Fort Collins, Larimer County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District's service area is located within the City of Fort Collins, Larimer County, Colorado.

On November 6, 2012, District voters approved general obligation indebtedness of \$100,000,000 for street improvements, \$100,000,000 for parks and recreation, \$100,000,000 for water facilities, \$100,000,000 for sanitation system, \$100,000,000 for transportation, \$100,000,000 for fire protection facilities or services, \$100,000,000 for television relay and translation services, \$100,000,000 for security services, \$25,000,000 for mosquito control, \$100,000,000 for traffic and safety, \$100,000,000 for operations and maintenance, \$600,000,000 for intergovernmental contracts, \$100,000,000 for special assessment debt, \$100,000,000 for private agreements, \$100,000,000 for mortgages and \$600,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$20,000,000 annually and allows the District to collect fees of up to \$20,000,000 annually for operations and maintenance and \$100,000,000 in sales taxes not to exceed 3%.

Pursuant to the Service Plan, the District may issue bond indebtedness in an amount sufficient to produce (a) \$53,000,000 in net proceeds to fund the costs of the eligible improvements and (b) the costs of issuance of such bonds.

The District has no employees and all administrative functions are contractual.

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

**FCURA**

On January 17, 2014, the District entered into a Redevelopment and Reimbursement Agreement with Fort Collins Urban Renewal Authority ("FCURA"), the Developer, and the City of Fort Collins to redevelop Foothills Fashion Mall.

**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year.

The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

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

The change in assessment ratio allows the District to adjust its mill levy. Accordingly, the District adjusted its mill levy to 15.472 for operations and 51.576 for debt service.

**Property Tax Increment Revenue**

FCURA will receive property tax revenue ("Pledged Property Tax Increment Revenue") from the Larimer County Treasurer in excess of the amount produced by the levy of those bodies that levy property taxes against the Property Tax Base Amount in the TIF District, excluding the mill levy override payments approved by the electors of Poudre School District in 2012 and subsequent years, the District operations and maintenance and debt service mill levies, FCURA administration and redevelopment fees. The remaining revenue received by FCURA, net of all costs, will be remitted to the District's Bond Trustee and pledged to the payment of the Bonds.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7% of the property taxes calculated from the gross assessed valuation.

**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average fund balance at an interest rate of approximately 2.0%.

**Sales Tax Increment Revenue**

A major source of revenue or cash receipts will be incremental sales tax revenue. The Redevelopment Agreement provides that sales taxes collected by the City within the TIF District in excess of a sales tax base amount are payable to FCURA. Pursuant to the Redevelopment Agreement, FCURA has covenanted to deposit such incremental City sales taxes with the Trustee for payment on the Bonds. The City currently imposes a 2.25% sales tax. Retail sales are calculated on assumed sales per square foot of commercial space at a value that varies based on the type of commercial use. A lease-up percentage and a collection factor are also applied to the estimated sales.

**Public Improvement Fees**

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end.

**Expenditures**

**Administrative Expenditures**

Administrative expenditures include the services necessary to maintain the administrative viability such as legal, accounting, insurance, and other administrative expenses of the District.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 2% of property tax collections.

**Operations and Maintenance**

The district anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the general fund on page 3 of the budget.

**Debt Service**

Principal and interest payments in 2023 are provided based on the debt amortization schedule from the Series 2014 Bonds (discussed under Debt and Leases).



**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

On October 9, 2014, the District issued \$72,950,000 in Series 2014 Special Revenue Bonds for street park and recreation, water and sanitation improvements. Bond proceeds were also transferred by the bond resolution from the Capital Projects Fund to the Debt Service Fund to pay the bond interest for the subsequent construction period and to establish a reserve account. The interest rate ranges from 5.35 to 6.00%. Interest is payable semiannually on June 1 and December 1 and principal is payable annually on December 1. The bonds mature on December 1, 2038, and are term bonds subject to redemption, prior to maturity, at the option of the District, on December 1, 2024, upon payment of par and accrued interest, without redemption premium. The bonds maturing on December 1, 2024, are subject to mandatory sinking fund redemption. The Series 2014 Bonds were issued for the purpose of financing public improvements.

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership tax which is collected as a result of the imposition of the Required Mill Levy, 3) Property Tax Increment revenues, 4) Add-On PIF revenues, 5) sales Tax Increment revenues and 6) any other legally available monies which the District determines to be treated as Pledged Revenue.

The District has no operating or capital leases.

**Developer Advances**

The District has entered into Reimbursement and Acquisition Agreements with the Developer as follows:

**Reimbursement and Infrastructure Acquisition Agreement**

On April 26, 2013, the District has entered into a Reimbursement and Infrastructure Acquisition Agreement with Walton Foothills Holdings VI, LLC (Developer) pursuant to which the District agrees to reimburse the Developer for advances made to or on behalf of the District plus interest of 8% annually for costs related to the construction of public improvements subject to limitations set forth in the Service Plan. This agreement was amended on May 28, 2014. As of December 31, 2021, outstanding advances under the agreement totaled \$630,401 and accrued interest totaled \$451,936.

**FOOTHILLS METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022
Developer Advance	\$ 630,401	\$ -	\$ -	\$ 630,401
Developer Advance - Interest	451,936	86,587	-	538,523
Total	<u>\$ 1,082,337</u>	<u>\$ 86,587</u>	<u>\$ -</u>	<u>\$ 1,168,924</u>
	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023
Developer Advance	\$ 630,401	\$ -	\$ -	\$ 630,401
Developer Advance - Interest	538,523	93,514	-	632,037
Total	<u>\$ 1,168,924</u>	<u>\$ 93,514</u>	<u>\$ -</u>	<u>\$ 1,262,438</u>

**Reserve Funds**

**Debt Service Reserves**

The District maintains a Debt Service Reserve of \$7,295,000 as required with the issuance of the Series 2014 Bonds.

**Emergency Reserve**

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

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

**FOOTHILLS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$72,950,000 Special Revenue Bonds**

**Dated October 9, 2014**

**Principal Due Annually December 1**

**Interest from 5.25 to 6.00%, Due June and December 1**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,690,000	\$ 3,980,812	\$ 5,670,812
2024	1,915,000	3,892,088	5,807,088
2025	2,110,000	3,791,550	5,901,550
2026	2,365,000	3,670,225	6,035,225
2027	2,600,000	3,534,237	6,134,237
2028	2,895,000	3,384,738	6,279,738
2029	3,160,000	3,218,275	6,378,275
2030	3,490,000	3,036,575	6,526,575
2031	3,800,000	2,835,900	6,635,900
2032	4,180,000	2,607,900	6,787,900
2033	4,540,000	2,357,100	6,897,100
2034	4,970,000	2,084,700	7,054,700
2035	5,385,000	1,786,500	7,171,500
2036	5,870,000	1,463,400	7,333,400
2037	6,340,000	1,111,200	7,451,200
2038	12,180,000	730,800	12,910,800
<b>Total</b>	<b>\$ 67,490,000</b>	<b>\$ 43,486,000</b>	<b>\$ 110,976,000</b>

No assurance provided. See summary of significant assumptions.

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
FOOTHILLS METROPOLITAN DISTRICT**

**A RESOLUTION APPROVING THE FIRST AMENDMENT TO 2022 FUNDING AND  
REIMBURSEMENT AGREEMENT WITH MXD FORT COLLINS, LLC**

WHEREAS, on February 21, 2022, Foothills Metropolitan District (the “District”) and MXD Fort Collins, LLC (“MXD”) entered into a 2022 Funding and Reimbursement Agreement (the “Agreement”) for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of the Operation Costs and, in connection therewith, the District issued a Subordinate Note to MXD to evidence the District’s repayment obligation to MXD for advances received pursuant to the Agreement; and

WHEREAS, unless otherwise defined herein, all capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, pursuant to Paragraph 1 of the Agreement, MXD agreed to advance funds to the District through December 31, 2022 (the “Funding Obligation Term”) in an amount not to exceed the Maximum Principal Amount; and

WHEREAS, the District may require funds through fiscal year 2023 to pay for Operation Costs in an amount not to exceed the Maximum Principal Amount; and

WHEREAS, MXD is willing to advance funds to the District through fiscal year 2023, subject to the terms of the Agreement and this First Amendment; and

WHEREAS, pursuant to Paragraph 11 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and MXD; and

WHEREAS, the District and MXD desire to enter into a “First Amendment to 2022 Funding and Reimbursement Agreement,” as attached hereto as **Exhibit A** and incorporated herein by reference, to extend the Funding Obligation Term through December 31, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF FOOTHILLS METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board of Directors hereby approves the “First Amendment to 2022 Funding and Reimbursement Agreement” attached hereto as **Exhibit A**, and further authorizes the District’s President to execute the same.
2. This Resolution shall take effect on the date and at the time of its adoption.

ADOPTED AND APPROVED THIS 7th DAY OF DECEMBER, 2022.

**FOOTHILLS METROPOLITAN DISTRICT**

\_\_\_\_\_  
By: Rishi Loona, President

**EXHIBIT A**  
(To Resolution)

**FIRST AMENDMENT TO 2022 FUNDING AND REIMBURSEMENT AGREEMENT**

**FIRST AMENDMENT TO 2022 FUNDING AND REIMBURSEMENT AGREEMENT  
(Operation Costs)**

This FIRST AMENDMENT TO 2022 FUNDING AND REIMBURSEMENT AGREEMENT (the “First Amendment”) is made and entered into as of the 7<sup>th</sup> day of December, 2022 (the “Effective Date”), by and between FOOTHILLS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and MXD FORT COLLINS, LLC, a Delaware limited liability company (“MXD”), (collectively, the “Parties”).

**RECITALS**

WHEREAS, on February 21, 2022, the District and MXD entered into a 2022 Funding and Reimbursement Agreement (the “Agreement”) for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of the Operation Costs and, in connection therewith, the District issued a Subordinate Note to MXD to evidence the District’s repayment obligation to MXD for advances received pursuant to the Agreement; and

WHEREAS, unless otherwise defined herein, all capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, pursuant to Paragraph 1 of the Agreement, MXD agreed to advance funds to the District through December 31, 2022 (the “Funding Obligation Term”) in an amount not to exceed the Maximum Principal Amount; and

WHEREAS, the District may require funds through fiscal year 2023 to pay for Operation Costs in an amount not to exceed the Maximum Principal Amount; and

WHEREAS, MXD is willing to advance funds to the District through fiscal year 2023, subject to the terms of the Agreement and this First Amendment; and

WHEREAS, pursuant to Paragraph 11 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and MXD; and

WHEREAS, the Parties desire to enter into this First Amendment to extend the Funding Obligation Term through December 31, 2023.

NOW THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the District and MXD agree to amend the Agreement as follows:

**COVENANTS AND AGREEMENTS**

1. Funding Obligation Term. The Parties hereby amend Paragraph 1 of the Agreement and agree to extend the Funding Obligation Term through December 31, 2023.

2. Severability. If any clause or provision of this First Amendment is adjudged invalid and/or unenforceable by a court of competent jurisdiction or by operation of any law, such clause or provision shall not affect the validity of this First Amendment as a whole, but shall be severed herefrom, leaving the remaining clauses and provisions of the First Amendment intact and enforceable.

3. Entire Agreement. Except as otherwise provided herein, the terms and provisions of the Agreement shall remain in valid and in full force and effect. The Agreement, this First Amendment and the Subordinate Note issued pursuant to the Agreement constitute and represent the entire, integrated agreement between the District and MXD with respect to the matters set forth herein and therein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. This First Amendment shall become effective upon the Effective Date.

4. Counterparts. This First Amendment may be executed in one or more counterparts, either electronically or by original signature, each of which shall be deemed an original and together shall constitute one and the same instrument.

*[Signature pages follows.]*



IN WITNESS WHEREOF, the District and MXD have executed this First Amendment as of the Effective Date.

**FOOTHILLS METROPOLITAN DISTRICT**, a  
quasi-municipal corporation and political subdivision of  
the State of Colorado

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By: Rishi Loona, President

**MXD FORT COLLINS, LLC,**  
a Delaware limited liability company

By: MXD Fort Collins Investments, LLC,  
a Delaware limited liability company,  
its sole Member

By: MXD Fort Collins Partners, LLC,  
a Delaware limited liability company,  
its Manager

By: McWhinney Real Estate Services, Inc.,  
a Colorado corporation,  
its Manager

---

By: Bethany Johnson  
SVP, Deputy General Counsel

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
FOOTHILLS METROPOLITAN DISTRICT**

A RESOLUTION APPROVING THE FIRST AMENDMENT TO IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT WITH MXD FORT COLLINS, LLC

WHEREAS, on February 21, 2022, Foothills Metropolitan District (the “District”) and MXD Fort Collins, LLC (“MXD”) entered into an Improvement Acquisition, Advance and Reimbursement Agreement (the “Agreement”) for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of costs associated with the construction of Improvements; and

WHEREAS, unless otherwise defined herein, capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, Paragraph 5 of the Agreement provided for MXD to advance funds to the District through December 31, 2022 (the “Funding Obligation Term”) in an amount not to exceed the Maximum Principal Amount; and

WHEREAS, the District may require advances during fiscal year 2023 to pay for costs associated with the acquisition, construction and installation of Public Improvements; and

WHEREAS, MXD is willing to continue to make funds available to the District through fiscal year 2023 up to the Maximum Principal Amount, subject to the terms of the Agreement and this First Amendment; and

WHEREAS, pursuant to Paragraph 17 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and MXD; and

WHEREAS, the District and MXD desire to enter a “First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement,” as attached hereto as **Exhibit A** and incorporated herein by reference, to extend the Funding Obligation Term of the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF FOOTHILLS METROPOLITAN DISTRICT AS FOLLOWS:

1. The Board of Directors hereby approves the “First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement” attached hereto as **Exhibit A**, and further authorizes the District’s President to execute the same.

2. This Resolution shall take effect on the date and at the time of its adoption.

(Signatures Begin On Next Page.)

ADOPTED AND APPROVED THIS 7th DAY OF DECEMBER, 2022.

**FOOTHILLS METROPOLITAN DISTRICT**

\_\_\_\_\_  
By: Rishi Loona, President

**EXHIBIT A**  
(To Resolution)

**FIRST AMENDMENT TO IMPROVEMENT ACQUISITION, ADVANCE AND  
REIMBURSEMENT AGREEMENT**

## **FIRST AMENDMENT TO IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT**

THIS FIRST AMENDMENT TO IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT (the “First Amendment”) is made and entered into as of the 7<sup>th</sup> day of December, 2022 (the “Effective Date”), by and between FOOTHILLS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and MXD FORT COLLINS, LLC, a Delaware limited liability company (“MXD”), (collectively, the “Parties”).

### **RECITALS**

WHEREAS, on February 21, 2022, the District and MXD entered into an Improvement Acquisition, Advance and Reimbursement Agreement (the “Agreement”) for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of costs associated with the construction of Improvements; and

WHEREAS, unless otherwise defined herein, capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, Paragraph 5 of the Agreement provided for MXD to advance funds to the District through December 31, 2022 (the “Funding Obligation Term”) in an amount not to exceed the Maximum Principal Amount; and

WHEREAS, the District may require advances during fiscal year 2023 to pay for costs associated with the acquisition, construction and installation of Public Improvements; and

WHEREAS, MXD is willing to continue to make funds available to the District through fiscal year 2023 up to the Maximum Principal Amount, subject to the terms of the Agreement and this First Amendment; and

WHEREAS, pursuant to Paragraph 17 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and MXD; and

WHEREAS, the Parties desire to enter into this First Amendment to extend the Funding Obligation Term of the Agreement.

NOW THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the District and MXD agree to amend the Agreement as follows:

### **COVENANTS AND AGREEMENTS**

1. Funding Obligation Term. The Parties hereby amend Paragraph 5 of the Agreement and agree to extend the Funding Obligation Term through December 31, 2023.

2. Severability. If any clause or provision of this Third Amendment is adjudged invalid and/or unenforceable by a court of competent jurisdiction or by operation of any law, such clause or provision shall not affect the validity of this Third Amendment as a whole, but shall be severed herefrom, leaving the remaining clauses and provisions of the Third Amendment intact and enforceable.

3. Entire Agreement. Except as otherwise provided herein, the terms and provisions of the Agreement shall remain in valid and in full force and effect. The Agreement, this First Amendment and the Subordinate Note issued pursuant to the Agreement constitutes and represents the entire, integrated agreement between the District and MXD with respect to the matters set forth herein and therein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. This First Amendment shall become effective upon the Effective Date.

4. Counterparts. This First Amendment may be executed in one or more counterparts, either electronically or by original signature, each of which shall be deemed an original and together shall constitute one and the same instrument.

*[Signature pages follows.]*

IN WITNESS WHEREOF, the District and MXD have executed this First Amendment to be effective as of the Effective Date.

**FOOTHILLS METROPOLITAN DISTRICT**, a  
quasi-municipal corporation and political subdivision of  
the State of Colorado

---

By: Rishi Loona, President



**MXD FORT COLLINS, LLC,**  
a Delaware limited liability company

By: MXD Fort Collins Investments, LLC,  
a Delaware limited liability company,  
its sole Member

By: MXD Fort Collins Partners, LLC,  
a Delaware limited liability company,  
its Manager

By: McWhinney Real Estate Services, Inc.,  
a Colorado corporation,  
its Manager

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By: Bethany Johnson  
SVP, Deputy General Counsel

**FOOTHILLS METROPOLITAN DISTRICT****LICENSE AGREEMENT FOR USE OF  
DISTRICT PROPERTY**

This License Agreement is made this 10<sup>th</sup> day of November, 2022, by and between Foothills Metropolitan District (the “District”) and MXD Fort Collins, LLC (“Licensee”).

**RECITALS**

WHEREAS, Licensee desires to use the East Lawn of the Foothills Mall, owned and controlled by the District (the “License Area”), and the District is willing to permit and license such use pursuant to the following provisions.

ACCORDINGLY, the parties hereto agree as follows:

1. The District hereby grants Licensee an exclusive, non-transferrable license to hold the Event, as described in Paragraph 2 below, at the License Area.
2. Licensee intends to hold the following event (the “Event”) at the License Area:

<b>Name of Event</b>	Holiday Tree Lighting Event and ongoing festivities
<b>Date(s) of Event</b>	11/15/22 through 12/31/22
<b>Time Frame of Event</b>	
<b>Set-Up Date &amp; Time</b>	
<b>Tear-Down Date &amp; Time</b>	
<b>Contact Person</b>	Patrick Bunyard, CSM
<b>Contact Address</b>	215 E Foothills Pkwy, Suite 220 Fort Collins, CO 80525
<b>Contact Phone</b>	970-226-5556
<b>Contact Email</b>	pbunyard@prismplaces.com

License Area Hours: 8 a.m. – 10 p.m. Set up and tear down must take place between the hours of 8 a.m. – 11:00 p.m. the day of the Event.

3. Licensee is responsible for adequate security and peacekeeping measures during the Event, including all set-up and tear-down. If alcohol will be present, Licensee is responsible for (i) establishing a security plan and (ii) procuring private security (one security officer per every hundred attendees). The District must approve Licensee’s security plan in the event alcohol is served at least 14 days prior to the Event. Licensee hereby affirms that alcohol **will /will not be** (*circle one*) served at the Event. Licensee must ensure that the License Area and any property or improvements located thereon are not damaged in any manner by virtue of the Event and/or Licensee’s use of the License Area. Licensee is fully responsible for prompt repair in accordance with the District’s instructions, at Licensee’s sole expense, of any such damage that occurs. Licensee must comply with any instructions of the District concerning use of the License Area, and must return the License Area and its facilities to the same state of cleanliness and orderliness as it was prior to Licensee’s use.

Licensee is responsible for all expenses incurred by the District as a result of any and all termination, cancellation, or rescheduling of the Event. Expenses may include, but are not limited to, wages, rental expense, set up, tear down, and clean up. Payment of these expenses must be made immediately by Licensee upon receipt of an itemized invoice from the District.

4. In connection with the Event, Licensee shall pay the following to the District:

- **\$150 Initial Deposit**
- **\$1,000 Rental Fee (inclusive of Initial Deposit)**
- **\$500 Damage Deposit (refundable)**

The Initial Deposit is due upon signing this Agreement and will secure the Event date. The Initial Deposit is credited to the Rental Fee. The balance of Rental Fee and Damage Deposit are due no later than 7 days prior to the Event. The Damage Deposit will be returned after completion of the Event if the Licensed Area is cleaned and restored to the condition it was in prior to the Event. If the Licensed Area is not properly cleaned or restored, the Damage Deposit or portion thereof shall be applied to the costs of clean-up, and Licensee will be billed the actual costs of clean-up. Any unused portion of the Damage Deposit will be returned to Licensee.

Licensee shall also pay for any utilities or other services provided for its use of the License Area over and above the level normally provided by the District. Licensee will pay any invoice from the District therefor within 30 days of receipt.

5. By taking possession of the License Area, Licensee is deemed to have: (i) inspected the License Area; (ii) accepted the License Area "AS IS" with no representation or warranty by the District as to the condition of the License Area, its suitability for Licensee's proposed operation or the improvements therein; and (iii) agreed that the District has no obligation to improve or repair the License Area. Any improvements must be approved in advance by the District.

6. This Agreement may be terminated by either party upon the giving of 7 days written notice. If terminated by Licensee less than 7 days from the Event, Licensee agrees to pay the District 50% of the Rental Fee. If terminated by Licensee less than 3 days from the Event, Licensee agrees to pay the District 100% of the Rental Fee. Such termination payments shall be paid by Licensee (or retained by the District from the Rental Fee) at the time of termination. The District may terminate this Agreement immediately if Licensee defaults under any term or condition hereof.

7. Licensee may not sub-license in whole or in part, the License Area and its facilities.

8. Licensee has reviewed the License Area's Rules, attached hereto as Exhibit A, and agrees that Licensee and its invitees, guests and/or participants shall abide by all such rules.

9. Licensee shall provide, at its sole expense: General Liability Insurance, including products and completed operations with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate; Automobile Liability with a combined single limit of \$1,000,000; Excess Liability \$5,000,000 each occurrence. In addition, Licensee shall provide, at its sole expense; Workers Compensation: Statutory limit (Workers Compensation applicable only if Licensee has employees); and Liquor Liability with a \$1,000,000 per occurrence limit (Liquor Liability applicable only when liquor is to be served). Licensee shall also provide Certificates of Insurance for its vendors. Licensee and vendor COI's will name the below as additional insureds:

**Certificate Holder:**

Foothills Metropolitan District  
c/o CliftonLarsonAllen  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

**Additional Insured:**

Foothills Metropolitan District, and its directors, officers, employees and agents shall be named as additional insureds. Waiver of subrogation shall apply to General Liability and Workers Compensation insurance coverage (as applicable).

Licensee shall provide to the District, a certificate of insurance evidencing that adequate insurance has been provided in accordance with the requirements of this paragraph not later than 7 days prior to the Event set-up date.

10. Licensee shall fully defend, indemnify and release the District and its directors, officers, employees and agents from any and all liability or loss that may arise as a result, in any manner, from the Event and/or the activities of Licensee, its agents or invitees, guests and/or participants. The District shall not be responsible or liable for, and Licensee hereby expressly waives any and all claims against the District for injury to persons or damage to Licensee’s property, except when resulting from the negligence of the District.

11. Unless all proper permits and insurances are obtained under State law, and/or local ordinance/rule, no person shall consume or sell alcoholic beverages at the Event. Copies of all permits for consuming alcoholic beverages must be submitted to the District at least 7 days prior to the Event. Failure to provide such permits within the time period specified herein shall immediately revoke Licensee’s ability to sell or permit consumption of alcoholic beverages at the Event.

12. The District reserves the right to require Licensee to provide security and/or parking management services for the Event. For purposes of this Event, Licensee is / is not (circle one) required to provide security and/or parking management services.

13. Licensee hereby grants to the District an irrevocable, non-exclusive license to use photos taken at the Event for District’s purposes.

14. The District is not responsible for failure to provide the basic facilities and services at the License Area due to emergencies, catastrophes, or interruptions of public utilities or services. If an Act of God were to occur preventing the Event from taking place as scheduled, the District will allow for the event to be rescheduled, pending availability, with no penalty. Cancellations due to inclement weather will not be considered for refunds.

15. In any suit brought by the District by reason of Licensee’s default, the District shall be entitled to an award of its costs and reasonable attorneys’ fees.

16. It is understood and agreed that no agency, employment or partnership is hereby created by the parties. It is agreed that Licensee will not make any representations which would create apparent agency, employment or partnership and Licensee shall not have any authority to act for the District in any manner to create any obligations or debts which would be binding upon the District or the License Area.

17. The rights and privileges of Licensee under this Agreement shall not be assigned in whole or in part to any other party.

18. Nothing in this Agreement shall be construed as a waiver in whole or in part of any of the rights, protections, privileges, limitations on damages, or governmental immunity provided to the District, or its members, directors, officers, employees, servants, agents, or authorized volunteers pursuant to the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., as the same currently exists or may hereafter be amended.

**THE DISTRICT:**

**LICENSEE:**

FOOTHILLS METROPOLITAN DISTRICT

BY: Denise Denstow  
District Manager

DocuSigned by:  
Patrick Bunyard  
45484DEF41144E3...

Date: 11/10/22

Date: 11/11/2022

**EXHIBIT A****LICENSE AREA RULES**

1. **Unauthorized motor vehicles.** Unless otherwise approved by the District, no motorized vehicles are allowed on sidewalks, bike paths, or turf areas.
2. **Disruption of District business.** Disruption of any District business, event, or other sponsored activity is prohibited.
3. **Trash and dumping of trash/refuse.** All litter, trash, and debris must be properly disposed of. Dumping of refuse generated offsite is prohibited. Any trash or debris that cannot be placed inside a trash receptacle must be removed from the property by the user(s).
4. **Damage to District property.** Defacing, damaging, removing, destroying, or vandalizing District property (buildings, fixtures, grounds, signs or other structures) is prohibited.
5. **Weapons and firearms.** Possession, display, brandishing, or use of any illegal or deadly weapon or firearm is prohibited. Weapons are defined as including, but not limited to, any lawn dart, slingshot, razor, dirk, dagger, or any knife with a blade over 3 ½ inches, nunchaku or throwing stars. Firearms are defined as including, but not limited to, any crossbow, bow and arrow, slingshot, blowgun, BB gun or pellet gun, whether powered with gunpowder, compressed air, or gas cartridges. It shall not be prohibited to carry a concealed handgun if, at the time of carrying the concealed handgun, the carrier possesses a valid permit.
6. **Fireworks, fires or open flames, model rockets.** Discharge or use of firearms, projectiles, or fireworks is prohibited. Open flames, grills, and candles are prohibited, subject to permitting.
7. **Glass.** Glass is not permitted.
8. **Alcoholic beverages.** Consumption or possession of alcoholic beverages is prohibited, unless in conjunction with an event for which a proper permit for alcohol consumption has been issued.
9. **Disposables.** Balloons, birdseed, rice, and confetti are prohibited.
10. **Possession of illegal drugs or paraphernalia; public consumption of marijuana products.** The possession of any illegal drug, substance or drug paraphernalia is prohibited. The public consumption of any marijuana product is prohibited.
11. **Pets.** Pets must be leashed and under human control at all times. Pet waste must be picked up and disposed of immediately.
12. **Amplification and noise.** Amplified sound is prohibited, subject to permitting.

## FOOTHILLS METROPOLITAN DISTRICT

### LICENSE AGREEMENT FOR USE OF DISTRICT PROPERTY

This License Agreement is made this 10<sup>th</sup> day of November, 2022, by and between Foothills Metropolitan District (the “District”) and MXD Fort Collins, LLC (“Licensee”).

#### RECITALS

WHEREAS, Licensee desires to use the East Lawn of the Foothills Mall, owned and controlled by the District (the “License Area”), and the District is willing to permit and license such use pursuant to the following provisions.

ACCORDINGLY, the parties hereto agree as follows:

1. The District hereby grants Licensee an exclusive, non-transferrable license to hold the Event, as described in Paragraph 2 below, at the License Area.
2. Licensee intends to hold the following event (the “Event”) at the License Area:

<b>Name of Event</b>	Holiday Tree Lighting Event and ongoing festivities
<b>Date(s) of Event</b>	11/15/22 through 12/31/22
<b>Time Frame of Event</b>	
<b>Set-Up Date &amp; Time</b>	
<b>Tear-Down Date &amp; Time</b>	
<b>Contact Person</b>	Patrick Bunyard, CSM
<b>Contact Address</b>	215 E Foothills Pkwy, Suite 220 Fort Collins, CO 80525
<b>Contact Phone</b>	970-226-5556
<b>Contact Email</b>	pbunyard@prismplaces.com

License Area Hours: 8 a.m. – 10 p.m. Set up and tear down must take place between the hours of 8 a.m. – 11:00 p.m. the day of the Event.

3. Licensee is responsible for adequate security and peacekeeping measures during the Event, including all set-up and tear-down. If alcohol will be present, Licensee is responsible for (i) establishing a security plan and (ii) procuring private security (one security officer per every hundred attendees). The District must approve Licensee’s security plan in the event alcohol is served at least 14 days prior to the Event. Licensee hereby affirms that alcohol **will /will not be** (*circle one*) served at the Event. Licensee must ensure that the License Area and any property or improvements located thereon are not damaged in any manner by virtue of the Event and/or Licensee’s use of the License Area. Licensee is fully responsible for prompt repair in accordance with the District’s instructions, at Licensee’s sole expense, of any such damage that occurs. Licensee must comply with any instructions of the District concerning use of the License Area, and must return the License Area and its facilities to the same state of cleanliness and orderliness as it was prior to Licensee’s use.

Licensee is responsible for all expenses incurred by the District as a result of any and all termination, cancellation, or rescheduling of the Event. Expenses may include, but are not limited to, wages, rental expense, set up, tear down, and clean up. Payment of these expenses must be made immediately by Licensee upon receipt of an itemized invoice from the District.

4. In connection with the Event, Licensee shall pay the following to the District:

- **\$150 Initial Deposit**
- **\$1,000 Rental Fee (inclusive of Initial Deposit)**
- **\$500 Damage Deposit (refundable)**

The Initial Deposit is due upon signing this Agreement and will secure the Event date. The Initial Deposit is credited to the Rental Fee. The balance of Rental Fee and Damage Deposit are due no later than 7 days prior to the Event. The Damage Deposit will be returned after completion of the Event if the Licensed Area is cleaned and restored to the condition it was in prior to the Event. If the Licensed Area is not properly cleaned or restored, the Damage Deposit or portion thereof shall be applied to the costs of clean-up, and Licensee will be billed the actual costs of clean-up. Any unused portion of the Damage Deposit will be returned to Licensee.

Licensee shall also pay for any utilities or other services provided for its use of the License Area over and above the level normally provided by the District. Licensee will pay any invoice from the District therefor within 30 days of receipt.

5. By taking possession of the License Area, Licensee is deemed to have: (i) inspected the License Area; (ii) accepted the License Area "AS IS" with no representation or warranty by the District as to the condition of the License Area, its suitability for Licensee's proposed operation or the improvements therein; and (iii) agreed that the District has no obligation to improve or repair the License Area. Any improvements must be approved in advance by the District.

6. This Agreement may be terminated by either party upon the giving of 7 days written notice. If terminated by Licensee less than 7 days from the Event, Licensee agrees to pay the District 50% of the Rental Fee. If terminated by Licensee less than 3 days from the Event, Licensee agrees to pay the District 100% of the Rental Fee. Such termination payments shall be paid by Licensee (or retained by the District from the Rental Fee) at the time of termination. The District may terminate this Agreement immediately if Licensee defaults under any term or condition hereof.

7. Licensee may not sub-license in whole or in part, the License Area and its facilities.

8. Licensee has reviewed the License Area's Rules, attached hereto as Exhibit A, and agrees that Licensee and its invitees, guests and/or participants shall abide by all such rules.

9. Licensee shall provide, at its sole expense: General Liability Insurance, including products and completed operations with limits not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate; Automobile Liability with a combined single limit of \$1,000,000; Excess Liability \$5,000,000 each occurrence. In addition, Licensee shall provide, at its sole expense; Workers Compensation: Statutory limit (Workers Compensation applicable only if Licensee has employees); and Liquor Liability with a \$1,000,000 per occurrence limit (Liquor Liability applicable only when liquor is to be served). Licensee shall also provide Certificates of Insurance for its vendors. Licensee and vendor COI's will name the below as additional insureds:

**Certificate Holder:**

Foothills Metropolitan District  
c/o CliftonLarsonAllen  
8390 East Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

**Additional Insured:**

Foothills Metropolitan District, and its directors, officers, employees and agents shall be named as additional insureds. Waiver of subrogation shall apply to General Liability and Workers Compensation insurance coverage (as applicable).

Licensee shall provide to the District, a certificate of insurance evidencing that adequate insurance has been provided in accordance with the requirements of this paragraph not later than 7 days prior to the Event set-up date.

10. Licensee shall fully defend, indemnify and release the District and its directors, officers, employees and agents from any and all liability or loss that may arise as a result, in any manner, from the Event and/or the activities of Licensee, its agents or invitees, guests and/or participants. The District shall not be responsible or liable for, and Licensee hereby expressly waives any and all claims against the District for injury to persons or damage to Licensee's property, except when resulting from the negligence of the District.

11. Unless all proper permits and insurances are obtained under State law, and/or local ordinance/rule, no person shall consume or sell alcoholic beverages at the Event. Copies of all permits for consuming alcoholic beverages must be submitted to the District at least 7 days prior to the Event. Failure to provide such permits within the time period specified herein shall immediately revoke Licensee's ability to sell or permit consumption of alcoholic beverages at the Event.

12. The District reserves the right to require Licensee to provide security and/or parking management services for the Event. For purposes of this Event, Licensee is / is not (circle one) required to provide security and/or parking management services.

13. Licensee hereby grants to the District an irrevocable, non-exclusive license to use photos taken at the Event for District's purposes.

14. The District is not responsible for failure to provide the basic facilities and services at the License Area due to emergencies, catastrophes, or interruptions of public utilities or services. If an Act of God were to occur preventing the Event from taking place as scheduled, the District will allow for the event to be rescheduled, pending availability, with no penalty. Cancellations due to inclement weather will not be considered for refunds.

15. In any suit brought by the District by reason of Licensee's default, the District shall be entitled to an award of its costs and reasonable attorneys' fees.

16. It is understood and agreed that no agency, employment or partnership is hereby created by the parties. It is agreed that Licensee will not make any representations which would create apparent agency, employment or partnership and Licensee shall not have any authority to act for the District in any manner to create any obligations or debts which would be binding upon the District or the License Area.

17. The rights and privileges of Licensee under this Agreement shall not be assigned in whole or in part to any other party.

18. Nothing in this Agreement shall be construed as a waiver in whole or in part of any of the rights, protections, privileges, limitations on damages, or governmental immunity provided to the District, or its members, directors, officers, employees, servants, agents, or authorized volunteers pursuant to the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., as the same currently exists or may hereafter be amended.

**THE DISTRICT:**

**LICENSEE:**

FOOTHILLS METROPOLITAN DISTRICT

BY: Denise Denstow  
District Manager

BY: \_\_\_\_\_  
\_\_\_\_\_

Date: 11/10/22

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



**EXHIBIT A****LICENSE AREA RULES**

1. **Unauthorized motor vehicles.** Unless otherwise approved by the District, no motorized vehicles are allowed on sidewalks, bike paths, or turf areas.
2. **Disruption of District business.** Disruption of any District business, event, or other sponsored activity is prohibited.
3. **Trash and dumping of trash/refuse.** All litter, trash, and debris must be properly disposed of. Dumping of refuse generated offsite is prohibited. Any trash or debris that cannot be placed inside a trash receptacle must be removed from the property by the user(s).
4. **Damage to District property.** Defacing, damaging, removing, destroying, or vandalizing District property (buildings, fixtures, grounds, signs or other structures) is prohibited.
5. **Weapons and firearms.** Possession, display, brandishing, or use of any illegal or deadly weapon or firearm is prohibited. Weapons are defined as including, but not limited to, any lawn dart, slingshot, razor, dirk, dagger, or any knife with a blade over 3 ½ inches, nunchaku or throwing stars. Firearms are defined as including, but not limited to, any crossbow, bow and arrow, slingshot, blowgun, BB gun or pellet gun, whether powered with gunpowder, compressed air, or gas cartridges. It shall not be prohibited to carry a concealed handgun if, at the time of carrying the concealed handgun, the carrier possesses a valid permit.
6. **Fireworks, fires or open flames, model rockets.** Discharge or use of firearms, projectiles, or fireworks is prohibited. Open flames, grills, and candles are prohibited, subject to permitting.
7. **Glass.** Glass is not permitted.
8. **Alcoholic beverages.** Consumption or possession of alcoholic beverages is prohibited, unless in conjunction with an event for which a proper permit for alcohol consumption has been issued.
9. **Disposables.** Balloons, birdseed, rice, and confetti are prohibited.
10. **Possession of illegal drugs or paraphernalia; public consumption of marijuana products.** The possession of any illegal drug, substance or drug paraphernalia is prohibited. The public consumption of any marijuana product is prohibited.
11. **Pets.** Pets must be leashed and under human control at all times. Pet waste must be picked up and disposed of immediately.
12. **Amplification and noise.** Amplified sound is prohibited, subject to permitting.



**Parties**

This Agreement is made and entered into this 12th day, in the Month of October 2022, by and between, "Foothills Metropolitan District", (Hereinafter referred to as Customer), and Mountain West "Mountain West Landscapes, LLC" (Hereinafter referred to as Contractor) for Snow & Ice Management Services at the following location (Hereinafter referred to as Property)

Location Name: Foothills Mall

c/o: .....

Address 1: 215 East Foothills Pkwy, Fort Collins, CO 80525

Address 2: .....

Contact: Garin Daum

Phone:970-229-6110

Email: [gdaum@prismplaces.com](mailto:gdaum@prismplaces.com)

**In consideration of the mutual promises contained herein, Contractor agrees to perform the following work:**

**Scope of Work:**

Snow & Ice Solutions of Colorado hereby proposes to supply all labor, equipment and materials necessary to perform snow &/or salting/anti-icing and de-icing services:

**I: Scope of Services.:**

- 1) Contractor will perform Snow & Ice Management Services on the drives and parking lots of the Property ("Scope of Work").  
Mountain West will utilize different crews for the two different entities at the Foothills Mall. A parking lot crew and pedestrian zone crew will be designated for the Metro District and separate crews for the MXD. We also use equipment GPS and GPS on our sprayer systems to accurately monitor product application.
- 2) Pre-treatment, post-treatment, liquid anti-icing or deicing or pre-treatment, post-treatment salting will all be performed at the discretion of Mountain West Landscapes
- 3) Snowplowing operations will commence automatically when any accumulation on sidewalks and pedestrian walkways or drive lanes and with accumulations of 4" in the parking areas as determined by contractor and with ownership approval; irrespective of time of day or day of week and including all weekends and holidays. Commencements of plowing and ice-control operations are at the discretion of the Contractor, based upon prevailing conditions on the Property. Contractor will make all commercially reasonable efforts to perform snowplowing of the drives and parking lots at the Property early in the



morning. Contractor shall coordinate with Property maintenance staff as needed to ensure the work is coordinated.

- 4) Mountain West will utilize different crews for the two different entities at the Foothills Mall. A parking lot crew and pedestrian zone crew will be designated for the Metro District and separate crews for the MXD. We also use equipment GPS and GPS on our sprayer systems to accurately monitor product application.

## II: Operational Performance:

The following shall apply to the Scope of Work:

- 1) MOUNTAIN WEST shall provide all snowplowing throughout the contract period.
- 2) MOUNTAIN WEST shall apply liquid anti-icing material or post de-icing materials at any time required to mitigate risk.
- 3) MOUNTAIN WEST shall commence snow removal at trace accumulation and continue thereafter as storm conditions permit.
- 4) MOUNTAIN WEST shall plow all open parking stalls at time of plowing roadways and isles when snow accumulations reach 4" with ownership approval. Post storm clean-up as required or otherwise noted will be done within 48 hours after a storm has ended.
- 5) MOUNTAIN WEST shall perform automatic 'ice watch' service during freeze/thaw cycles and post-storm property Inspection. MOUNTAIN WEST will treat as necessary to reduce slip and fall risks as required based on the 'Time and Material' rates.
- 6) MOUNTAIN WEST shall provide sidewalk service.
- 7) If the service provided by MOUNTAIN WEST is considered sub-standard, the owner/ management company representative must notify MOUNTAIN WEST immediately of the problem, by phone or email. MOUNTAIN WEST maintains the right to remedy any non-hazardous condition within 24 hours.

## III. Hourly Pricing (inclusive of all travel and mobilization fees):

Laborer with Shovel	\$55.00	Per Hour
Laborer w/Backpack Blower	\$85.00	Per Hour
Plow Truck	\$125.00	Per Hour
Skid-Steer with Snow Bucket	\$175.00	Per Hour
ATVw/Plow	\$85.00	Per Hour
UTVw/Plow	\$105.00	Per Hour
Ventrac Plow/Broom	\$142.00	Per Hour
Boss Snowrator	\$142.00	Per Hour
Sm Wheel Loader w/Pusher	\$235.00	Per Hour
Lg Wheel Loader w/Pusher	\$250.00	Per Hour
Ice Slicer Applied Per Ton	\$225.00	Per Ton
Brine Applied Per Gallon	\$2.75	Per Gallon
Bagged Ice Melt Applied	\$42.00	Per Bag
Tandem Dump Truck	\$105.00	Per Hour



#### **IV. Service Period**

1. The term of this Agreement shall be 15 Oct 2022 thru 30 Apr 2023.

#### **V: Payment Terms**

- 1) All Invoices will be submitted on a monthly basis by the 1<sup>st</sup> of each month.
- 2) Terms are Net 30 with a 2% charge per month (24% per annum) on all balances past 45 days
- 3) MOUNTAIN WEST will not perform plowing services on any account that is past due greater than 60 days.
- 4) Customer agrees to pay all costs associated with collecting past due balances including, but not limited to, any and all attorney's or collection agency's fees.

#### **VI: Terms and Conditions**

- 1) The Customer understands that plowing or ice control of a particular location may not clear the area to "bare pavement" and that slippery conditions may continue to prevail even after plowing or ice control services have occurred. The Customer understands that MOUNTAIN WEST has no liability for this naturally occurring condition. The Customer is aware that weather conditions may change rapidly and without notice and that Contractor assumes no liability for such changes in conditions. During operations and after completion of operations, Customer agrees to indemnify and hold harmless MOUNTAIN WEST, and its employees, against any and all claims by the Customer, its employees or third parties, their heirs, executors, administrators, successors, surrogates, or assignees, arising on account of death or injuries to persons or damage to property, arising out of use of, or traveling at, or onto, the Property, if such claim, damage, injury or death results from the negligence or willful misconduct of Customer. Contractor agrees to indemnify and hold harmless Customer, and its employees, against any and all claims by the Customer, its employees or third parties, their heirs, executors, administrators, successors, surrogates, or assignees, arising on account of death or injuries to persons or damage to property or the Property, arising out of use of, or traveling at, or onto, the Property, if such claim, damage, injury or death results from the negligence or willful misconduct of Contractor. The party at fault shall defend all suits and claims arising from or incidental to the work under the Agreement to the other party, without expense or annoyance to such other party or its employees. Both parties will fully cooperate in all potential claims or suits arising from the Snow & Ice Management Services and will provide all relevant data regarding the sites snow operations.
- 2) It is understood that the Contractor is not responsible for incidental damages from plowing or deicing materials to ground cover, shrubbery, landscape lighting, parking curbs, paver bricks, hardscapes, blacktop surfaces, concrete, movement of gravel, moving of vehicles, and snow piling around parked vehicles. It is understood that MOUNTAIN WEST, is directly responsible for damage that is incurred directly relating to its performance of snow & ice operations outside of the Scope of Work.



- 3) The Customer is responsible for any damage to obstacles that protrude from the surface of the pavement. This includes utilities such as water shut offs, electrical boxes, sewer vents & clean outs and any other obstacles on or within 10" of the pavements. Customer understands that snow plowing, by its very nature, involves pushing a steel blade over the surface of the pavement. If your pavement is defective, deteriorated, weakened, frost heaved, or, was installed improperly, the results of this previous damage are more likely to appear after snow plowing. MOUNTAIN WEST is not responsible for any damages to pavement or curbs unless due to Contractor's negligence or willful misconduct. Customer is responsible for all damage caused to and/or by hidden objects.
- 4) MOUNTAIN WEST shall maintain appropriate insurance coverage throughout the term of this Agreement. This shall include comprehensive general liability covering bodily injury and property damage, Worker's Compensation at statutory limits, and automobile liability covering all vehicles, equipment and their operators. Mountain West shall be named as an additional insured under such policies, and a copy of the certificates of insurance shall be provided to Customer.
- 5) All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties of this Agreement as follows:

If to Customer:

Attn: Denise Denslow, District Manager  
Foothills Metropolitan District  
8390 E. Crescent Pkwy, Ste 300  
Greenwood Village, CO 80111

If to Contractor:

Mountain West Landscapes, LLC  
PO BOX 272471  
Fort Collins, CO 80527

## **VII. Contract Cancellation & Contract Disputes**

This Agreement is cancelable at any time upon a written 30-day notification sent by registered mail to MOUNTAIN WEST, PO BOX 272471 Fort Collins, CO 80527. Payments for all previously provided services rendered are due and payable upon such cancellation. If any action at law or in equity is necessary to enforce or interpret the terms of this agreement, the prevailing party shall be entitled to reimbursement of all reasonable attorneys' fees, and costs, in addition to any other relief to which such party may be entitled to under the court iflaw.

# MDUNTAINWEST

**Acceptance of Proposal:** The Customer and Contractor have read and understood and agree to all the terms and conditions contained in this Agreement. If signed by a corporate officer, partner, or fiduciary on behalf of a company or corporation, each party has certified that they have the authority to execute of behalf of such entity. The undersigned certifies that he or she is the responsible Customer employee or agent who is authorized to endorse this Agreement. The above specifications and conditions are satisfactory and are hereby accepte



**Acceptance of Proposal:** The Customer and Contractor have read and understood and agree to all the terms and conditions contained in this Agreement. If signed by a corporate officer, partner, or fiduciary on behalf of a company or corporation, each party has certified that they have the authority to execute of behalf of such entity. The undersigned certifies that he or she is the responsible Customer employee or agent who is authorized to endorse this Agreement. The above specifications and conditions are satisfactory and are hereby accepted.

**CLIENT:**

Rishi Loona,  
Foothills MD

10/24/2022

\_\_\_\_\_  
*Name of Authorized Representative*

\_\_\_\_\_  
*Date*

DocuSigned by:  
*Rishi Loona*  
CBEEDEBEEFDF84E3

\_\_\_\_\_  
President

\_\_\_\_\_  
*Authorized Signature*

\_\_\_\_\_  
*Title*

**Mountain West Landscapes, LLC:**

*Greg Brown*

*10/18/22*

\_\_\_\_\_  
*Name of Authorized Representative*

\_\_\_\_\_  
*Date*

*[Signature]*

*Owner*

\_\_\_\_\_  
*Authorized Signature*

\_\_\_\_\_  
*Title*

**Foothills Metropolitan District**

**RESOLUTION 2022- \_\_\_\_\_**

A quorum being present, the following resolution was adopted on a vote of [x] in favor and 0 opposed, with 0 abstentions, on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

WHEREAS, District is the owner of that certain property described and depicted on Exhibit A (“the Property”); and

WHEREAS, [entity name] desires to submit to the City of Fort Collins (“City”) certain applications, including but not limited to, pre-applications, applications for Outline Development Plan (“ODP”), Preliminary Development Plan (“PDP”), and Final Development Plan (“FDP”) and such other applications and accompanying documents as may be necessary to fully entitle the Property for development; and

WHEREAS, the District by approval of this Resolution hereby consents to the submittal by [entity name] of such applications, and such additional amendments and resubmittals as may be necessary to accomplish the overall development; and

WHEREAS, [authorized person] is authorized to execute such forms, statements and consents in furtherance of this resolution as may be required by the City throughout the entitlement process, and the staff is authorized to take such other and further action as may be necessary or appropriate to effect the purposes of this resolution.

AUTHENTICATED

\_\_\_\_\_  
[name]





**CliftonLarsonAllen LLP**  
 8390 East Crescent Pkwy., Suite 300  
 Greenwood Village, CO 80111  
 phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

### **Special Districts Preparation SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Foothills Metropolitan District (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

#### **Scope of professional services**

**Carrie Bartow, CPA** is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

#### ***Ongoing normal accounting services:***

- Outsourced accounting activities
  - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
    - Cash receipts journal
    - Cash disbursements journal
    - General ledger
    - Accounts receivable journals and ledgers
    - Deposits with banks and financial institutions
    - Schedule of disbursements
    - Bank account reconciliations
    - Investment records
    - Detailed development fee records
  - Process accounts payable including the preparation and issuance of checks for approval by the Board of Directors.
  - Prepare billings, record billings, enter cash receipts, and track revenues
  - Reconcile certain accounts regularly and prepare journal entries
  - Prepare depreciation schedules

- Prepare monthly/quarterly/as requested financial statements and supplementary information, but not perform a compilation with respect to those financial statements. Additional information is provided below.
- Prepare a schedule of cash position to manage the district’s cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district’s board of directors.
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district’s board of directors in monitoring actual expenditures against appropriation/budget.
- Oversee investment of district funds based on investment policies established by the board of directors, but in any case, in accordance with State law.
- Research and make recommendations to the board of directors on financial investments and cash management matters, as requested.
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district’s auditors.
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below.
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required.
- Review claims for reimbursement from related parties prior to the board of directors’ review and approval.
- Read supporting documentation related to the district’s acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness. Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW. These procedures may not satisfy district policies, procedures, and agreements’ requirements. Note: our procedures should not be relied upon as the final authorization for this transaction.
- Attend board meetings as requested.
- Be available during the year to consult with you on any accounting matters related to the district.
- Review and approve monthly reconciliations and journal entries prepared by staff
- Reconcile complex accounts monthly and prepare journal entries
- Analyze financial statements and present to management and the board of directors.
- Develop and track key business metrics as requested and review periodically with the board of directors.

- Document accounting processes and procedures
- Continue process and procedure improvement implementation
- Report and manage cash flows
- Assist with bank communications.
- Perform other non-attest services.

### **Compilation services**

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

### **Preparation services – financial statements**

We will prepare the monthly/quarterly/as requested financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

### **Preparation services – annual**

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district’s auditors.

### ***Preparation services – prospective financial information (i.e., unexpired budget information)***

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management’s knowledge and belief, the entity’s expected financial position, results of operations, and cash flows for the forecast period. It is based on management’s assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

### **Engagement objectives and our responsibilities**

The objectives of our engagement are to:

- a. Prepare monthly/quarterly/as requested financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b. As requested, apply accounting and financial reporting expertise to assist you in the presentation of your monthly/quarterly/as requested financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c. Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d. Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.
- e. If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f. If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

### **Engagement procedures and limitations**

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly/quarterly/as requested financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any

wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

### **Our report**

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

### **No assurance statements**

The monthly/quarterly/as requested financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted".

If an audit is required, the year-end financial statements prepared for use by the district's auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

### **Management responsibilities**

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed

by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management's responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district's operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a. The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b. The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c. The presentation of the supplementary information.
- d. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e. The prevention and detection of fraud.
- f. To ensure that the entity complies with the laws and regulations applicable to its activities.
- g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h. To provide us with the following:
  - i. Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
  - ii. Additional information that may be requested for the purpose of the engagement.
  - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the Board Treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

### **Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. We will also add a technology and client support fee of five percent (5%) of all professional fees billed. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

### **Use of financial statements, the annual budget, the Application for Exemption from Audit**

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

### **Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

### **Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Carrie Bartow, CPA  
Principal  
Carrie.Bartow@CLAconnect.com



APPROVED:

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Signature

---

Title

---

Date



**CliftonLarsonAllen LLP**  
 8390 East Crescent Pkwy., Suite 300  
 Greenwood Village, CO 80111  
 phone 303-779-5710 fax 303-779-0348  
[CLAconnect.com](http://CLAconnect.com)

### **Special Districts Payroll Services SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and FOOTHILLS METROPOLITAN DISTRICT (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

#### **Scope of payroll preparation services**

We will provide the following payroll preparation services from information you provide:

- For each pay period:
  - Perform payroll calculations
  - Prepare payroll checks or pay-stubs in the case of direct deposit of employee net pay
  - Initiate electronic transfer of funds for employee net pay and payroll tax deposit liabilities
  - Processing retirement plan contribution payments
  - Preparation of information needed for the retirement plan and other census information
- Prepare the following government forms annually for each calendar year-end (may be filed electronically):
  - All copies of required forms W-2 and W-3
  - Form 940 – Employers Annual Federal Unemployment Tax Return, if applicable
  - Form 943 – Employers Annual Tax Return for Agricultural Employees
  - All necessary state forms, if applicable
- If applicable, prepare the following government reporting forms for each calendar quarter-end (may be filed electronically):
  - Form 941 – Employers Quarterly Tax Return
  - State Employers Quarterly Withholding Return
  - State Employers Quarterly Unemployment Tax Return (SUTA)
  - Initiate electronic funds transfer for quarterly Federal Unemployment Tax (FUTA) liability
- Cash access services related to payroll services
  - Obtain one or more signature stamps bearing the name(s) and facsimile signature(s) of any of your officer(s) who are responsible for signing checks and bank drafts on your behalf.

- Obtain access to electronic signatures or signatures embedded into cloud-based software for the purpose of drafting payments on your behalf.
- Prepare checks to be drawn upon your bank account(s) and to use the above noted methods to thereby finally approve such checks for payment by the corresponding bank(s).
- Initiate the direct deposit of employee net pay from funds drawn upon your bank account(s).
- The following services would impair independence
  - Accept responsibility to authorize payment of client funds, electronically or otherwise, except as specifically provided for with respect to electronic payroll tax payments.
  - Accept responsibility to sign or cosign client checks, even if only in emergency situations.
  - Maintain a client's bank account or otherwise have custody of a client's funds or make credit for banking decisions for the client.

### **Our responsibility to you and limitations of the payroll services**

We will prepare your federal and state (if applicable) payroll forms and tax returns in accordance with the applicable payroll tax laws.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the payroll and related returns, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. However, we will inform the board of directors of the district of any material errors and of any evidence or information that comes to our attention during the performance of our payroll preparation services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our payroll preparation services regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify deficiencies in your internal control as part of this engagement but will promptly report them to the board of directors of the district if identified. You agree that we shall not be responsible for any misstatements in your payroll that we may not identify as a result of misrepresentations made to us by you.

Our payroll preparation services will include electronically transmitting information to taxing authorities and your financial institution to facilitate the electronic transfer of funds. Authorizations for us to provide these services will be made in separate communications.

Our payroll preparation services will include transmitting federal Form W-2, federal Form 1099, and payroll data forms to federal and state taxing authorities on your behalf. Authorizations for us to provide these services will be made in separate communications.

### **Your responsibilities**

It is your responsibility to provide us with all of the information needed to prepare complete and accurate payrolls and returns. We will have no obligations with regard to a particular payroll or withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us. All necessary information should be provided to us within two days of the close of each payroll period or no later than two days prior to your payroll check date. A list of information we will require and the dates required will be provided in a separate communication.

For all nonattest services we may provide to you, including these payroll services, management agrees to assume all management responsibilities; oversee the services; by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services.

Specifically, your responsibilities include:

- Accuracy of information used in the preparation of the payrolls.
- Careful review of paychecks or pay-stubs, and payroll journals for each periodic payroll.
- Accuracy of information used in the preparation and filing of all government forms.
- Review and pre-approval of each electronic funds transfer initiated on your behalf for employee net pay amounts, payroll tax and withholding liabilities, and related benefit amounts.

You are responsible to carefully review the paper returns that we prepare on your behalf before signing and submitting them to tax authorities. You are responsible to review the paper copies of payroll forms and tax returns that were filed electronically on your behalf. We will advise you with regard to tax positions taken in the preparation of the payroll forms and tax returns, but the responsibility for the payroll forms and tax returns remains with you.

You are also responsible for the payment of payroll tax and withholding liabilities. Therefore, the Internal Revenue Service recommends that you enroll in the U.S. Department of the Treasury Electronic Federal Tax Payment System (EFTPS) to monitor your account and ensure that timely tax payments are being made for you. You may enroll in the EFTPS online at [www.eftps.gov](http://www.eftps.gov), or call 800-555-4477 for an enrollment form. Individual states have similar programs that allow you to monitor your account. A list of links by state is provided online at <http://www.americanpayroll.org/weblink/statelocal-wider/>.

### **Your responsibilities relevant to CLA's access to your cash**

Someone with management authority is responsible for the processes below. All approvals listed must be documented in writing, either electronically or manually:

- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all payroll runs prior to cash being committed.

### **Fees**

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Other than annual adjustments reflecting inflation, our professional fees will not fluctuate unless there is a significant change in the number of employees, taxing jurisdictions, or in the services you wish for us to provide. If such changes should occur, we will discuss any fee adjustments with you prior to making any changes to your billing. Lastly, any additional forms that you would like us to complete will be charged at an hourly fee.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are examples of services considered to be outside the scope of our engagement. We will bill you for additional services you would like us to provide at an hourly fee at periodic dates after the additional service has been performed.

- Reprocessing for corrected information provided to us subsequent to original payroll
- Preparation of non-standard reports
- Calculation of fringe benefit additions
- Processing retirement plan contribution payments
- Preparation of retirement plan and other census information
- Responding to workers compensation insurance audits
- Responding to employment verification requests
- Preparation of additional state tax registrations
- Preparation of amended payroll tax returns
- Responding to tax notices

#### **Tax examinations**

All government forms and returns are subject to potential examination by the IRS and state taxing authorities. In the event of an examination, we will be available, at your request, to assist or represent you. Services in connection with tax examinations are not included in our fee for preparation of your payroll returns. Our fee for such services will be billed to you separately, along with any direct costs.

#### **Record retention**

You are responsible for retaining all documents, records, payroll journals, canceled checks, receipts, or other evidence in support of information and amounts reported in your payroll records and on your quarterly and calendar year-end payroll forms and tax returns. These items may be necessary in the event the taxing authority examines or challenges your returns. These records should be kept for at least seven years. Your copy of the payroll forms and tax returns should be retained indefinitely.

In preparing the payrolls, payroll forms, and tax returns, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

All of the records that you provide to us to prepare your payrolls and related forms and tax returns will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of you.

### **Tax consulting services**

This SOW also covers tax consulting services that may arise for which you seeks our consultation and advice, both written and oral, that are not the subject of a separate SOW. These additional services are not included in our fees for the preparation of the payroll and related federal and state forms and tax returns.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax law, tax regulations, and other tax authorities, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written advice provided by us is for your information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax law and regulations, or to the related judicial and administrative interpretations.

### **Communications and confidentiality**

CLA will hold the information supplied by you to us in confidence and CLA will not disclose it to any other person or party, unless you authorizes us to do so, it is published or released by you, or it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

**Consent to send you publications and other materials**

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this SOW, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your consent is valid until further notice. If you do not wish to authorize such use, please strike out this paragraph prior to signing the SOW.

**Legal compliance**

You agree to assume sole responsibility for full compliance with all applicable federal and state laws, rules or regulations, and reporting obligations that apply to you or your business, including the accuracy and lawfulness of any reports you submit to any government regulator, authority, or agency. You also agree to be solely responsible for providing legally sufficient substantiation, evidence, or support for any reports or information supplied by you to any governmental or regulatory body, or for any insurance reimbursement in the event that you is requested to do so by any lawful authority. Except as outlined in this SOW, CLA, its successors, affiliates, officers, and employees do not assume or undertake any duty to perform or to be responsible in any way for any such duties, requirements, or obligations.

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Carrie Bartow, CPA

Principal

Carrie.Bartow@CLAconnect.com

APPROVED:

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Signature

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Title

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Date





**CliftonLarsonAllen LLP**  
 8390 East Crescent Pkwy., Suite 300  
 Greenwood Village, CO 80111  
 phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

## **Special Districts Public Administration Services SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Foothills Metropolitan District (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

**Denise Denslow** is responsible for the performance of the engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the engagement.

### **Scope of Public Management Services**

CLA will perform the following services for the District:

#### **District Board of Directors (“Board”) Meetings**

- Coordination of Board meetings
- Meeting Attendance: District Manager and/or designee will attend Board meetings
- Preparation and distribution of agenda and informational materials as requested by the District
- Drafting of meeting minutes as assigned for approval by the Board of Directors.
- Preparation and posting of notices required in conjunction with the meetings

#### **Recordkeeping**

- Maintain directory-of persons and organizations for correspondence
- Repository of District records and act as Custodian of records for purposes of CORA (as that term is defined in the District’s Resolution Designating an Official Custodian for Purposes of the Colorado Open Records Act, Sections 24-72-201 *et seq.*, C.R.S.).

#### **Communications**

- 24/7 answering services
- Website administration. CLA will oversee maintenance of the District’s website as needed or requested by the District
- Assist with or lead the coordination of communication with municipal, county, or state governmental agencies as requested by the District.

### **General Administration**

- Coordination with district's insurance provider including insurance administration, comparison of coverage, processing claims, and completion of applications..
- Coordination of insurance policy renewals and updates for approval by the district's board of directors.
- In collaboration with District counsel, ensure contractors and sub-contractors maintain the required insurance coverage as required by the district.
- At the direction of the Board of directors, supervise project processes and vendors as assigned by the Board
- Coordinate with legal, accounting, engineering, auditing and other consultants retained by the District as directed by the Board (CLA itself will not and cannot provide legal services);
- Assist with or lead the coordination efforts with municipal, county, or state governmental agencies as requested by the District.
- Coordinate the administration of the District's Rules and Regulations as requested by the Board.
- At the direction of District legal counsel, coordinate election processes for the District. CLA will not serve as the Designated Election Official ("DEO");

### **Accounts Payable Services to be Provided:**

- Coordinate review and approval of invoices with District Accountant and Board to ensure timely payment to vendors.

In addition to these services, when, in the professional opinion of the District Manager, other services are necessary, the District Manager shall recommend the same to the Board or perform such services and report to the Board the nature of such services, the reason they were required, and the result achieved; provided however, with the exception of emergencies, that if such additional services are expected to cost more than \$2,000.00, the District Manager shall discuss such costs with the Board and receive prior authorization to perform such services.

### **Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

CLA'S 2022-2023 STANDARD HOURLY RATES FOR PUBLIC MANAGEMENT SERVICES:

Principals	\$300 – \$425
Public managers	\$190 - \$265
Assistant public managers	\$145 - \$175
Public management analysts	\$135 - \$155
District administrators	\$135 - \$165
Records retention professionals	\$110 - \$140

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

**Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Denise Denslow  
Principal  
Denise.Denslow@CLAconnect.com

APPROVED:

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Signature

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Title

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Date



**CliftonLarsonAllen LLP**  
 8390 East Crescent Pkwy., Suite 300  
 Greenwood Village, CO 80111  
 phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

### **Special Districts Public Improvement Fee SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Foothills MD (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

#### **Scope of professional services**

**Carrie Bartow, CPA** is responsible for the performance of the engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the engagement.

#### **Services to be Provided**

##### *PIF Receiving Agent Services*

- Coordinate with leasing agent to obtain contact information on all new tenants.
- Provide tenants with proper PIF documentation and placards for display.
- Coordinate with tenants to ensure proper disclosure and calculation of PIF.
- Receive, receipt and deposit PIF payments.
- Maintain and monitor PIF receipts and records.
- Quarterly compliance checks at retail locations.
- Quarterly compliance checks and follow-up with retail locations as needed
- Coordination with leasing agent or legal counsel as needed.

#### **Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

#### **CLA’S 2022-2023 STANDARD HOURLY RATES SERVICES:**

Additional Accounting Support	\$90-\$400
Supervisors/Directors	\$200-\$220
Senior Technicians	\$145-\$160
Technicians	\$95 - \$120

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

**Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Carrie Bartow, CPA  
Principal  
Carrie.Bartow@CLAconnect.com

APPROVED:

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Signature

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Title

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Date