

EAST CREEK METROPOLITAN DISTRICT NO. 1

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
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NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Glenn Nier	President	2022/May 2022
Michele Trujillo	Treasurer	2022/May 2022
Michael Bird	Assistant Secretary	2020/May 2020
Matthew Larsen	Assistant Secretary	2020/May 2020
Natalie Schutzius	Assistant Secretary	2022/May 2022
Lisa A. Johnson	Secretary	

DATE: **October 28, 2019**

TIME: **3:00 P.M.**

PLACE: Meritage Homes of Colorado
8400 E. Crescent Parkway, #200
Greenwood Village, Colorado

I. ADMINISTRATIVE MATTERS

A. Present Conflict Disclosures and confirm quorum.

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

C. Review and approve Minutes of the April 3, 2019 special meeting/work session and April 10, 2019 continued special meeting (enclosures).

D. Discuss new legislation regarding posting requirements (enclosure).

E. Discuss and consider approval of Eligible Governmental Entity Agreement (“EGE”) between the District and The Statewide Internet Portal Authority (“SIPA”) of the State of Colorado and East Creek Metropolitan District No. 1 for the establishment of a District Website (enclosure).

- F. Consider regular meeting dates for 2020. Review and consider approval of Resolution No. 2019-10-01; Resolution Establishing 2020 Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 24-Hour Notices and District Website, if needed (to be distributed).
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- G. Discuss §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2020.
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II. FINANCIAL MATTERS

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

Fund	Period Ending Apr. 09, 2019	Period Ending May 14, 2019	Period Ending June 17, 2019
General	\$ 13,813.85	\$ 8,616.69	\$ 3,708.72
Debt Service	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 13,813.85	\$ 8,616.69	\$ 3,708.72

Fund	Period Ending July 18, 2019	Period Ending Aug. 28, 2019	Period Ending Sept. 17, 2019
General	\$ 1,717.29	\$ 947.18	\$ 3,434.45
Debt Service	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 1,717.29	\$ 947.18	\$ 3,434.45

Fund	Period Ending Oct. 22, 2019
General	\$ 1,754.86
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 1,754.86

- B. Review and accept unaudited financial statements for the period ending September 30, 2019 and schedule of cash position ending September 30, 2019 (enclosures).
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- C. Discuss the engagement of an auditor to prepare 2019 audit.
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- D. Conduct Public Hearing to consider Amendment to 2019 Budget and consider adoption of Resolution to Amend the 2019 Budget and Appropriate Expenditures, if necessary.

- E. Conduct Public Hearing on the proposed 2020 Budget and consider adoption of Resolution to Adopt the 2020 Budget and Appropriate Sums of Money and Set Mill Levies for General Fund _____, Debt Service Fund _____, and Other Fund(s) _____ for a total mill levy of _____ (enclosures – Preliminary Assessed Valuation, draft 2020 Budget, and Resolutions).

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

- G. Consider adoption of Resolution No. 2019-10-__ ; Resolution Authorizing Adjustment of the District Mill Levy in Accordance with Colorado Constitution, Article X, Section 3 (enclosure).

III. LEGAL MATTERS

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

- B. Consider adoption of Resolution No. 2019-10- __ ; Resolution Regarding Continuing Disclosure Policies and Procedures (to be distributed).

IV. COVENANT ENFORCEMENT / DESIGN REVIEW

- A. Discuss status of Resolution No. 2019-04-04; Adopting the Policies and Procedures Governing the Enforcement of the Protective Covenants of East Creek.

- B. Discuss status of Resolution No. 2019-04-05; Resolution Adopting the East Creek Rules and Regulations.
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- C. Consider adoption o Resolution No. 2019-10-__; Amended and Restated Resolution Regarding the Imposition of District Fees (enclosure).
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V. CONSTRUCTION MATTERS

- A. Discuss status of 2019 development / construction outlook.
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VI. OTHER BUSINESS

- A. _____

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

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING/ WORK SESSION OF THE BOARD OF DIRECTORS OF THE EAST CREEK METROPOLITAN DISTRICT NO. 1 (THE "DISTRICT") HELD APRIL 3, 2019

A special meeting/ work session of the Board of Directors of the East Creek Metropolitan District No. 1 (the "District") was convened on Wednesday, April 3, 2019 at 1:00 p.m., at the offices of Meritage Homes of Colorado, 8400 E. Crescent Parkway, #200, Greenwood Village, Colorado 80111. The meeting was open to the public.

Directors In Attendance Were:

Glenn Nier
Michael Bird
Matthew Larsen

Following discussion, upon motion duly made by Director Nier, seconded by Director Bird and, upon vote, unanimously carried, the absence of Michele Trujillo was excused.

Also In Attendance Were:

Lisa A. Johnson, Steve Beck, and Judy Leyshon; Special District Management Services, Inc. ("SDMS")

Paula Williams, Esq.; McGeady Becher P.C.

Tiffany Leichman; Sherman & Howard (via speakerphone)

Brooke Hutchens; DA Davidson (via speakerphone)

Natalie Schutzius; Board Candidates

Lucy Dinneen; East Creek Metropolitan District No. 2 Board Candidate

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Williams noted for the

RECORD OF PROCEEDINGS

record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes. It was noted that disclosure statements had been filed with the Secretary of State for all Directors.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the Districts' special meeting/work session.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director Nier, seconded by Director Bird and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries that the District is located to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted within the boundaries of the District but was not filed with the Clerk and Recorder and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Minutes: The Board deferred discussion.

Resignation of Director: The Board deferred discussion.

Consideration of Board Appointment After Publication of Notice of Vacancy: The Board deferred discussion.

Appointment of Officers: The Board deferred discussion.

FINANCIAL MATTERS

Claims: The Board deferred discussion.

2019 Budget Amendment Hearing: The Board deferred discussion.

2018 Application for Exemption from Audit: The Board deferred discussion.

Reimbursement Recommendations for Public Infrastructure Improvement Costs from EVO Consulting Services, Inc.: The Board deferred discussion.

LEGAL MATTERS

Resolution No. 2019-04-02; Regarding the Imposition of District Fees: The Board deferred discussion.

RECORD OF PROCEEDINGS

Issuance of District's General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2019A and the District's Subordinate General Obligation Limited Tax Bonds, Series 2019B: Ms. Leichman and Ms. Hutchens presented to the Board the District's General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2019A and the District's Subordinate General Obligation Limited Tax Bonds, Series 2019B for the purpose of paying or reimbursing the costs of public improvements for the District and authorize the execution of; indentures of trust; a bond purchase agreement; a capital pledge agreement between the District and East Creek Metropolitan District No. 2 ("District No. 2") by which District No. 2 obligates itself to impose taxes and pay over such taxes to the District for the purpose of paying bonds; and all other agreements, documents, instruments, certificates, aforementioned bonds.

No action was taken.

COVENANT ENFORCEMENT/ DESIGN REVIEW

Resolution No. 2019-04-03; Acknowledging and Adopting the Declaration of Covenants, Conditions and Restrictions for East Creek: The Board deferred discussion.

Resolution No. 2019-04-04; Adopting Policies and Procedures Governing the Enforcement of the Protective Covenants of East Creek: The Board deferred discussion.

Resolution No. 2019-04-05; Adopting East Creek Rules and Regulations: The Board deferred discussion.

CONSTRUCTION MATTERS

2018 Development / Construction Outlook: Director Bird gave an update. No action was taken.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded, and upon vote, unanimously carried, the meeting was continued to Wednesday, April 10, 2019 at 9:30 a.m. at the regular meeting location.

Respectfully submitted,

By _____
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A CONTINUED SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE EAST CREEK METROPOLITAN DISTRICT NO. 1 (THE "DISTRICT") HELD APRIL 10, 2019

A continued special meeting of the Board of Directors of the East Creek Metropolitan District No. 1 (the "District") was convened on Wednesday, April 10, 2019 at 9:30 a.m., at the offices of Meritage Homes of Colorado, 8400 E. Crescent Parkway, #200, Greenwood Village, Colorado 80111. The meeting was open to the public.

Directors In Attendance Were:

Glenn Nier
Michele Trujillo
Michael Bird
Matthew Larsen

Also In Attendance Were:

Lisa A. Johnson and Judy Leyshon; Special District Management Services, Inc. ("SDMS")

Paula Williams, Esq.; McGeady Becher P.C.

Natalie Schutzius; Board Candidate

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Williams noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes. It was noted that disclosure statements had been filed for all Directors.

ADMINISTRATIVE Agenda: Ms. Johnson distributed for the Board's review and approval a proposed **MATTERS** Agenda for the Districts' continued special meeting.

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

RECORD OF PROCEEDINGS

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director Nier, seconded by Director Bird and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries that the District is located to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Minutes: The Board discussed the Minutes of the November 29, 2018 Special Meeting.

Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the Minutes of the November 29, 2018 Special Meeting.

Resignation of Director: The resignation of Director Buschar effective as of January 9, 2019 was acknowledged.

Consideration of Board Appointment After Publication of Notice of Vacancy: It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was made on January 24, 2019 in the Aurora Sentinel. No Letters of Interest from qualified eligible electors were received within ten (10) days of the date of such publication.

As such, following discussion and upon motion duly made by Director Nier, seconded by Director Bird to nominate Natalie Schutzius to fill the vacant Board term and, upon vote, unanimously carried, the Board appointed Natalie Schutzius to fill the vacancy created by the resignation of Timothy Buschar. The Oath of Director was administered.

Appointment of Officers: Upon motion duly made by Director Larsen, seconded by Director Bird and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Glenn Nier
Treasurer	Michele Trujillo
Secretary	Lisa A. Johnson
Assistant Secretary	Michael Bird
Assistant Secretary	Matthew Larsen
Assistant Secretary	Natalie Schutzius

RECORD OF PROCEEDINGS

FINANCIAL MATTERS

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

Fund	Period Ending Nov. 27, 2018	Period Ending Dec. 18, 2018	Period Ending Jan. 16, 2019	Period Ending Feb. 21, 2019
General	\$ 11,250.33	\$ 5,346.00	\$ 4,623.50	\$ 8,499.85
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 11,250.33	\$ 5,346.00	\$ 4,623.50	\$ 8,499.85

Fund	Period Ending March 21 2019
General	\$ 1,822.32
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 1,822.32

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

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

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

Following review and discussion, Director Nier moved to adopt the Resolution to Amend 2019 Budget, Director Larsen seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-04-01 to Amend the 2019 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2018 Application for Exemption from Audit: The Board reviewed the Application for Exemption from Audit for 2018.

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

RECORD OF PROCEEDINGS

Reimbursement Recommendations for Public Infrastructure Improvement Costs from EVO Consulting Services, Inc.: The Board discussed Reimbursement Recommendations for Public Infrastructure Improvement Costs from EVO Consulting Services, Inc. under that certain Facilities Funding and Acquisition Agreement dated June 25, 2018.

Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved Reimbursement Recommendations for Public Infrastructure Improvement Costs from EVO Consulting Services, Inc. in the amount of \$ 3,421,822.68 under that certain Facilities Funding and Acquisition Agreement dated June 25, 2018.

LEGAL MATTERS

Resolution No. 2019-04-02; Regarding the Imposition of District Fees: The Board discussed Resolution No. 2019-04-02; Regarding the Imposition of District Fees.

Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-04-02; Regarding the Imposition of District Fees.

Issuance of District's General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2019A and the District's Subordinate General Obligation Limited Tax Bonds, Series 2019B: The Board reviewed a resolution authorizing the issuance of the District's General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2019A and the District's Subordinate General Obligation Limited Tax Bonds, Series 2019B for the purpose of paying or reimbursing the costs of public improvements for the District and authorizing the execution of; indentures of trust; a bond purchase agreement; a capital pledge agreement between the District and East Creek Metropolitan District No. 2 ("District No. 2") by which District No. 2 obligates itself to impose taxes and pay over such taxes to the District for the purpose of paying bonds; and all other agreements, documents, instruments, certificates, aforementioned bonds.

Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the Resolution authorizing the issuance of the District's General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2019A and the District's Subordinate General Obligation Limited Tax Bonds, Series 2019 B in the approximate aggregate principal amount of \$5,500,000 for the purpose of paying or reimbursing the costs of public improvements for the District and authorized the execution of; indentures of trust; a bond purchase agreement; a capital pledge agreement between the District and District

RECORD OF PROCEEDINGS

No. 2 by which District No. 2 obligates itself to impose taxes and pay over such taxes to the District for the purpose of paying bonds; and all other agreements, documents, instruments, certificates, aforementioned bonds.

COVENANT ENFORCEMENT/ DESIGN REVIEW

Resolution No. 2019-04-03; Acknowledging and Adopting the Declaration of Covenants, Conditions and Restrictions for East Creek: The Board discussed Resolution No. 2019-04-03; Acknowledging and Adopting the Declaration of Covenants, Conditions, and Restrictions for East Creek.

Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-04-03; Acknowledging and Adopting the Declaration of Covenants, Conditions, and Restrictions for East Creek.

Resolution No. 2019-04-04; Adopting Policies and Procedures Governing the Enforcement of the Protective Covenants of East Creek: The Board discussed Resolution No. 2019-04-04; Adopting Policies and Procedures Governing the Enforcement of the Protective Covenants of East Creek.

Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-04-04; Adopting Policies and Procedures Governing the Enforcement of the Protective Covenants of East Creek, subject to final review by legal counsel.

Resolution No. 2019-04-05; Adopting East Creek Rules and Regulations: The Board discussed Resolution No. 2019-04-05; Adopting East Creek Rules and Regulations.

Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-04-05; Adopting East Creek Rules and Regulations, subject to final review by legal counsel.

CONSTRUCTION MATTERS

2019 Development / Construction Outlook: Director Bird gave an update on development for 2019.

OTHER BUSINESS There was no other business for discussion at this time.

RECORD OF PROCEEDINGS

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

RESOLUTION TO AMEND 2019 BUDGET
EAST CREEK METROPOLITAN DISTRICT NO. 1

WHEREAS, the Board of Directors of the East Creek Metropolitan District No. 1 adopted a budget and appropriated funds for the fiscal year 2019 as follows:

General Fund	\$	110,726
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WHEREAS, the necessity has arisen to establish a Debt Service Fund and Capital Projects Fund requiring the unanticipated expenditure of funds for the fiscal year 2019; and

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

WHEREAS, funds are available for such expenditures in the Debt Service Fund from Bond proceeds; and

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from Bond proceeds; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Creek Metropolitan District No. 1 shall and hereby does amend the adopted Budget for the fiscal year 2019 and adopts a supplemental budget and appropriation for the Debt Service Fund and Capital Projects Fund for the fiscal year 2019, as follows:

Debt Service Fund	\$	5,000,000
Capital Projects Fund	\$	5,000,000

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

DATED this 10th day of April, 2019.

EAST CREEK METROPOLITAN DISTRICT NO. 1

By: 
Secretary

RESOLUTION NO. 2019-04-02

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST CREEK METROPOLITAN DISTRICT NO. 1 REGARDING THE
IMPOSITION OF DISTRICT FEES

A. East Creek Metropolitan District No. 1 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado located in the City of Aurora, Colorado.

B. The District’s boundaries are described in the legal description attached hereto as Exhibit A, which legal description may be amended from time to time, pursuant to the inclusion and/or exclusion of property into or from the District (the “**Property**”).

C. The District, pursuant to its Service Plan and the Intergovernmental Agreement with the City of Aurora, is authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance and provide for the operation and maintenance of certain street improvements, safety protection improvements, park and recreation improvements and related irrigation systems, television relay and translator facilities, and mosquito and pest control systems (the “**District Improvements**”).

D. The Property will benefit from the District Improvements and the Districts’ operation and maintenance of the same.

E. The District is authorized pursuant to Section 32-1-1001(1)(j)(I), C.R.S., and its Service Plan to fix fees and charges for capital costs and operation and maintenance costs.

F. The District has determined that, to meet the costs associated with the District Improvements and the cost of operating and maintaining the District Improvements, it is necessary to impose an Operations and Maintenance Fee and a Capital Working Fee on the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EAST CREEK METROPOLITAN DISTRICT NO. 1, ARAPAHOE COUNTY, COLORADO, AS FOLLOWS:

1. The Board of Directors hereby finds, determines and declares that it is in the best interests of the District, its inhabitants and taxpayers to exercise its power by imposing the following fees:

(a) Operations Fee.

(i) The Board hereby imposes an Operations and Maintenance Fee (the “**Operations Fee**”) in the amount of \$720.00 per year on each residential lot (each, a “**Lot**”) within the District. The District reserves the right to amend this resolution in the future to increase or decrease the amount of the Operations Fee.

(ii) An invoice for the Operations Fee payable for the full calendar year will be mailed to each property owner (“**Owner**”) on or before the 1st day of January each year (the “**Bill Date**”). The Owner shall have the right to pay the Operations Fee for said calendar year in one installment on or before January 15th, in which event, the Owner shall be entitled to a five percent (5%) discount. Alternatively, the Owner may pay in twelve (12) monthly installments of \$60.00 each which shall be due on or before the 15th of each month and shall be prorated for any partial month. If

payment in full is not received by the 30th day of any calendar month (the “**Past Due Date**”), the fee is deemed past due and otherwise outstanding. A “Reminder Notice” may be, but is not required to be, sent at such time.

(iii) Failure to make payment of any Operations Fees due hereunder shall constitute a default in the payment of such Operations Fees. Upon default, simple interest shall accrue on such unpaid installment of the Operations Fee due at the rate of eighteen (18%) percent per annum until paid, as permitted by Section 29-1-1102(7), C.R.S.

(iv) If the Owner does not make payment of all past due amounts, including interest (the “**Delinquent Balance**”), within 60 days from the Past Due Date, the District may deliver to the Owner a Notice of Intent to File a Lien Statement (a “**Lien Notice**”). The Lien Notice shall give notice to the Owner that the District intends to perfect its lien against the Property by recording a Lien Statement in the office of the Adams County Clerk and Recorder if the Delinquent Balance is not paid in full within thirty (30) days after said Lien Notice is served upon Owner by certified mail, return receipt requested, pursuant to Section 38-22-109(3), C.R.S.

(b) Working Capital Fee.

(i) The Board hereby imposes a Working Capital Fee (the “**Working Capital Fee**” and, collectively with the Operations Fee, the “**Fees**”) in the amount of \$300.00 per Lot and shall be due and payable at the time of any sale, transfer or re-sale of any single-family dwelling unit constructed on a Lot which has a certificate of occupancy.

2. The Fees shall not be imposed on real property actually conveyed or dedicated to non-profit owners’ associations, governmental entities or utility providers.

3. The Fees shall constitute a statutory and perpetual charge and lien upon the Property pursuant to Section 32-1-1001(1)(j), C.R.S., from the date the same becomes due and payable until paid. The lien shall be perpetual in nature as defined by the laws of the State of Colorado on the Property and shall run with the land and such lien may be foreclosed by the District in the same manner as provided by the laws of Colorado for the foreclosure of mechanics’ liens. This Resolution shall be recorded in the real property records of the Clerk and Recorder of Arapahoe County, Colorado.

4. The District shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting Owner shall pay all costs, including attorney fees, incurred by the District in connection with the foregoing. In foreclosing such lien, the District will enforce the lien only to the extent necessary to collect the Delinquent Balance and costs of collection (including, but not limited to, reasonable attorney fees).


5. Judicial invalidation of any of the provisions of the Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances shall not affect the validity of the remainder of the Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

6. Any inquiries pertaining to the Fees may be directed to the District's Manager at: Lisa Johnson, Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, phone number: 303-987-0835.

7. This Resolution shall take effect immediately upon its adoption and approval.

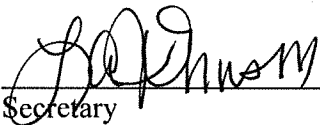
APPROVED AND ADOPTED THIS 10 day of April, 2019.

**EAST CREEK METROPOLITAN DISTRICT
NO. 1**, a quasi-municipal corporation and
political subdivision of the State of Colorado

By: 

President

Attest:

By: 

Secretary

EXHIBIT A

Legal Description of the Property

Lots 1 through 13, inclusive, Block 1,
Lots 1 through 5, inclusive, Block 2,
Lots 1 through 22, inclusive, Block 3,
Lots 1 through 24, inclusive, Block 4,
Lots 1 through 20, inclusive, Block 5,
Lots 1 through 20, inclusive, Block 6,
Lots 1 through 26, inclusive, Block 7,
Lots 1 through 16, inclusive, Block 8,
East Creek Subdivision Filing No. 1,
County of Arapahoe, State of Colorado

RESOLUTION NO. 2019-04-03

**RESOLUTION OF EAST CREEK METROPOLITAN DISTRICT NO. 1
ACKNOWLEDGING AND ADOPTING THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR EAST CREEK**

1. East Creek Metropolitan District No. 1 (the “**District**”) is a duly and regularly created, established, organized, and existing metropolitan district, existing as such under and pursuant to Title 32, Article 1 of the Colorado Revised Statutes, as amended (“**C.R.S.**”).

2. Meritage Homes of Colorado, Inc., an Arizona corporation (the “**Developer**”), the master developer of the East Creek project (the “**Property**”) has executed a Declaration of Covenants, Conditions and Restrictions for East Creek (the “**Declaration**”) for the Property recorded in the real property records of Arapahoe County, State of Colorado, on March 22, 2019 at Reception No. D9024748, as the same may be amended from time to time, and which Declaration declares that the Property is and shall be subject to the Declaration and shall be owned, held, conveyed, encumbered, leased, improved, used, occupied, enjoyed, sold, transferred, hypothecated, maintained, altered and otherwise enjoyed in accordance with and subject to the covenants and use restrictions contained therein.

3. The Declaration provides that East Creek Metropolitan District No. 1 shall enforce each of the provisions provided therein.

4. Section 32-1-1004(8), C.R.S. authorizes Title 32 metropolitan districts to furnish covenant enforcement and design review services within the district if the declaration, rules and regulations, or similar document containing the covenants to be enforced for the area within the metropolitan district named the district as the enforcement or design review entity.

5. The Declaration assigns to the District all duties, rights and obligations to enforce the Declaration and to promulgate the Guidelines with respect to real property within the boundaries of the District that is subject to the Declaration.

6. The Board of Directors of the District (the “**Board**”) wishes to adopt the Declaration as an official policy of the District and to acknowledge the duties, obligations and rights assigned to the District pursuant to such Declaration.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
EAST CREEK METROPOLITAN DISTRICT NO. 1, COUNTY OF ARAPAHOE,
COLORADO, AS FOLLOWS:**

1. The foregoing Recitals are incorporated into and made a substantive part of this Resolution.

2. The Board hereby determines that it is in the best interests of the District and its property owners and users for the District to accept the assignment of all duties, rights and obligations under the Declaration and to provide the covenant enforcement and design review services established thereby.

3. The Board hereby authorizes and directs the officers of the District and District staff to take all actions necessary to execute the duties, rights and obligations assigned to the District by the Declaration.

4. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase, or word hereof, or the application thereof in any given circumstance, shall not affect the validity of the remainder of this Resolution, which shall be given effect in accordance with the manifest intent hereof.

5. This Resolution shall be effective upon recording of the Declaration in the Office of the Clerk and Recorder for Arapahoe County, Colorado.

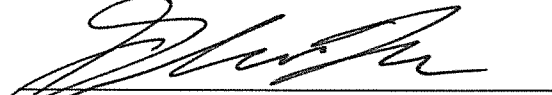
[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION OF
EAST CREEK METROPOLITAN DISTRICT NO. 1
ACKNOWLEDGING AND ADOPTING THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR EAST CREEK]

APPROVED AND ADOPTED on 4-10, 2019.

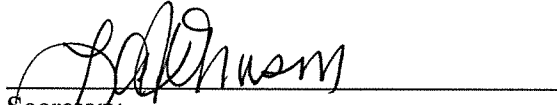
EAST CREEK METROPOLITAN
DISTRICT NO. 1

By:



President

Attest:



Secretary



MEMORANDUM

To: Special District Board of Directors
From: McGeady Becher
Date: October 23, 2019
Re: Legislative Changes to Public Meeting Notice Requirements

Introduction

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

Under Colorado’s Open Meetings Law, a local government is deemed to have given full and timely notice so long as the notice of the meeting is posted in a designated public place within the boundaries of the local government (“**Designated Public Place**”) no less than 24 hours prior to the holding of the meeting (see Section 24-6-402(2)(c)(I), C.R.S.). This provision remains the same in HB 19-1087. However, with the passage of HB 19-1087, special districts will no longer have the additional requirement under Title 32 to post notices in three different places within the boundaries of the district and at the office of the local county clerk and recorder. In addition, special districts will no longer be required to post notices of special board meetings be at least 72 hours prior to the meeting. Instead, special meetings will now have the same 24-hour posting requirements as regular meetings.

New Public Meeting Notice Requirements pursuant to HB 19-1087

With the passage of HB 19-1087, effective as of August 2, 2019, special districts have the option of satisfying the public notice requirements of the Open Meetings Law and Title 32 by posting notices of regular and special meetings, with specific agenda information if available, on a public website of the special district (“**District Website**”) instead of posting at the Designated Public Place at least 24 hours in advance of the meeting. If a district is unable to post a notice on its District Website--for example, if a district is in the process of establishing the website--the

district will be deemed to have given full and timely notice if it posts its meeting notices in the Designated Public Place at least 24 hours prior to the meeting.

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

Establishing a District Website

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

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

Designate a Physical Posting Location

A local government must identify a Designated Public Place within its boundaries at which it may physically post its regular and special meeting notices at least 24 hours prior to the meetings. If the local government has not yet established a website, it must post meeting notices at the Designated Public Place. If it has a website and posts meeting notices online, it may also choose to post at the Designated Public Place at its discretion. However, if an exigent or emergency circumstance such as a power outage or interruption in internet service occurs which would prevent online posting 24 hours prior to the meeting, the local government must post at the Designated Public Place in order to give proper notice.

Recommended Action

The legislature will be closely monitoring the transition to providing notices of public meetings online over the next two years and, if significant progress is not made, it will enact legislation mandating the online posting, except in very narrow circumstances that are beyond the control of a local government.

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

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

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



**ELIGIBLE GOVERNMENTAL ENTITY AGREEMENT BETWEEN
THE STATEWIDE INTERNET PORTAL AUTHORITY OF THE STATE OF
COLORADO AND EAST CREEK METROPOLITAN DISTRICT NO. 1**

This Eligible Governmental Entity Agreement ("Agreement") by and between the Colorado Statewide Internet Portal Authority ("SIPA"), and East Creek Metropolitan District No. 1 .

("EGE") (each a "Party" and collectively "Parties"), is made and entered into on this _____ day of _____, 2019.

RECITALS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11. Miscellaneous Provisions

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

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

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

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

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

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

If to SIPA:

Statewide Internet Portal Authority

Attn: EGE Administrator

Street Address: 1300 Broadway, Suite 440

City, State, Zip: Denver, CO 80203

Phone: (720) 409-5634

Fax: (720) 409-5642

Email: sipa@cosipa.gov

If to EGE: East Creek Metropolitan District No. 1

c/o Special District Management Services, Inc.

Attn: Lisa A. Johnson, District Manager

Street Address: 141 Union Boulevard, Suite 150

City, State, Zip: Lakewood, CO 80228

Phone: 303/987-0835

Fax: 303/987-2032

Email: ljohnson@sdmsi.com

And/or: McGeady Becher P.C.

Attn: Paula Williams, Esq

Street Address: 450 E. 17th Avenue, Suite 400

City, State, Zip: Denver, CO 80203

Phone: 303/592-4380

Fax: 303/592-4385

Email: pwilliams@specialdistrictlaw.com

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

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

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

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

Date: _____

Name:

Title:

Entity: Statewide Internet Portal Authority

Date: _____

Name: Glenn Nier

Title: President

Entity: East Creek Metropolitan District No. 1

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

Phone: 303/987-0835

Email: ljohnson@sdmsi.com -- glenn.nier@meritagehomes.com

East Creek Metropolitan District No.1
April-19

	General	Debt	Capital	Totals
Disbursements	\$ 13,813.85	\$ -	\$ -	\$ 13,813.85
Total Disbursements from Checking Acct	\$ 13,813.85	\$0.00	\$0.00	\$ 13,813.85

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1015						
04/09/2019	EVO Consulting Service	1110	Miscellaneous	1-685	3,815.00	3,815.00
Total 1015:						<u>3,815.00</u>
1016						
04/09/2019	McGeady Becher P.C.	1346W 2/19	Legal	1-675	3,560.00	3,560.00
Total 1016:						<u>3,560.00</u>
1017						
04/09/2019	Special Dist Manageme	MARCH 2019 1	Management	1-680	3,728.50	3,728.50
04/09/2019	Special Dist Manageme	MARCH 2019 1	Accounting	1-612	798.00	798.00
04/09/2019	Special Dist Manageme	MARCH 2019 1	Covenant Control/C	1-710	114.00	114.00
04/09/2019	Special Dist Manageme	MARCH 2019 1	Miscellaneous	1-685	83.31	83.31
04/09/2019	Special Dist Manageme	MARCH 2019 2	Management	1-680	1,429.50	1,429.50
04/09/2019	Special Dist Manageme	MARCH 2019 2	Accounting	1-612	252.00	252.00
04/09/2019	Special Dist Manageme	MARCH 2019 2	Miscellaneous	1-685	33.54	33.54
Total 1017:						<u>6,438.85</u>
Grand Totals:						<u><u>13,813.85</u></u>

East Creek Metropolitan District No.1
May-19

	General		Debt		Capital		Totals
Disbursements	\$	8,616.69	\$	-	\$	-	\$ 8,616.69
Total Disbursements from Checking Acct	\$	8,616.69		\$0.00		\$0.00	\$ 8,616.69

LR 5/31/19

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1020 <i>M</i> 05/14/2019	Aurora Media Group	94524	Miscellaneous	1-685	16.84	16.84
Total 1020:						16.84
1021 <i>M</i> 05/14/2019	McGeady Becher P.C.	1346W 3/19	Legal	1-675	3,155.50	3,155.50
Total 1021:						3,155.50
1022 <i>C</i> 05/14/2019	Special Dist Manageme	APRIL 2019	Management	1-680	2,600.50	2,600.50
05/14/2019	Special Dist Manageme	APRIL 2019	Accounting	1-612	1,442.00	1,442.00
05/14/2019	Special Dist Manageme	APRIL 2019	Covenant Control/C	1-710	266.05	266.05
05/14/2019	Special Dist Manageme	APRIL 2019	Miscellaneous	1-685	266.00	266.00
05/14/2019	Special Dist Manageme	APRIL 2019 2	Management	1-680	728.00	728.00
05/14/2019	Special Dist Manageme	APRIL 2019 2	Covenant Control/C	1-710	28.50	28.50
05/14/2019	Special Dist Manageme	APRIL 2019 2	Miscellaneous	1-685	113.30	113.30
Total 1022:						5,444.35
Grand Totals:						8,616.69

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1020						
05/14/2019	Aurora Media Group	94524	Miscellaneous	1-685	16.84	16.84
Total 1020:						16.84
1021						
05/14/2019	McGeady Becher P.C.	1346W 3/19	Legal	1-675	3,155.50	3,155.50
Total 1021:						3,155.50
1022						
05/14/2019	Special Dist Manageme	APRIL 2019	Management	1-680	2,600.50	2,600.50
05/14/2019	Special Dist Manageme	APRIL 2019	Accounting	1-612	1,442.00	1,442.00
05/14/2019	Special Dist Manageme	APRIL 2019	Covenant Control/C	1-710	266.05	266.05
05/14/2019	Special Dist Manageme	APRIL 2019	Miscellaneous	1-685	266.00	266.00
05/14/2019	Special Dist Manageme	APRIL 2019 2	Management	1-680	728.00	728.00
05/14/2019	Special Dist Manageme	APRIL 2019 2	Covenant Control/C	1-710	28.50	28.50
05/14/2019	Special Dist Manageme	APRIL 2019 2	Miscellaneous	1-685	113.30	113.30
Total 1022:						5,444.35
Grand Totals:						8,616.69

East Creek Metropolitan District No.1
June-19

	<u>General</u>		<u>Debt</u>		<u>Capital</u>		<u>Totals</u>
Disbursements	\$ 3,708.72	\$	-	\$	-	\$	3,708.72
Total Disbursements from Checking Acct	\$ 3,708.72		\$0.00		\$0.00	\$	3,708.72

DS 6/27/19

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1023 <i>M</i> 06/17/2019	McGeady Becher P.C.	1346W 4/19	Legal	1-675	2,585.57	2,585.57
Total 1023:						<u>2,585.57</u>
1024 <i>A</i> 06/17/2019	Special Dist Manageme	MAY 2019 1	Management	1-680	401.00	401.00
06/17/2019	Special Dist Manageme	MAY 2019 1	Accounting	1-612	322.00	322.00
06/17/2019	Special Dist Manageme	MAY 2019 1	Election	1-635	14.00	14.00
06/17/2019	Special Dist Manageme	MAY 2019 1	Covenant Control/C	1-710	95.00	95.00
06/17/2019	Special Dist Manageme	MAY 2019 1	Miscellaneous	1-685	19.95	19.95
06/17/2019	Special Dist Manageme	MAY 2019 2	Management	1-680	238.00	238.00
06/17/2019	Special Dist Manageme	MAY 2019 2	Accounting	1-612	14.00	14.00
06/17/2019	Special Dist Manageme	MAY 2019 2	Election	1-635	14.00	14.00
06/17/2019	Special Dist Manageme	MAY 2019 2	Miscellaneous	1-685	5.20	5.20
Total 1024:						<u>1,123.15</u>
Grand Totals:						<u><u>3,708.72</u></u>

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1023						
06/17/2019	McGeady Becher P.C.	1346W 4/19	Legal	1-675	2,585.57	<u>2,585.57</u>
Total 1023:						<u>2,585.57</u>
1024						
06/17/2019	Special Dist Manageme	MAY 2019 1	Management	1-680	401.00	401.00
06/17/2019	Special Dist Manageme	MAY 2019 1	Accounting	1-612	322.00	322.00
06/17/2019	Special Dist Manageme	MAY 2019 1	Election	1-635	14.00	14.00
06/17/2019	Special Dist Manageme	MAY 2019 1	Covenant Control/C	1-710	95.00	95.00
06/17/2019	Special Dist Manageme	MAY 2019 1	Miscellaneous	1-685	19.95	19.95
06/17/2019	Special Dist Manageme	MAY 2019 2	Management	1-680	238.00	238.00
06/17/2019	Special Dist Manageme	MAY 2019 2	Accounting	1-612	14.00	14.00
06/17/2019	Special Dist Manageme	MAY 2019 2	Election	1-635	14.00	14.00
06/17/2019	Special Dist Manageme	MAY 2019 2	Miscellaneous	1-685	5.20	5.20
Total 1024:						<u>1,123.15</u>
Grand Totals:						<u><u>3,708.72</u></u>

East Creek Metropolitan District No.1

July-19

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 1,717.29	\$ -	\$ -	\$ 1,717.29
Total Disbursements from Checking Acct	\$ 1,717.29	\$0.00	\$0.00	\$ 1,717.29

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1025						
07/18/2019	Aurora Media Group	70271	Miscellaneous	1-685	16.84	16.84
Total 1025:						16.84
1026						
07/18/2019	McGeady Becher P.C.	1346W 5/19	Legal	1-675	698.00	698.00
Total 1026:						698.00
1027						
07/18/2019	Special Dist Manageme	JUNE 2019 1	Management	1-680	248.00	248.00
07/18/2019	Special Dist Manageme	JUNE 2019 1	Accounting	1-612	364.00	364.00
07/18/2019	Special Dist Manageme	JUNE 2019 1	Covenant Control/C	1-710	332.50	332.50
07/18/2019	Special Dist Manageme	JUNE 2019 1	Miscellaneous	1-685	9.95	9.95
07/18/2019	Special Dist Manageme	JUNE 2019 2	Management	1-680	28.00	28.00
07/18/2019	Special Dist Manageme	JUNE 2019 2	Accounting	1-612	14.00	14.00
07/18/2019	Special Dist Manageme	JUNE 2019 2	Miscellaneous	1-685	6.00	6.00
Total 1027:						1,002.45
Grand Totals:						1,717.29

East Creek Metropolitan District No.1
August-19

	General	Debt	Capital	Totals
Disbursements	\$ 947.18	\$ -	\$ -	\$ 947.18
Total Disbursements from Checking Acct	\$ 947.18	\$0.00	\$0.00	\$ 947.18

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1028						
08/28/2019	Special Dist Manageme	JULY 2019 1	Management	1-680	324.00	324.00
08/28/2019	Special Dist Manageme	JULY 2019 1	Accounting	1-612	406.00	406.00
08/28/2019	Special Dist Manageme	JULY 2019 1	Covenant Control/C	1-710	161.50	161.50
08/28/2019	Special Dist Manageme	JULY 2019 1	Miscellaneous	1-685	21.81	21.81
08/28/2019	Special Dist Manageme	JULY 2019 2	Accounting	1-612	14.20	14.20
Total 1028:						<u>927.51</u>
1029						
08/28/2019	Waste Management of	5983411-2514-	Trash and Recycling	1-736	19.67	19.67
Total 1029:						<u>19.67</u>
Grand Totals:						<u><u>947.18</u></u>

East Creek Metropolitan District No.1
September-19

	General	Debt	Capital	Totals
Disbursements	\$ 3,434.45	\$ -	\$ -	\$ 3,434.45
Total Disbursements from Checking Acct	\$ 3,434.45	\$0.00	\$0.00	\$ 3,434.45

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1030						
09/17/2019	McGeady Becher P.C.	1346W 8/31	Legal	1-675	305.10	305.10
Total 1030:						305.10
1031						
09/17/2019	Special Dist Manageme	AUGUST 2019	Management	1-680	1,197.50	1,197.50
09/17/2019	Special Dist Manageme	AUGUST 2019	Miscellaneous	1-685	27.40	27.40
09/17/2019	Special Dist Manageme	AUGUST 2019	Accounting	1-612	1,288.00	1,288.00
09/17/2019	Special Dist Manageme	AUGUST 2019	Covenant Control/C	1-710	266.00	266.00
09/17/2019	Special Dist Manageme	AUGUST 2019	Miscellaneous	1-685	2.00	2.00
09/17/2019	Special Dist Manageme	AUGUST 2019	Accounting	1-612	182.00	182.00
09/17/2019	Special Dist Manageme	AUGUST 2019	Management	1-680	84.00	84.00
Total 1031:						3,046.90
1032						
09/17/2019	Waste Management of	6018039-2514-	Trash and Recycling	1-736	82.45	82.45
Total 1032:						82.45
Grand Totals:						3,434.45

East Creek Metropolitan District No.1
October-19

	General	Debt	Capital	Totals
Disbursements	\$ 1,754.86	\$ -	\$ -	\$ 1,754.86
Total Disbursements from Checking Acct	\$ 1,754.86	\$0.00	\$0.00	\$ 1,754.86

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1033						
10/22/2019	Special Dist Manageme	SEPTEMBER 2	Accounting	1-612	714.00	714.00
10/22/2019	Special Dist Manageme	SEPTEMBER 2	Management	1-680	108.00	108.00
10/22/2019	Special Dist Manageme	SEPTEMBER 2	Covenant Control/C	1-710	256.50	256.50
10/22/2019	Special Dist Manageme	SEPTEMBER 2	Miscellaneous	1-685	128.60	128.60
10/22/2019	Special Dist Manageme	SEPTEMBER 2	Billing & Collection	1-721	143.00	143.00
10/22/2019	Special Dist Manageme	SEPTEMBER 2	Accounting	1-612	113.70	113.70
Total 1033:						<u>1,463.80</u>
1034						
10/22/2019	Waste Management of	6078213-2514-	Trash and Recycling	1-736	291.06	291.06
Total 1034:						<u>291.06</u>
Grand Totals:						<u><u>1,754.86</u></u>

EAST CREEK METROPOLITAN DISTRICT NO. 1

FINANCIAL STATEMENTS

September 30, 2019

EAST CREEK METROPOLITAN DISTRICT NO. 1
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 2019

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>LONG-TERM DEBT</u>	<u>TOTAL</u>
Assets					
Cash in Bank-1st Bank	\$ 28,378	\$ 14,361	\$ -	\$ -	\$ 42,739
Prepaid Expenses	943	-	-	-	943
UMB Sr. Bond Fund 149658.1	-	426,687	-	-	426,687
UMB Reserve Fund 149658.2	-	323,303	-	-	323,303
UMB Sr. Proj Fd Rest 658.4	-	-	400,957	-	400,957
UMB Sub Proj Fd Rest 659.2	-	-	64,638	-	64,638
Total Current Assets	<u>29,321</u>	<u>764,351</u>	<u>465,595</u>	<u>-</u>	<u>1,259,267</u>
Other Debits					
Amount in Debt Service Fund	-	-	-	795,796	795,796
Amount to be Provided for Debt	-	-	-	3,798,204	3,798,204
Total Other Debits	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,594,000</u>	<u>4,594,000</u>
Total Assets	<u>\$ 29,321</u>	<u>\$ 764,351</u>	<u>\$ 465,595</u>	<u>\$ 4,594,000</u>	<u>\$ 5,853,267</u>
Liabilities					
Due To District 2	\$ 938	\$ -	\$ -	\$ -	\$ 938
Bonds Payable 2019A	-	-	-	4,010,000	4,010,000
Bonds Payable 2019B	-	-	-	584,000	584,000
Total Liabilities	<u>938</u>	<u>-</u>	<u>-</u>	<u>4,594,000</u>	<u>4,594,938</u>
Fund Balance	(7,707)	-	-	-	(7,707)
Current Year Earnings	36,090	764,351	465,595	-	1,266,035
Total Fund Balances	<u>28,384</u>	<u>764,351</u>	<u>465,595</u>	<u>-</u>	<u>1,258,329</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 29,321</u>	<u>\$ 764,351</u>	<u>\$ 465,595</u>	<u>\$ 4,594,000</u>	<u>\$ 5,853,267</u>

EAST CREEK METROPOLITAN DISTRICT NO. 1
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the 9 Months Ending
September 30, 2019

	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Under/(Over) Budget</u>	<u>% of Budget</u>
Revenues					
Property Tax Revenue	\$ -	\$ 31,155	\$ 31,374	\$ 219	99.3%
Specific Ownership Taxes	234	1,620	-	(1,620)	-
O & M Fees	-	3,661	4,410	749	83.0%
Developer Advance	-	41,023	77,440	36,417	53.0%
Miscellaneous Income	-	29	-	(29)	-
Total Revenues	<u>234</u>	<u>77,488</u>	<u>113,224</u>	<u>35,736</u>	<u>68.4%</u>
Expenditures					
Accounting	-	7,112	8,000	888	88.9%
Audit	-	42	1,000	958	4.2%
Election	-	28	-	(28)	-
Insurance/SDA Dues	-	1,675	3,500	1,825	47.8%
Legal	305	12,184	15,000	2,816	81.2%
Management	1,282	13,729	15,000	1,272	91.5%
Miscellaneous	39	4,615	3,000	(1,615)	153.8%
Treasurer's Fees	-	467	471	4	99.2%
Covenant Control/Comm Mgmt	-	1,444	14,345	12,901	10.1%
Maintenance	-	-	2,000	2,000	0.0%
Landscaping	-	-	28,480	28,480	0.0%
Fencing	-	-	1,500	1,500	0.0%
Trash and Recycling	-	102	-	(102)	-
Park	-	-	4,680	4,680	0.0%
Utilites	-	-	7,500	7,500	0.0%
Monuments	-	-	1,000	1,000	0.0%
Mailboxes	-	-	750	750	0.0%
Contingency	-	-	3,000	3,000	0.0%
Emergency Reserve	-	-	1,500	1,500	0.0%
Total Expenditures	<u>1,626</u>	<u>41,398</u>	<u>110,726</u>	<u>69,328</u>	<u>37.4%</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,392)	36,090	2,498	(33,592)	
Beginning Fund Balance	29,775	(7,707)	-	7,707	
Ending Fund Balance	<u>\$ 28,384</u>	<u>\$ 28,384</u>	<u>\$ 2,498</u>	<u>\$ (25,886)</u>	

EAST CREEK METROPOLITAN DISTRICT NO. 1
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Debt Service Fund
For the 9 Months Ending
September 30, 2019

	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Under/(Over) Budget</u>	<u>% of Budget</u>
Revenues					
Bond Proceeds 2019A	\$ -	\$ 4,010,000	\$ -	\$ (4,010,000)	-
Bond Proceeds 2019B	-	584,000	-	(584,000)	-
Interest Income	-	8,568	-	(8,568)	-
Total Revenues	<u>-</u>	<u>4,602,568</u>	<u>-</u>	<u>(4,602,568)</u>	<u>-</u>
Expenditures					
Bond Interest	-	26,316	-	(26,316)	-
Bond Discount 2019A	-	80,200	-	(80,200)	-
Bond Discount 2019B	-	17,520	-	(17,520)	-
Bond Issuance Costs	-	186,081	-	(186,081)	-
Paying Agent Fees	-	9,000	-	(9,000)	-
Miscellaneous Fees	-	741	-	(741)	-
Total Expenditures	<u>-</u>	<u>319,858</u>	<u>-</u>	<u>(319,858)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	-	4,282,710	-	(4,282,710)	
Other Financing Sources (Uses)					
Transfer to Capital Projects	-	(3,518,360)	-	3,518,360	
Other Financing Sources (Uses)	<u>-</u>	<u>(3,518,360)</u>	<u>-</u>	<u>3,518,360</u>	
Change in Fund Balance	-	764,351	-	(764,351)	
Beginning Fund Balance	764,351	-	-	-	
Ending Fund Balance	<u>\$ 764,351</u>	<u>\$ 764,351</u>	<u>\$ -</u>	<u>\$ (764,351)</u>	

EAST CREEK METROPOLITAN DISTRICT NO. 1
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
For the 9 Months Ending
September 30, 2019

	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Under/(Over) Budget</u>	<u>% of Budget</u>
Revenues					
Transfer from Debt Service	\$ -	\$ 3,518,360	\$ -	\$ (3,518,360)	-
Interest Income	-	5,025	-	(5,025)	-
Total Revenues	<u>-</u>	<u>3,523,385</u>	<u>-</u>	<u>(3,523,385)</u>	<u>-</u>
Expenditures					
Legal	-	-	-	-	-
Management	-	-	-	-	-
Miscellaneous	-	430	-	(430)	-
Infrastructure	-	3,057,360	-	(3,057,360)	-
Construction Mgt	-	-	-	-	-
Engineering	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>3,057,790</u>	<u>-</u>	<u>(3,057,790)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	-	465,595	-	(465,595)	
Beginning Fund Balance	465,595	-	-	-	
Ending Fund Balance	<u>\$ 465,595</u>	<u>\$ 465,595</u>	<u>\$ -</u>	<u>\$ (465,595)</u>	

EAST CREEK METROPOLITAN DISTRICT NO. 1
Schedule of Cash Position
September 30, 2019

	Rate	Operating	Debt Service	Capital Projects	Total
Checking:					
Cash in Bank-1st Bank		\$ 28,378.17	\$ 14,361.05	\$ -	\$ 42,739.22
TOTAL FUNDS:		\$ 28,378.17	\$ 14,361.05	\$ -	\$ 42,739.22

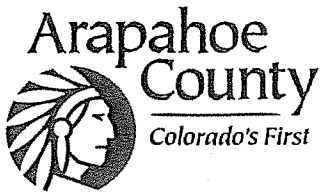
2019 Mill Levy Information

Certified General Fund Mill Levy	65.277
Certified Debt Service Fund Mill Levy	-
Total Certified Mill Levy	65.277

Board of Directors

Glenn Nier	*
Michele Trujillo	*
Michael Bird	*
Matthew Larsen	*
Natalie Schutzius	*
Lisa Johnson	

*Authorized signer on Checking Account



PK Kaiser, MBA, MS

Assessor

OFFICE OF THE ASSESSOR
5334 S. Prince Street
Littleton, CO 80120-1136
Phone: 303-795-4600
TDD: Relay-711
Fax:303-797-1295
www.arapahoegov.com/assessor

August 23, 2019

AUTH 4262 EAST CREEK METROPOLITAN
DISTRICT #1
SPECIAL DISTRICT MANAGEMENT
SERVICES INC
C/O LISA A. JOHNSON
141 UNION BLVD SUITE 150
LAKEWOOD CO 80228

Code # 4262

CERTIFICATION OF VALUATION

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2019 of:

\$1,534,415

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

PK Kaiser, MBA, MS
Arapahoe County Assessor

enc

CERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity YES NO

Date: August 23, 2019

NAME OF TAX ENTITY: EAST CREEK METRO DISTRICT #1

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

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

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1. \$	480,625
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2. \$	1,534,415
3. <u>LESS</u> TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$	1,534,415
5. NEW CONSTRUCTION: *	5. \$	0
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6. \$	0
7. ANNEXATIONS/INCLUSIONS:	7. \$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8. \$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9. \$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10. \$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11. \$	0

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

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

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2019:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1. \$	5,291,054
ADDITIONS TO TAXABLE REAL PROPERTY		
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2. \$	0
3. ANNEXATIONS/INCLUSIONS:	3. \$	0
4. INCREASED MINING PRODUCTION: §	4. \$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7. \$	0

DELETIONS FROM TAXABLE REAL PROPERTY

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

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

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

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

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1. \$	0
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NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

EAST CREEK METROPOLITAN DISTRICT NO. 1
Assessed Value, Property Tax and Mill Levy Information

	2018 Actual	2019 Adopted Budget	2020 Preliminary Budget
Assessed Valuation	\$ -	\$ 480,625	\$ 1,534,415
Mill Levy			
General Fund	-	65.277	11.133
Debt Service Fund	-	-	55.664
Aurora Regional Improvement (ARI)	-	-	1.113
Total Mill Levy	<u>-</u>	<u>65.277</u>	<u>67.910</u>
Property Taxes			
General Fund	\$ -	\$ 31,374	\$ 17,083
Debt Service Fund	-	-	85,412
Aurora Regional Improvement (ARI)	-	-	1,708
Actual/Budgeted Property Taxes	<u>\$ -</u>	<u>\$ 31,374</u>	<u>\$ 104,203</u>

EAST CREEK METROPOLITAN DISTRICT NO. 1

**GENERAL FUND
2020 Preliminary Budget
with 2018 Actual, 2019 Adopted Budget, and 2019 Estimated**

	2018 Actual	01/19-09/19 YTD Actual	2019 Adopted Budget	2019 Estimated	2020 Preliminary Budget
BEGINNING FUND BALANCE	\$ -	\$ (7,707)	\$ -	\$ (7,707)	\$ -
REVENUE					
Property Tax Revenue	-	31,155	31,374	31,374	17,083
Specific Ownership Taxes	-	1,620	-	2,400	1,025
Developer Advance	11,250	41,023	77,440	71,372	3,000
O & M Fees	-	3,661	4,410	4,410	105,120
ARI Fees	-	-	-	-	1,708
Miscellaneous Income	-	29	-	29	-
Total Funds Available	11,250	69,781	113,224	97,439	127,936
EXPENDITURES					
Accounting	1,680	7,112	8,000	9,000	8,000
Management	8,092	13,729	15,000	16,000	15,000
Audit	-	42	1,000	42	5,000
Election	-	28	-	28	1,500
Legal	8,287	12,184	15,000	15,000	15,000
Insurance/SDA Dues	441	1,675	3,500	1,675	3,500
Miscellaneous	457	4,615	3,000	5,000	3,000
Treasurer's Fees	-	467	471	471	256
Covenant Control/Comm Mgmt	-	1,444	14,345	14,345	14,345
Drainage	-	-	2,000	2,000	2,000
Landscaping & Snow Removal	-	-	28,480	28,480	28,480
Fencing	-	-	1,500	1,500	1,500
Trash and Recycling	-	102	-	200	200
Park	-	-	4,680	4,680	4,680
Utilites	-	-	7,500	-	7,500
Monuments	-	-	1,000	-	1,000
Mailboxes	-	-	750	-	750
Billing & Collections	-	-	-	-	7,200
Covenant Enforcement - Legal	-	-	-	-	2,500
Contingency	-	-	3,000	-	3,000
Total Expenditures	18,957	41,398	109,226	98,421	124,411
Transfers and Other Uses					
Emergency Reserve	-	-	1,500	-	3,838
Transfer from District No. 2	-	-	-	981	5,124
ARI fees	-	-	-	-	1,708
Total Expenditures Requiring Appropriation					
	18,957	41,398	110,726	98,421	128,249
ENDING FUND BALANCE	\$ (7,707)	\$ 28,384	\$ 2,498	\$ -	\$ 3,103

EAST CREEK METROPOLITAN DISTRICT NO. 1

**DEBT SERVICE FUND
2020 Preliminary Budget
with 2018 Actual, 2019 Adopted Budget, and 2019 Estimated**

	2018 Actual	01/19-09/19 YTD Actual	2019 Adopted Budget (as amended)	2019 Estimated	2020 Preliminary Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ 662,009
REVENUE					
Property Tax Revenue	-	-	-	-	85,412
Specific Ownership Tax	-	-	-	-	5,125
Bond Proceeds	-	4,010,000	5,000,000	4,010,000	-
Bond Proceeds 2019B	-	584,000	-	584,000	-
Interest Income	-	8,568	-	11,500	-
Total Revenue	-	4,602,568	5,000,000	4,605,500	90,537
Total Funds Available	-	4,602,568	5,000,000	4,605,500	752,546
EXPENDITURES					
Bond Principal	-	-	-	-	-
Bond Interest	-	26,316	-	131,579	105,263
Bond Discount 2019A	-	80,200	-	80,200	-
Bond Discount 2019B	-	17,520	-	17,520	-
Bond Issuance Costs	-	186,081	-	186,091	-
Paying Agent Fees	-	9,000	-	9,000	1,500
Miscellaneous Fees	-	741	-	741	-
Treasurer's Fees	-	-	-	-	1,281
Total Expenditures	-	319,858	-	425,131	108,044
Transfer to Capital Projects		3,518,360	5,000,000	3,518,360	-
Transfer from District No. 2				-	15,369
Total Expenditures Requiring Appropriation	-	3,838,217	5,000,000	3,943,491	108,044
ENDING FUND BALANCE	\$ -	\$ 764,351	\$ -	\$ 662,009	\$ 659,871

EAST CREEK METROPOLITAN DISTRICT NO. 1

CAPITAL PROJECTS FUND

2020 Preliminary Budget

with 2018 Actual, 2019 Adopted Budget, and 2019 Estimated

	2018 Actual	01/19-09/19 YTD Actual	2019 Adopted Budget (amended)	2019 Estimated	2020 Preliminary Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ 468,000
REVENUE					
Transfer from Debt Service Fund	-	3,518,360	5,000,000	3,518,360	-
Interest Income	-	5,025	-	7,700	1,000
Total Revenue	-	3,523,385	5,000,000	3,526,060	1,000
Total Funds Available	-	3,523,385	5,000,000	3,526,060	469,000
EXPENDITURES					
Miscellaneous	-	430	-	700	-
Construction-Parks & Rec	-	3,057,360	5,000,000	3,057,360	469,000
Total Expenditures	-	3,057,790	5,000,000	3,058,060	469,000
Total Expenditures Requiring Appropriation	-	3,057,790	5,000,000	3,058,060	469,000
ENDING FUND BALANCE	\$ -	\$ 465,595	\$ -	\$ 468,000	\$ -

RESOLUTION NO. 2019 - 10 - ____
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST CREEK METROPOLITAN DISTRICT NO. 1
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the East Creek Metropolitan District No. 1 ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

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

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 28, 2019, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Creek Metropolitan District No. 1:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the East Creek Metropolitan District No. 1 for the 2020 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 28th day of October, 2019.

Secretary

(SEAL)

EXHIBIT A
(Budget)

I, Lisa A. Johnson, hereby certify that I am the duly appointed Secretary of the East Creek Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors of the East Creek Metropolitan District No. 1 held on October 28, 2019.

By: _____

RESOLUTION NO. 2019 - 10 - ____
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST CREEK METROPOLITAN DISTRICT NO. 1
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the East Creek Metropolitan District No. 1 (“District”) has adopted the 2020 annual budget in accordance with the Local Government Budget Law on October 28, 2019; and

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Creek Metropolitan District No. 1:

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

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

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

ADOPTED this 28th day of October, 2019.

Secretary

(SEAL)

EXHIBIT A
(Certification of Tax Levies)

RESOLUTION NO. 2019-10-_____

**RESOLUTION OF THE BOARD OF DIRECTORS OF EAST CREEK
METROPOLITAN DISTRICT NO. 1 AUTHORIZING ADJUSTMENT OF THE
DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO
CONSTITUTION, ARTICLE X, SECTION 3**

- A. East Creek Metropolitan District No. 1 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes.
- B. The District operates pursuant to its Service Plan approved by the City Council of the City of Aurora, on March 5, 2018 (the “**Service Plan**”), which provides the District with the authority to impose mill levies on taxable property. Such mill levies will be the primary source of revenue for repayment of debt service, public improvements, and operations and maintenance costs of the District.
- C. The Service Plan authorizes a maximum mill levy for payment of debt of fifty (50.000) mills and one mill (1.000) for the payment of the Aurora Regional Improvements mill levy (collectively, the “**Maximum Mill Levy**”).
- D. The Service Plan and Article X, Section 3 of the Colorado Constitution, (the “**Gallagher Amendment**”) authorizes adjustment of the Maximum Mill Levy in the event that the method of calculating assessed valuation is changed after January 1, 2004, by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut, or abatement. The Maximum Mill Levy may be increased or decreased to reflect such changes. Such increases or decreases shall be determined by the Board in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes.
- E. The Service Plan and Gallagher Amendment provide that, for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.
- F. The Colorado General Assembly (the “**General Assembly**”) passed House Bill 17-1349, signed by the Governor of Colorado on June 15, 2017, which amended Section 39-1-104.2, C.R.S., by setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96% which was the rate in effect on January 1, 2004) for property tax years commencing on and after January 1, 2017, until the next property tax year that the General Assembly determined to adjust the ratio of valuation for assessment for residential real property.
- G. In 2019, the General Assembly passed Senate Bill 19-255, signed by the Governor of Colorado on June 3, 2019, further amending Section 39-1-104.2, C.R.S., by setting the ratio of valuation for assessment for real residential property at 7.15% (decreased from 7.2%) for property tax years commencing on or after January 1, 2019, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property.

H. In order to mitigate the effect of the 2017 and 2019 statutory changes in the ratio of valuation for assessment for residential real property from 7.96% to 7.15%, so that actual tax revenues are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment, the Board determines it to be in the best interest of the District, its residents, users, property owners, and the public to further adjust the Maximum Mill Levy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of East Creek Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado:

1. The Board of the District hereby authorizes the adjustment of the Maximum Mill Levy to reflect the 2019 statutory change in the ratio of valuation for assessment for residential real property to 7.15%.

2. The Gallagher Amendment allows for a total mill levy imposition of 56.7776 (the “**Adjusted Mill Levy**”) so that District revenues shall be neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment to 7.15% pursuant to the authority granted by the Service Plan and the Gallagher Amendment.

3. The Adjusted Mill Levy shall be reflected in the District’s Certification of Tax Levies to be submitted to the Arapahoe County Assessor on or before December 15, 2019, for collection in 2020.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE
DISTRICT MILL LEVY IN ACCORDANCE WITH THE COLORADO
CONSTITUTION, ARTICLE X, SECTION 3]**

RESOLUTION APPROVED AND ADOPTED ON October 28, 2019.

**EAST CREEK METROPOLITAN
DISTRICT NO. 1**

President

Attest:

Secretary

RESOLUTION NO. 2019-10-_____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
EAST CREEK METROPOLITAN DISTRICT NO. 1
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020**

A. The terms of the offices of Directors Michael Bird and Matthew Larsen shall expire upon the election of their successors at the regular election, to be held on May 5, 2020 (“**Election**”), and upon such successors taking office.

B. The term of the office to which Director Natlie Schutzius has previously been appointed expires upon her re-election, or the election of her successor at the Election, and upon such successor taking office.

C. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect one (1) Director to serve until the next regular election, to occur May 3, 2022, and two (2) Directors to serve until the second regular election, to occur May 2, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Creek Metropolitan District No. 1 (the “**District**”) of the County of Arapahoe, Colorado:

1. Date and Time of Election. The Election shall be held on May 5, 2020, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, one (1) Directors shall be elected to serve until the next regular election, to occur May 3, 2022, and two (2) Directors shall be elected to serve until the second regular election, to occur May 2, 2023.

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

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

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

5. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed

with the Designated Election Official of the District, c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 28, 2020).

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

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

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

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

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

[SIGNATURE PAGE FOLLOWS]

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

RESOLUTION APPROVED AND ADOPTED on October ____, 2019.

**EAST CREEK METROPOLITAN
DISTRICT NO. 1**

By: _____
President

Attest:

Secretary

RESOLUTION NO. 2019-10-__

**AMENDED AND RESTATED RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST CREEK METROPOLITAN DISTRICT NO. 1 REGARDING THE
IMPOSITION OF DISTRICT FEES**

A. East Creek Metropolitan District No. 1 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado located in the City of Aurora, Colorado.

B. The District’s boundaries are described in the legal description attached hereto as Exhibit A, which legal description may be amended from time to time, pursuant to the inclusion and/or exclusion of property into or from the District (the “**Property**”).

C. The District, pursuant to its Service Plan and the Intergovernmental Agreement with the City of Aurora, is authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance and provide for the operation and maintenance of certain street improvements, safety protection improvements, park and recreation improvements and related irrigation systems, television relay and translator facilities, and mosquito and pest control systems (the “**District Improvements**”).

D. The Property will benefit from the District Improvements and the Districts’ operation and maintenance of the same.

E. The District is authorized pursuant to Section 32-1-1001(1)(j)(I), C.R.S., and its Service Plan to fix fees and charges for capital costs and operation and maintenance costs.

F. The District adopted Resolution No. 2019-04-02 on April 10, 2019 regarding the Imposition of District Fees (the “**Original Resolution**”), which Original Resolution was recorded in the official records of Arapahoe County, Colorado at Reception No. D9039668 on May 1, 2019.

G. The District has determined that for the purposes of efficiency in collections, the payment terms of the fees should be modified.

H. The District has determined, to meet the costs associated with the District Improvements and the cost of operating and maintaining the District Improvements, it is necessary to impose an Operations and Maintenance Fee and a Capital Working Fee on the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EAST CREEK METROPOLITAN DISTRICT NO. 1, ARAPAHOE COUNTY, COLORADO, AS FOLLOWS:

1. The Board of Directors hereby finds, determines and declares that it is in the best interests of the District, its inhabitants and taxpayers to exercise its power by imposing the following fees:

(a) Operations Fee.

(i) The Board hereby imposes an Operations and Maintenance Fee (the “**Operations Fee**”) in the amount of \$720.00 per year on each residential lot (each, a “**Lot**”) within the District. The District reserves the right to amend this resolution in the future to increase or decrease the amount of the Operations Fee.

(ii) The Operations Fee shall be paid in quarterly amount of \$180.00 per calendar quarter invoiced on each January 1st, April 1st, July 1st and October 1st and due on each January 25th, April 25th, July 25th and October 25th. An invoice for the Operations Fee payable for each calendar quarter will be mailed to each property owner (“**Owner**”) thirty (30) days prior to the final due date (the “**Bill Date**”), following a five (5) day grace period after the initial due date. If payment in full is not received by the 30th day following the Bill Date (the “**Past Due Date**”), the fee is deemed past due and otherwise outstanding. A “Reminder Notice” may be, but is not required to be, sent at such time. Notwithstanding the above, the Owner shall have the right to pay the Operations Fee for said calendar year in one installment on or before January 15th, in which event, the Owner shall be entitled to a five percent (5%) discount.

(iii) Failure to make payment of any Operations Fees due hereunder shall constitute a default in the payment of such Operations Fees. Upon default, Owner shall be responsible for a late payment (“**Late Payment Fee**”) in the amount of \$15.00 per late payment.

(iv) If the Owner does not make payment of all past due amounts, including interest (the “**Delinquent Balance**”), within 60 days from the Past Due Date, the District may deliver to the Owner a Notice of Intent to File a Lien Statement (a “**Lien Notice**”). The Lien Notice shall give notice to the Owner that the District intends to perfect its lien against the Property by recording a Lien Statement in the office of the Arapahoe County Clerk and Recorder if the Delinquent Balance is not paid in full within thirty (30) days after said Lien Notice is served upon Owner by certified mail, return receipt requested, pursuant to Section 38-22-109(3), C.R.S.

(b) Working Capital Fee.

(i) The Board hereby imposes a Working Capital Fee (the “**Working Capital Fee**”) and, collectively with the Operations Fee, the “**Fees**”) in the amount of \$300.00 per Lot and shall be due and payable at the time of any sale, transfer or re-sale of any single-family dwelling unit constructed on a Lot which has a certificate of occupancy.

2. The Fees shall not be imposed on real property actually conveyed or dedicated to non-profit owners’ associations, governmental entities or utility providers.

3. The Fees shall constitute a statutory and perpetual charge and lien upon the Property pursuant to Section 32-1-1001(1)(j), C.R.S., from the date the same becomes due and payable until paid. The lien shall be perpetual in nature as defined by the laws of the State of Colorado on the Property and shall run with the land and such lien may be foreclosed by the District in the same manner as provided by the laws of Colorado for the foreclosure of mechanics’ liens. This Resolution shall be recorded in the real property records of the Clerk and Recorder of Arapahoe County, Colorado.

4. The District shall be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting Owner shall pay all costs, including attorney fees, incurred by the District in connection with the foregoing. In foreclosing such lien, the District will enforce the lien only to the extent necessary to collect the Delinquent Balance and costs of collection (including, but not limited to, reasonable attorney fees).

5. Judicial invalidation of any of the provisions of the Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances shall not affect the validity of the remainder of the Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

6. Any inquiries pertaining to the Fees may be directed to the District's Manager at: Lisa Johnson, Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, phone number: 303-987-0835.

7. This Resolution shall take effect immediately upon its adoption and approval.

APPROVED AND ADOPTED THIS ____ day of _____, 2019.

**EAST CREEK METROPOLITAN DISTRICT
NO. 1**, a quasi-municipal corporation and
political subdivision of the State of Colorado

By: _____
President

Attest:

By: _____
Secretary

EXHIBIT A

Legal Description of the Property

Lots 1 through 13, inclusive, Block 1,
Lots 1 through 5, inclusive, Block 2,
Lots 1 through 22, inclusive, Block 3,
Lots 1 through 24, inclusive, Block 4,
Lots 1 through 20, inclusive, Block 5,
Lots 1 through 20, inclusive, Block 6,
Lots 1 through 26, inclusive, Block 7,
Lots 1 through 16, inclusive, Block 8,
East Creek Subdivision Filing No. 1,
County of Arapahoe, State of Colorado