

STC METROPOLITAN DISTRICT NO. 1

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032
<https://www.colorado.gov/pacific/stcmd>

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expires:</u>
James A. Brzostowicz	President	2023/May 2023
Angie Hulsebus	Treasurer	2023/May 2023
Terry Willis	Assistant Secretary	2023/May 2023
Guy “Anthony” Harrigan	Assistant Secretary	2022/May 2022
VACANT		2022/May 2022

Peggy Ripko Secretary

DATE: November 3, 2021

TIME: 9:00 A.M.

LOCATION: **Via Online Zoom Meeting**

IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE USE THE FOLLOWING INFORMATION:

Join Zoom Meeting

<https://us02web.zoom.us/j/89797364658?pwd=SHJkTkdyUmVxYjBYUDcvcHNmN3I0dz09>

Meeting ID: 897 9736 4658

Passcode: 115782

One tap mobile

+12532158782

Please email Peggy Ripko if there are any issues (pripko@sdmsi.com).

I. ADMINISTRATIVE MATTERS

A. Confirm Quorum. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda; confirm location of the meeting and posting of meeting notice.

C. Review and approve Minutes of the July 14, 2021 Special Meeting (enclosure).

II. PUBLIC COMMENTS

A.

III. FINANCIAL MATTERS

- A. Review and accept Unaudited Financial Statements through the period ending _____, 2021 and Schedule of Cash Position, dated _____, 2021 (to be distributed).
-
- B. Consider engagement of Dazzio & Associates, PC for preparation of 2021 Audit, in the amount of \$4,900 (enclosure).
-
- C. Public Hearing on Proposed 2021 Budget Amendment:
1. Consider Approval of Resolution Approving Proposed 2021 Budget Amendment and Appropriate Sums of Money (if necessary).
-
- D. Public Hearing on Proposed 2022 Budget:
1. Consider Approval of Resolution Approving Proposed 2022 Budget, Certification of Mill Levy, and Appropriate Sums of Money (enclosures – preliminary AV, draft 2022 Budget, and Resolution).
-
- E. Discuss and consider approval of Estoppel between Ranch Capital and the District.
-

IV. LEGAL MATTERS

- A. Consider Adoption of Annual Resolution (enclosure):
1. Election of Officers.
-
2. Regular Meeting Date/Location.
-
3. Discuss §32-1-809, C.R.S., Transparency Notice reporting requirements and mode of eligible elector notification (2022 SDA Website).
-
4. 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.
-

5. Consider appointment of District Accountant to prepare the 2023 Budget and set the date of the Budget Hearing as November 2, 2022.
-

- B. Consider Approval of Election Resolution (enclosure). Self-Nomination forms are due by February 25, 2022. Discuss the need for ballot issues and/or questions.
-

- C. 2021 Legislative Report (enclosure).
-

1. Website Compliance (enclosure).
-

V. OPERATIONS AND MAINTENANCE

- A. _____

VI. COVENANTS

- A. Executive session, pursuant to Section 24-6-402(4)(b), C.R.S., for the purpose of receiving legal advice on specific legal questions related to covenant enforcement.
-

- B. Consider Approval of Resolution Adopting an Amended Covenant Enforcement Policy (enclosure).
-

VII. OTHER BUSINESS MATTERS

- A. _____

VIII. ADJOURNMENT ***THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2021.***

Additional Enclosure:

- Notice of rate increase from Special District Management Services, Inc.

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 1 HELD JULY 14, 2021

A Special Meeting of the Board of Directors (referred to hereafter as the "Board") of the STC Metropolitan District No. 1 (referred to hereafter as the "District") was convened on Wednesday, the 14th day of July, 2021, at 9:00 A.M. This District Board meeting was held by Zoom at:
<https://us02web.zoom.us/j/89797364658?pwd=SHJkTkdyUmVxYjBYUDcvcHNmN3I0dz09>; Meeting ID: 897 9736 4658, Passcode: 115782. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James A. Brzostowicz
Angie Hulsebus
Terry Willis
Guy "Anthony" Harrigan

Also In Attendance Were:

Peggy Ripko and Jeremy Sandoval; Special District Management Services, Inc. ("SDMS")

Jennifer L. Ivey, Esq.; Icenogle Seaver Pogue, P.C.

Bill Flynn; Simmons & Wheeler, P.C.

Bill Jenks, Sonia Chin and Jessica Sergi; Ranch Capital, LLC

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board noted it was in receipt of disclosures of potential conflicts of interest statements for Directors Brzostowicz, Hulsebus and Willis, and that the statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. Ms. Ripko requested that the Directors review the Agenda for the meeting and advised the Board to disclose any new conflicts of interest which had not been previously disclosed. No further disclosures were made by Directors present at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Ms. Ripko noted a quorum was present. The Board reviewed the proposed Agenda for the District's Special Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Harrigan and, upon vote, unanimously carried, the Board approved the Agenda, as presented.

Location of Meeting and Posting of Meeting Notices Ms. Ripko confirmed the presence of a quorum and that notice of the time, date and location/manner of the meeting was duly posted and that that no objections to the virtual/telephonic manner of the meeting have been received. Ms. Ivey reported that House Bill 21-1278, effective July 7, 2021, expressly clarifies that a meeting of the board of a special district may be held at a physical location, telephonically, electronically, virtually, or any combination of such means. Meeting notices for meetings held telephonically, electronically, or by other virtual means must include the method or procedure (i.e., conference number or link) by which members of the public can attend.

Minutes: The Board reviewed the Minutes of the February 18, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Harrigan and, upon vote, unanimously carried, the Board approved the Minutes of the February 18, 2021 Special Meeting.

2021 SDA Conference: Ms. Ripko discussed the SDA Conference with the Board, and noted the information concerning the details of the conference will be emailed to them once the information is available.

PUBLIC COMMENTS

Director Harrington asked about the functioning of the detention pond. It was noted the detention pond will be maintained on a regular basis.

FINANCIAL MATTERS

Unaudited Financial Statements: Mr. Flynn presented to the Board the unaudited financial statements for the period ending May 31, 2021.

Following review and discussion, upon motion duly made by Director Brzostowicz, seconded by Director Harrigan and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending May 31, 2021.

2020 Audit: Mr. Flynn reviewed with the Board the draft 2020 Audit.

Following review and discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis, and upon vote, unanimously carried, the Board approved the 2020 Audited Financial Statements and authorized execution of the Representations Letter.

RECORD OF PROCEEDINGS

2022 Budget Public Hearing: The Board entered into discussion regarding setting the date for a Public Hearing to adopt the 2022 Budget.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Harrigan and, upon vote, unanimously carried, the Board determined to hold the public hearing to consider adoption of the 2022 Budget on November 3, 2021, at 9:00 a.m. via online Zoom Meeting.

The Board further discussed the remaining meetings in 2021.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Harrigan and, upon vote, unanimously carried, the Board determined to conduct the remaining meetings in 2021 via online Zoom Meeting.

LEGAL MATTERS

Resolution Designating an Official Custodian and Custodian for the Colorado Open Records Act: The Board reviewed a Resolution Designating an Official Custodian and Custodian for the Colorado Open Records Act.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board adopted the Resolution Designating an Official Custodian and Custodian for the Colorado Open Records Act.

Rules Related to Requests for Inspection of Public Records Pursuant to Colorado Open Records Act: The Board reviewed the Rules Related to Requests for Inspection of Public Records Pursuant to Colorado Open Records Act.

The Official Custodian adopted the Rules Related to Requests for Inspection of Public Records Pursuant to the Colorado Open Records Act, Sections 24-72-200.1 *et seq.*, C.R.S.

OTHER MATTERS

There were no other matters.

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting



Dazzio & Associates, PC

Certified Public Accountants

October 20, 2021

To the Board of Directors and Management
BBC Metropolitan District
c/o Special District Management Services, Inc.
141 Union Blvd., Suite 150
Lakewood, Colorado 80228-1898

We are pleased to confirm our understanding of the services we are to provide BBC Metropolitan District (the District) for the year ended December 31, 2021.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, each major fund and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2021.

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

- 1) Schedule of Revenues, Expenditures and Changes in Fund Balance –Budget and Actual – Debt Service Fund

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report:

- 1) Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected
- 2) Schedule of Debt Service Requirements to Maturity

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations

from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

Audit Procedures—Internal Control

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

Audit Procedures—Compliance

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

Other Services

We will also prepare the financial statements of the District in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

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

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and

transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

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

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

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

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

Engagement Administration, Fees, and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

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

Stephen Dazzio is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$4,900. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of BBC Metropolitan District's financial statements which, if applicable, will also address other information in accordance with *AU-C 720, The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

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

Very truly yours,

Dussio & Associates, P.C.

RESPONSE:

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

Management signature: _____

Title: _____

Date: _____

Board signature: _____

Title: _____

Date: _____



Cynthia Braddock

PO Box 471, 13th and Pearl
Boulder, Colorado 80306-0471

Phone: (303) 441-3530

FAX: (303) 441-4996

www.BoulderCountyAssessor.org



August 24, 2021

Superior Town Center Metro District #1
Special District Management Services
141 Union Blvd Ste #150
Lakewood, CO 80228-1898

AUG 30 2021

This is to certify that, as of August 24th, per C.R.S. 39-5-128(1) the assessed value of the

Superior Town Center Metro District #1

For the purpose of taxation for the year 2021 is:

1,117,685

Per C.R.S. 39-5-128(3), this figure represents the value remaining after the following Urban Renewal Area/Downtown Authority tax increments have been deducted from the total valuation for your district:

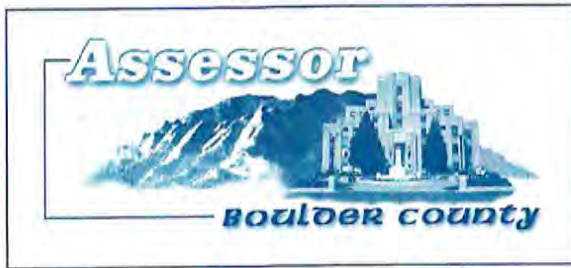
	BASE	INCREMENT
Superior Town Center Urban Renewal Plan	22,261	14,864,532

This valuation is subject to change by the County Board of Equalization (C.R.S. 39-8-107(2)), the State Board of Assessment Appeals (C.R.S. 39-2-125), the State Board of Equalization (C.R.S. 39-9-103), and the correction of errors by the Assessor or Treasurer (C.R.S. 39-5-125.2). Due to the increase in values we have been seeing over the past few reappraisal cycles, the number of abatements filed by property owners is increasing. Please pay close attention to the amount of taxes listed *on line 11* on the top portion of the Certification letter.

House Bill 21-1312 increased the exemption threshold on personal property accounts from \$7,900 to \$50,000. This means all personal property accounts that had a value of \$7,901 or more, and below \$50,000 that were previously taxable are now exempt. The last line on this Certification of Valuation form reflects the assessed value amount your entity has lost as a result of this bill. Procedures have been established to reimburse entities to account for the lost property tax revenue.

Senate Bill 21-130 also passed in the 2021 legislative session. This bill allows any county, municipality, or special district to exempt, from its levy and collection of property taxes, up to 100% of any personal property for the property tax year commencing on January 1, 2021. If your taxing entity anticipates exempting any value under this bill, we respectfully request that you notify our office no later than **November 1, 2021**. This will allow time to calculate the exemption and have the new values reflected on the December Certification of Valuation.

Further information regarding House Bill 21-1312 and Senate Bill 21-130 and their impacts on your entity should be discussed with your attorney.



Cynthia Braddock

PO Box 471, 13th and Pearl
Boulder, Colorado 80306-0471

Phone: (303) 441-3530

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" Values listed in the enclosed Certification letter are **preliminary values and should not be used to determine your budget and/or mill levy for next year.**

If you have any questions about the value or other information on this letter, need to update your district contact information please contact Erin Gray at egray@bouldercounty.org.

Sincerely,

Cynthia Braddock
Boulder County Assessor

**CERTIFICATION OF VALUATION BY
BOULDER COUNTY ASSESSOR**
New Tax Entity ☐ YES ☒ NO

Date: August 24, 2021

NAME OF TAX ENTITY: STC METROPOLITAN DISTRICT 1**USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY**

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

1. PREVIOUS YEAR'S NET TOTAL ASSESSED VALUATION:	1. \$	\$629,170
2. CURRENT YEAR'S GROSS TOTAL ASSESSED VALUATION: ‡	2. \$	\$15,982,217
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$	\$14,864,532
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$	\$1,117,685
5. NEW CONSTRUCTION: *	5. \$	\$1,005,204
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6. \$	\$0
7. ANNEXATIONS/INCLUSIONS:	7. \$	\$1,563,709
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8. \$	\$0
9. NEW PRIMARY OIL AND GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.) ☐:	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 exemption 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 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 DLG52 & 52A.

☐ 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:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1. \$	\$144,963,869
ADDITIONS TO TAXABLE REAL PROPERTY		
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2. \$	\$14,058,800
3. ANNEXATIONS/INCLUSIONS:	3. \$	\$5,392,100
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 schools, and charitable real property.

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

§ Includes production from a new mines and increase 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:

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ \$0

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ \$56,043

** The tax revenue lost to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

DLG 57 (Rev. 6/21)

STC Metropolitan District No. 1
Proposed Budget
General Fund
For the Year Ended December 31, 2022

	Actual <u>2020</u>	Adopted Budget <u>2021</u>	Actual <u>8/31/2021</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	6,537	7,005	6,999	7,005	12,443
SURA Property Tax Increment	58,224	102,714	83,930	102,714	163,005
Specific ownership taxes	3,322	455	3,455	6,500	809
Miscellaneous Income	<u>8</u>	<u>-</u>	<u>16</u>	<u>25</u>	<u>-</u>
Total Revenue	<u>68,091</u>	<u>110,174</u>	<u>94,400</u>	<u>116,244</u>	<u>176,257</u>
Total Funds Available	<u>68,091</u>	<u>110,174</u>	<u>94,400</u>	<u>116,244</u>	<u>176,257</u>
Expenditures:					
Treasurer's Fees	<u>98</u>	<u>105</u>	<u>105</u>	<u>105</u>	<u>187</u>
Total expenditures	<u>98</u>	<u>105</u>	<u>105</u>	<u>105</u>	<u>187</u>
Transfers and Reserves					
Transfer to STCMD No. 2	67,993	110,069	94,295	116,139	176,070
Emergency Reserve	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Transfers and Reserves	<u>67,993</u>	<u>110,069</u>	<u>94,295</u>	<u>116,139</u>	<u>176,070</u>
Ending balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Assessed value		<u>\$ 9,995,684</u>			<u>\$ 15,982,217</u>
TIF increment		<u>\$ 9,366,514</u>			<u>\$ 14,864,532</u>
Assessed Valuation		<u>\$ 629,170</u>			<u>\$ 1,117,685</u>
Mill Levy		<u>11.133</u>			<u>11.133</u>

STC Metropolitan District No. 1
Proposed Budget
Debt Service Fund
For the Year Ended December 31, 2022

	Actual 2020	Adopted Budget 2021	Actual 8/31/2021	Estimate 2021	Proposed Budget 2022
Beginning balance	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:					
Property taxes	32,685	35,022	34,999	35,022	62,215
SURA Property Tax Increment	291,113	513,557	419,642	513,557	815,008
Specific Ownership Taxes	16,608	20,177	17,274	35,000	20,177
Interest income	45	-	76	150	-
Total Revenue	340,451	568,756	471,991	583,729	897,400
Total Funds Available	340,451	568,756	471,991	583,729	897,400
Expenditures:					
Treasurer's Fees	490	525	526	525	933
Total expenditures	490	525	526	525	933
Transfers and Reserves					
Transfer to STCMD No. 2	339,961	568,231	471,465	583,204	896,467
Total Transfers and Reserves	339,961	568,231	471,465	583,204	896,467
Ending balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Assessed value		\$ 9,995,684			\$ 15,982,217
TIF increment		\$ 9,366,514			\$ 14,864,532
Assessed Valuation		\$ 629,170			\$ 1,117,685
Mill Levy		55.664			55.664
Total Mill Levy		66.797			66.797

STATE OF COLORADO
COUNTY OF BOULDER
STC METROPOLITAN DISTRICT NO. 1
2022 BUDGET RESOLUTION

The Board of Directors of the STC Metropolitan District No. 1, Boulder County, Colorado held a special meeting on Wednesday, November 3, 2021 at the hour of 9:00 A.M., via online meeting at <https://us02web.zoom.us/j/89797364658?pwd=SHJkTkdyUmVxYjBYUDcvcHNmN3I0dz09> and via telephone at 1-253-215-8782, Meeting ID: 897 9736 4658, Password: 115782.

The following members of the Board of Directors were present:

President:	_____
Secretary:	_____
Treasurer:	_____
Assistant Secretary:	_____
Assistant Secretary:	_____

Also present were: _____

Ms. Peggy Ripko reported that proper notice was made to allow the Board of Directors of the STC Metropolitan District No. 1 to conduct a public hearing on the 2022 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a special meeting of the Board of Directors of the District and that a notice of special meeting was posted on a public website of the District, www.Colorado.gov/stcmd, no less than twenty-four hours prior to the holding of the meeting, and to the best of her knowledge, remains posted to the date of this meeting.

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

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2022 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE STC METROPOLITAN DISTRICT NO. 1, BOULDER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board of Directors (the “Board”) of the STC Metropolitan District No. 1 (the “District”) has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2021; and

WHEREAS, the proposed budget is less than fifty thousand dollars (\$50,000.00), due and proper notice was published on Thursday, October 21, 2021 in the *Boulder Daily Camera*, indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District’s increased property tax revenues resulting from a request to the Division of Local Government pursuant to §29-1-302(1), C.R.S.; and an original publisher’s Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

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

WHEREAS, a public hearing was held on Wednesday, November 3, 2021 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 1, BOULDER COUNTY, COLORADO:

Section 1. Summary of 2022 Revenues and 2022 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2022, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2022. In the event of recertification of values by the Boulder County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization.

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

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

Section 5. 2022 Levy of General Property Taxes. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is \$187 and that the 2021 valuation for assessment, as certified by the Boulder County Assessor, is \$1,117,685. That for the purposes of meeting all general operating expenses of the District during the 2022 budget year, there is hereby levied a tax of 11.133 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

Section 6. 2022 Levy of Debt Retirement Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$933 and that the 2021 valuation for assessment, as certified by the Boulder County Assessor, is \$1,117,685. That for the purposes of meeting all debt retirement expenses of the District during the 2022 budget year, there is hereby

levied a tax of 55.664 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

Section 7. Certification to County Commissioners. That the Secretary of the District is hereby authorized and directed to immediately certify to the Board of County Commissioners of Boulder County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

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

The foregoing Resolution was seconded by Director _____.

RESOLUTION APPROVED AND ADOPTED THIS 3RD DAY OF NOVEMBER 2021.

STC METROPOLITAN DISTRICT NO. 1

By:	_____
	James A. Brzostowicz
Its:	_____
	President

ATTEST:

By:	_____
	Peggy Ripko
Its:	_____
	Secretary

STATE OF COLORADO
COUNTY OF BOULDER
STC METROPOLITAN DISTRICT NO. 1

I, Peggy Ripko, hereby certify that I am the duly elected and qualified Secretary of the STC Metropolitan District No. 1, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a special meeting of the Board of Directors of the STC Metropolitan District No. 1 held on November 3, 2021, via online meeting at <https://us02web.zoom.us/j/89797364658?pwd=SHJkTkdyUmVxYjBYUDcvcHNmN3I0dz09> and via telephone at 1-253-215-8782, Meeting ID: 897 9736 4658, Password: 115782, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2022; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 3rd day of November 2021.

Peggy Ripko, Secretary

[SEAL]

EXHIBIT A

Affidavit of Publication
Notice as to Proposed 2022 Budget

EXHIBIT B

Budget Document
Budget Message

EXHIBIT C

Certification of Tax Levy

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the STC
Metropolitan District No. 1 of Boulder County, Colorado on this 3rd day November 2021.

S E A L

Peggy Ripko, Secretary

**ANNUAL RESOLUTION OF
THE BOARD OF DIRECTORS OF THE
STC METROPOLITAN DISTRICT NO. 1**

At a special meeting of the Board of Directors of the STC Metropolitan District No. 1, Boulder County, Colorado, held at 9:00 A.M., on Wednesday, November 3, 2021, via online meeting at <https://us02web.zoom.us/j/89797364658?pwd=SHJkTkdyUmVxYjBYUDcvcHNmN3I0dz09> and via telephone at 1-253-215-8782, Meeting ID: 897 9736 4658, Passcode: 115782, at which a quorum was present, the following resolution was adopted:

WHEREAS, the STC Metropolitan District No. 1 (the “District”) was organized as a special district pursuant to an Order of the District Court in and for the County of Boulder, Colorado, dated November 27, 2013 and is located within Boulder County (the “County”); and

WHEREAS, the Board of Directors of the District (collectively referred to as the “Board” or individually as “Director(s)”) has a duty to perform certain obligations in order to assure the efficient operation of the District; and

WHEREAS, § 32-1-306, C.R.S. requires the District to file a current, accurate map of its boundaries with the County Assessor, County Clerk and Recorder and the Division of Local Government (the “Division”) on or before January 1 of each year; and

WHEREAS, §§ 24-10-109 and 24-32-116, C.R.S. require that the District provide its name, its principal address and/or mailing address, the name of its agent and the agent’s mailing address to the Department of Local Affairs (the “Department”) and keep such information updated regularly; and

WHEREAS, § 32-1-809, C.R.S. requires that the Board provide notice, containing certain information about the District, to the eligible electors of the District no more than sixty (60) days prior to and not later than January 15; and

WHEREAS, § 32-1-104(2), C.R.S. requires that the District, on or before January 15, file a copy of the notice required by § 32-1-809, C.R.S. with the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder in each county in which the District is located, the governing body of any municipality in which the District is located and the Division; and

WHEREAS, the Local Government Budget Law of Colorado, §§ 29-1-101 *et seq.*, C.R.S., requires the Board to hold a public hearing on proposed budgets and amendments thereto, to adopt budgets and to file copies of the budgets and amendments thereto; and

WHEREAS, § 29-1-205(1), C.R.S. requires the District to file a current list of all contracts in effect with other political subdivisions within thirty (30) days of receiving a request therefor from the Division; and

WHEREAS, in accordance with the Public Securities Information Reporting Act, §§ 11-58-101 *et seq.*, C.R.S., issuers of nonrated public securities shall make public within sixty (60) days following the end of each of such issuer's fiscal year, an annual information report or reports with respect to any of such issuer's nonrated public securities which are outstanding as of the end of each such fiscal year; and

WHEREAS, in accordance with § 29-1-604(1), C.R.S., if expenditures and revenues of the District are not in excess of \$100,000, the District may file an application for exemption from audit with the State Auditor; or in accordance with § 29-1-604(2)(b), C.R.S., if expenditures and revenues of the District for any fiscal year are at least \$100,000, but not more than \$750,000, the District may file an application for exemption from audit with the State Auditor; or in accordance with § 29-1-603, C.R.S., the Board shall cause to be made an annual audit of the financial statements of the District for each fiscal year; and

WHEREAS, the Revised Uniform Unclaimed Property Act, §§ 38-13-101 *et seq.*, C.R.S., requires that governmental subdivisions, if applicable, file an annual report listing unclaimed property with the State Treasurer by November 1 of each year; and

WHEREAS, pursuant to § 32-1-103(15), C.R.S., the legal notices of the District must be published one time, in one newspaper of general circulation in the District, and if there is not one such newspaper of general circulation, then in one newspaper in each county in which the District is located and in which the District also has fifty (50) or more eligible electors; and

WHEREAS, pursuant to § 24-6-402(2)(c)(I), C.R.S., the Board shall annually designate at the first regular meeting of the calendar year a posting place within the boundaries of the District for posting of notices; and

WHEREAS, pursuant to §§ 32-1-903(2) and 24-6-402(2)(c)(I) & (III), C.R.S., in addition to any other means of full and timely notice, the Board shall be deemed to have given full and timely notice of a public meeting if the Board posts the notice on a public website of the District or in the designated public place within District boundaries, no less than twenty-four (24) hours prior to the meeting; and

WHEREAS, § 32-1-903(1), C.R.S. requires that the Board shall meet regularly at a time and location to be designated by the Board and such location may be physical, telephonic, electronic, other virtual place, or combination of such means where a meeting can be attended; provided that meetings that are held solely at physical locations must be held at physical locations that are within the boundaries of the District or within the boundaries of any county in which the District is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty miles from the District boundaries, unless the proposed change of location for a meeting appears on the Board agenda of a meeting and a resolution is adopted stating the reason for which meetings of the Board are to be held in a physical location other than under the provisions of § 32-1-903(1.5), C.R.S. and further stating the date, time and physical location of such meeting; and

WHEREAS, pursuant to § 32-1-904, C.R.S., the office of the District shall be at some fixed place to be determined by the Board; and

WHEREAS, pursuant to § 32-1-901(1), C.R.S., each Director, within thirty (30) days after his or her election or appointment to fill a vacancy, shall take an oath or affirmation in accordance with § 24-12-101, C.R.S., and the oath must be filed with the County Clerk and Recorder, and in accordance with § 32-1-901(1), C.R.S. with the Clerk of the Court and with the Division; and

WHEREAS, in accordance with § 32-1-901(2), C.R.S., at the time of filing said oath, there shall also be filed for each Director a bond; and

WHEREAS, in accordance with § 24-14-102(2), C.R.S., the District may, in lieu of the required bond, purchase crime insurance to protect the District from any dishonesty, theft, or fraud; and

WHEREAS, pursuant to § 32-1-902(1), C.R.S., the Board shall elect one of its members as chairman of the Board and president of the District, one of its members as a treasurer of the Board and District, and a secretary who may be a member of the Board, or the secretary and treasurer may be one individual, who in such case is a member of the Board; and

WHEREAS, Directors may receive compensation for their services subject to the limitations imposed by § 32-1-902(3)(a), C.R.S.; and

WHEREAS, Directors are governed by § 32-1-902(3)(b), C.R.S., which requires any Director to disqualify himself or herself from voting on an issue in which he or she has a conflict of interest, unless the Director has properly disclosed such conflict in compliance with § 18-8-308, C.R.S.; and

WHEREAS, Directors are governed by § 32-1-902(4), C.R.S., which requires any Director who owns undeveloped land that constitutes at least twenty percent (20%) of the territory included in the District to properly disclose such fact in compliance with § 18-8-308, C.R.S. before each meeting of the Board, and such disclosure must be entered into the minutes of such meeting; and

WHEREAS, pursuant to § 32-1-1001(1)(o), C.R.S. the Board has the power to authorize the use of electronic records and electronic signatures and adopt rules, standards, policies, and procedures for use of electronic records or signatures in accordance with the Uniform Electronic Transaction Act, §§ 24-71.3-101 *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 24-72-204.5, C.R.S., should the District operate or maintain an electronic mail communications system, the Board must adopt a written policy on any monitoring of electronic mail communications and the circumstances under which it will be conducted; and

WHEREAS, §§ 32-1-1604 and 32-1-1101.5(1), C.R.S. require the District to issue notice of the authorization or incurrence of general obligation indebtedness to the Board of County Commissioners of each county in which the District is located or the governing body of the municipality that has adopted a resolution of approval of the District and to record such notice

with the Clerk and Recorder in each county in which the District is located within thirty (30) days of incurring or authorizing such indebtedness; and

WHEREAS, § 32-1-1101.5(1), C.R.S. requires the District to certify the results of ballot issue elections to incur general obligation indebtedness to the Board of County Commissioners of each county in which the District is located or to the governing body of a municipality that has adopted a resolution of approval of the District within forty-five (45) days after the election, or at least thirty (30) days before issuing any general obligation debt if not previously certified, and requires the District to file a copy of such certificate with the Division of Securities within that timeframe; and

WHEREAS, in accordance with §§ 32-1-1101.5(1.5), C.R.S., the Board of County Commissioners or the governing body of a municipality that has adopted a resolution of approval of the District may require the District to file an application for the quinquennial finding of reasonable diligence; and

WHEREAS, in accordance with §§ 32-1-207(3)(c), C.R.S., and unless otherwise waived or requested by an earlier date, commencing in 2023 for the 2022 calendar year, any special district created after July 1, 2000, must electronically file an annual report for the preceding calendar year by October 1st with the governing body that approved the service plan or, if the jurisdiction has changed due to the annexation into a municipality, the current governing body with jurisdiction over the District, the Division, the State Auditor, and the County Clerk and Recorder, and make the same available on the website of the District; and

WHEREAS, in accordance with the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., the Board is granted the authority to obtain insurance; and

WHEREAS, the Colorado Open Meetings Law at § 24-6-402(2)(d.5)(II)(A), C.R.S. specifies that discussions that occur in an executive session of a local public body shall be electronically recorded; and

WHEREAS, pursuant to §§ 24-6-402(2)(d.5)(II)(E), C.R.S., such electronic recording of executive sessions shall be retained for at least ninety (90) days after the date of the executive session; and

WHEREAS, in accordance with the Public Deposit Protection Act, §§ 11-10.5-101 *et seq.*, C.R.S., the Board shall designate an official custodian with plenary authority to deposit public funds in any bank which has been designated by the Colorado Banking Board as an eligible public depository; and

WHEREAS, in accordance with § 32-1-104.8, C.R.S., the District must record a public disclosure document and a map of the boundaries of the District with the Clerk and Recorder of each county in which the District is located at any time thereafter that an order or decree confirming the inclusion of real property into the District is recorded; and

WHEREAS, elections may be held pursuant to the Special District Act, Article 1 of Title 32, C.R.S.; the Uniform Election Code of 1992, Articles 1 to 13 of Title 1, C.R.S.; and the Colorado Local Government Election Code, Article 13.5 of Title 1, C.R.S., for the purpose of (1) electing members of the Board; and (2) presenting certain ballot questions to the eligible electors of the District; and

WHEREAS, §§ 1-1-111(2), 1-13.5-108 and 32-1-804(2), C.R.S. provide that all powers and authority granted to the Board may be exercised by a “Designated Election Official” designated by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 1 AS FOLLOWS:

1. The Board directs the District’s engineer to prepare an accurate map in accordance with the standards specified by the Division or directs management to prepare a letter asserting there have been no changes in the boundaries of the District, as applicable, for filing with the County Assessor, County Clerk and Recorder and the Division as required by § 32-1-306, C.R.S. on or before January 1.
2. The Board directs management to notify the Department of the District’s name, principal address and/or mailing address, agent’s name and agent’s mailing address in accordance with §§ 24-10-109 and 24-32-116, C.R.S.
3. The Board directs management to: (1) provide notice, containing certain information about the District, to the eligible electors of the District, not earlier than November 16 and not later than January 15, in one or more of the ways set forth in § 32-1-809(2), C.R.S.; and (2) in accordance with § 32-1-104(2), C.R.S., file a copy of the notice with the Board of County Commissioners, County Assessor, County Treasurer, County Clerk and Recorder’s Office in each county in which the District is located, the governing body of any municipality in which the District is located and with the Division. The Board further directs that a copy of the notice shall be made available for public inspection at the principal business office of the District.
4. The Board directs the accountant/treasurer for the District to submit a proposed budget to the Board by October 15; to schedule a public hearing on the proposed budget; to prepare a final budget, including any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy; to prepare budget resolutions, including certification of mill levies and amendments to the budget if necessary; to certify the mill levies on or before December 15; and to file the approved budgets and amendments thereto with the proper governmental entities not later than thirty (30) days after the beginning of the fiscal year of the budget adopted, in accordance with the Local Government Budget Law of Colorado.
5. The Board directs management to prepare and file a current list of all contracts in effect with other political subdivisions with the Division within thirty (30) days of receiving a request therefor from the Division, if applicable.

6. The Board directs legal counsel and/or the accountant to prepare and file the annual public securities report for nonrated public securities issued by the District with the Department within sixty (60) days following the end of the District's fiscal year, if applicable.
7. The Board directs the accountant to file either an application for exemption from audit with the State Auditor within three (3) months after the close of the District's fiscal year, or that an audit of the financial statements is prepared and submitted to the Board within six (6) months after the close of the District's fiscal year. Further, the Board directs that the audit report be filed with the State Auditor within thirty (30) days after the Board's receipt of the audit report from the auditor.
8. The Board directs legal counsel to prepare the Unclaimed Property Act report and forward to the State Treasurer by November 1, if applicable.
9. The Board designates the *Boulder Daily Camera* as a newspaper of general circulation within the boundaries of the District or in the vicinity of the District if none is circulated within the District, and directs that all legal notices shall be published in accordance with applicable statutes in the *Boulder Daily Camera*.
10. The Board designates the URL Domain www.Colorado.gov/stcmd, as the District's official website and posting place for notices of meetings pursuant to § 24-6-402(2)(c), C.R.S. Further, in compliance with § 24-6-402(2)(III), C.R.S., the Board designates the fence in the northwest corner of the 5' x 5' District parcel (said parcel located 91 feet north of the fence corner), as the public place within the boundaries of the District at which it may post notices of meetings if it is unable to post a notice on the District's official website.
11. Emergency meetings may be called without notice, if notice is not practicable, by the president of the Board or any two (2) Directors in the event of an emergency that requires the immediate action of the Board in order to protect the public health, safety and welfare of the property owners and residents of the District. If possible, notice of such emergency meeting may be given to the Directors of the Board by telephone or whatever other means are reasonable to meet the circumstances of the emergency, and shall be provided to the public via any practicable means available, *if any*, including, but not limited to, posting notice of such emergency meeting on the District's website, if any. At such emergency meeting, any action within the power of the Board that is necessary for the immediate protection of the public health, safety and welfare may be taken; provided however, that any action taken at an emergency meeting shall be ratified at the first to occur: (a) the next regular meeting of the Board, or (b) the next special meeting of the Board.
12. The Board determines to hold regular meetings on June 1, 2022 and November 2, 2022, at 9:00 A.M. at the offices of Special District Management Services, 141

Union Boulevard, Suite 150, Lakewood, Colorado 80228. Any additional means of public participation, if any, will be designated on the meeting agenda.

13. Pursuant to § 32-1-904, C.R.S., the Board determined that the office of the District shall be at Special District Management Services, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228.
14. The Board directs legal counsel to prepare, administer and file an oath or affirmation in accordance with §§ 32-1-901 and 24-12-101, C.R.S. In addition to the oath or affirmation, the Board directs legal counsel to procure either crime insurance in accordance with § 24-14-102(2), C.R.S. or a bond for each Director as required by § 32-1-901, C.R.S. in the total amount of \$10,000, and to file copies of the crime insurance or bond with the Clerk of the Court and the Division.
15. The Board hereby elects the following officers for the District:

President/Chairman:	James A. Brzostowicz
Treasurer:	Angie Hulsebus
Assistant Secretary:	Guy "Anthony" Harrigan
Assistant Secretary:	Terry Willis
Secretary:	Peggy Ripko
16. The Board directs that each Director may receive compensation for services as Directors in accordance with §§ 32-1-902(3)(a)(I) & (II), C.R.S.
17. The Board has determined that when so directed by one or more Directors legal counsel will file conflict-of-interest disclosures provided by Directors with the Secretary of State seventy-two (72) hours prior to each meeting of the Board. In addition, written disclosures provided by Directors required to be filed with the governing body in accordance with § 18-8-308, C.R.S. shall be deemed filed with the Directors of the District when filed with the Secretary of State.
18. The Board authorizes the use of electronic records and electronic signatures in 2022 and ratifies their use of electronic records and signatures in 2021. Use of electronic records and electronic signatures, when conducting transactions and in relation to the administration of the affairs of the District, will be performed and governed in accordance with the Uniform Electronic Transactions Act, §§ 24-71.3-101 *et seq.*, C.R.S.
19. The Board does not operate or maintain an electronic mail communication system devoted to the District but recognizes that its Directors and consultants may utilize electronic mail to conduct matters on behalf of the District and that such communications may be a public record under the Colorado Open Records Act and may be subject to public inspection under § 24-72-203, C.R.S.

20. The Board directs legal counsel to issue notice of indebtedness to the Board of County Commissioners or to the governing body of the municipality that has adopted a resolution of approval of the District, as applicable, and to record such notice with the County Clerk and Recorder in each county in which the District is located within thirty (30) days of incurring or authorizing any indebtedness in accordance with §§ 32-1-1604 and 32-1-1101.5(1), C.R.S. The Board also directs legal counsel to certify the results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners of each county in which the District is located, to the governing body of a municipality that has adopted a resolution of approval of the District, as applicable, and the Division of Securities within forty-five (45) days after such election, or at least thirty (30) days before the District's issuance of any general obligation debt if not previously certified, in accordance with § 32-1-1101.5(1), C.R.S.
21. The Board directs the accountant to prepare and file, if requested, the quinquennial finding of reasonable diligence with the Board of County Commissioners or to the governing body of a municipality that has adopted a resolution of approval of the District, as applicable, in accordance with §§ 32-1-1101.5(1.5), C.R.S.
22. The Board directs management to prepare and file an annual report as required under the Service Plan for the District. The Board acknowledges that additional reporting requirements commence in 2023 for the 2022 calendar year under § 32-1-207(3)(c), C.R.S.
23. The District is currently a member of the Special District Association ("SDA") and insured through the Colorado Special Districts Property and Liability Pool. The Board directs the District's accountant to pay the annual SDA membership dues and insurance premiums in a timely manner and complete all necessary conditions of the third-party insurance agent, as applicable. The Board will review all insurance policies and coverage in effect to determine appropriate insurance coverage is maintained, at least biannually.
24. The Board directs the custodian of all electronic recordings of executive sessions to retain all electronic recordings of executive sessions for purposes of the Colorado Open Meetings Law for ninety (90) days after the date of the executive session. The Board further directs the custodian to systematically delete all recordings of executive sessions made for purposes of the Colorado Open Meetings Law at its earliest convenience after the ninetieth (90th) day after the date of the executive session.
25. The Board hereby designates the District's accountant as its official custodian over public deposits in accordance with §§ 11-10.5-101 *et seq.*, C.R.S.
26. The Board directs legal counsel to prepare the special district public disclosure statement in accordance with § 32-1-104.8, C.R.S. and record the statement with

the County Clerk and Recorder at any such time as a decree or order of inclusion of real property into the District's boundaries is recorded.

27. Karen Steggs, of Special District Management Services, Inc., is hereby appointed as the "Designated Election Official" of the Board for any elections to be held during 2022 and any subsequent year unless another Designated Election Official is appointed by resolution. The Board hereby grants all powers and authority for the proper conduct of the election to the Designated Election Official, including, but not limited to, appointing election judges, appointing a canvass board, cancelling the election, if applicable, and certifying election results.
28. The Board hereby authorizes legal counsel, the District manager, and District accountant to use the District's name and a brief description of the work performed for the District for marketing purposes, including identifying the District in presentations, proposals, and publications, provided that no confidential information about the District is revealed.

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

Whereupon a motion was made and seconded, and upon a majority vote this Annual Resolution was approved by the Board.

ADOPTED AND APPROVED THIS 3RD DAY OF NOVEMBER 2021.

STC METROPOLITAN DISTRICT NO. 1

James A. Brzostowicz, President

ATTEST:

Peggy Ripko, Secretary

DRAFT

CERTIFICATION

I, Peggy Ripko, Secretary of the Board of the STC Metropolitan District No. 1, do hereby certify that the annexed and foregoing Resolution is a true copy from the records of the proceedings of the Board of said District, on file with Icenogle Seaver Pogue, P.C., general counsel to the District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District, at the County of Boulder, Colorado, this 3rd day of November 2021.

Peggy Ripko, Secretary

[SEAL]

DRAFT

**RESOLUTION OF
THE BOARD OF DIRECTORS OF
STC METROPOLITAN DISTRICT NO. 1
2022 REGULAR SPECIAL DISTRICT ELECTION RESOLUTION**

At a special meeting of the Board of Directors of the STC Metropolitan District No. 1, Boulder County, Colorado, held at 9:00 A.M., on Wednesday, November 3, 2021, via online meeting at <https://us02web.zoom.us/j/89797364658?pwd=SHJkTkdyUmVxYjBYUDcvcHNmN3I0dz09> and via telephone at 1-253-215-8782, Meeting ID: 897 9736 4658, Passcode: 115782, at which a quorum was present, the following resolution (the “Resolution”) was adopted:

WHEREAS, STC Metropolitan District No. 1 (the “District”) was organized pursuant to the Special District Act, Article 1 of Title 32, C.R.S. (the “Act”), after approval of the eligible electors of the District, by order of the District Court in and for Boulder County, Colorado, dated November 27, 2013; and

WHEREAS, elections may be held pursuant to the Act; the Uniform Election Code of 1992, Articles 1 to 13 of Title 1, C.R.S. (the “Uniform Code”); and the Colorado Local Government Election Code, Article 13.5 of Title 1, C.R.S. (the “Local Government Election Code”) (the Act, Uniform Code, and Local Government Election Code are collectively referred to herein as the “Election Laws”) for the purpose of 1) electing members of the Board and 2) presenting certain ballot questions to the eligible electors of the District; and

WHEREAS, pursuant to § 32-1-305.5(3)(b), C.R.S., the terms of office of members of the Board of Directors for the District (the “Board”) elected in a regular special district election held in 2022 are for three (3) years; and

WHEREAS, the Board currently includes four (4) members elected to serve on the Board, zero (0) members appointed to fill vacancies on the Board, and one (1) vacancy; and

WHEREAS, the term of office for one (1) member of the Board for the District shall expire after his or her successor is elected at the next regular election for the District scheduled to be held on the Tuesday succeeding the first Monday of May in accordance with § 1-13.5-111(1), C.R.S.: May 3, 2022; and

WHEREAS, the term for the one (1) vacancy on the Board for the District is one (1) three-year term and zero (0) one-year terms; and

WHEREAS, in accordance with the Election Laws, an election must be conducted to elect to the Board of the District two (2) Directors to serve for terms of three years and zero (0) Directors to serve terms of one year; and

WHEREAS, the number of Directors to be elected to the Board of the District may increase following the adoption of this Resolution should a Director's office be deemed vacant in accordance with § 32-1-905, C.R.S. prior to the election; and

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

WHEREAS, §§ 1-1-111(2), 1-13.5-108, and 32-1-804(2), C.R.S. provide that all powers and authority granted to the Board for the conduct of regular and special elections, including making all initial decisions as to controversies or other matters arising in the operation of the Local Government Election Code, may be exercised by a "Designated Election Official" designated by the Board; and

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

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

WHEREAS, § 1-7.5-107(4)(b)(II), C.R.S. specifies that the Designated Election Official shall designate a secure drop-off location that is under his or her supervision, and § 1-5-102(1), C.R.S. requires that the Designated Election Official divide the jurisdiction into as many election precincts as he or she deems expedient for the convenience of eligible electors of the jurisdiction and designate the polling place for each precinct; and

WHEREAS, § 1-13.5-1004(1), C.R.S. provides that the Designated Election Official shall keep a list of names of eligible electors who have applied for absentee voters' ballots and those permanent absentee voters placed on the list pursuant to § 1-13.5-1003(2), C.R.S., which list must contain certain other information as set out by statute; and

WHEREAS, § 1-13.5-513(1), C.R.S. provides that if the only matter before the electors in an election is the election of persons to office and if, at the close of business day on the sixty-third (63rd) day before the election or at any time thereafter, there are not more candidates than offices to

be filled at the election, the Designated Election Official shall cancel the election and declare the candidates elected if so instructed by resolution of the governing body; and

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

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 1 THAT:

1. The Board hereby calls a regular election of the eligible electors of the District to be held between the hours of 7:00 A.M. and 7:00 P.M. on the Tuesday succeeding the first Monday of May pursuant to and in accordance with § 1-13.5-111(1), C.R.S., the Election Laws, and other applicable laws (May 3, 2022), for the purpose of electing two (2) Directors to serve a three-year term and zero (0) Directors to serve a one-year term on the Board (the “Election”), as such numbers may change due to one or more vacancies arising on the Board after the adoption of this Resolution and prior to the Election. The Election shall be conducted as an independent mail ballot election, pursuant to Part 11 of the Local Government Election Code.

2. Pursuant to § 32-1-804(2), C.R.S., the Board hereby names Karen Steggs, of Special District Management Services, Inc., as the Designated Election Official for the Election. The Board hereby directs the District’s general counsel to oversee the general conduct of the Election and authorizes the Designated Election Official to take all other action necessary for the proper conduct thereof. The Designated Election Official shall act as the primary contact with the Clerk and Recorder of Boulder County, Colorado (the “County”) and shall be primarily responsible for ensuring the proper conduct of the Election, including, but not limited to, distributing, handling, and counting of ballots and the survey of returns, taking the necessary steps to protect the confidentiality of the ballots cast and the integrity of the Election, appointing election judges as necessary, appointing the board of canvassers, arranging for the required notices of the Election and printing of ballots, maintaining a permanent absentee voter list, and directing that all other appropriate actions be accomplished.

3. The Board hereby directs the Designated Election Official to provide public notice of a call for nominations for the Election in accordance with the requirements of § 1-13.5-501, C.R.S., which shall include information regarding the director offices to be voted upon at the Election, where a self-nomination and acceptance form or letter may be obtained, the deadline for submitting the self-nomination and acceptance form or letter to the Designated Election Official, and information on obtaining an absentee ballot. The notice shall be emailed to each active registered elector of the District as specified in the registration list provided by the Boulder County

Clerk and Recorder as of the date that is one hundred fifty days prior to the date of the Election or, if no email address is on file, by mail as provided in § 1-13.5-501(1.7), C.R.S. In addition, public notice shall be provided by **[SELECT ONE OF THE FOLLOWING]** (1) publication as defined in § 1-13.5-501(2), C.R.S.; (2) including the notice as a prominent part of a newsletter, annual report, billing insert, billing statement, letter, voter information card, or other notice of election, or other informational mailing sent by the District to the eligible electors of the District; (3) posting the information on the official website of the District.

4. The Board deems it expedient for the convenience of the electors that it shall establish a polling place & drop-off location for all regular and special elections of the District. There shall be one (1) polling place & drop-off location for the elections. This polling place & drop-off location shall be used for any regular or special elections to be held in 2022 and in each year thereafter until such polling place & drop-off location is changed by duly adopted resolution of the Board. Such polling place & drop-off location shall be located at 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228. All voters for the District, including handicapped and nonresident voters unless otherwise permitted by law, shall return their ballots to the designated polling place & drop-off location by mail or delivery. All eligible electors may also obtain a replacement ballot from the polling place & drop-off location until 7:00 P.M. on election day in accordance with § 1-13.5-1105(4), C.R.S. A map showing the District's boundaries is on file at the offices of Special District Management Services, Inc. and is available for examination by all interested persons.

5. Applications for an absentee voter's ballot or for permanent absentee voter status may be filed with the Designated Election Official, 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 26, 2022).

6. Pursuant to § 1-13.5-303, C.R.S., all candidates must file a self-nomination and acceptance form or letter signed by the candidate and by an eligible elector of the District as a witness to the signature of the candidate with the Designated Election Official no later than 5:00 P.M. on the day that is sixty-seven (67) days prior to the Election (February 25, 2022). Self-nomination and acceptance forms are available at the Designated Election Official's office located at the above address.

7. Pursuant to § 1-13.5-513, C.R.S., the Board hereby authorizes and directs the Designated Election Official to cancel the Election and declare the candidates elected if, at or after the close of business on the sixty-third (63rd) day before the Election (March 1, 2022), there are not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates, and so long as the only matter before the electors is the election of persons to office. Under these circumstances, the Board further authorizes and directs the Designated Election Official to provide notice of the cancellation by publication in accordance with § 1-13.5-501, C.R.S. and to post notice of the cancellation at each polling location, the office of the Designated Election Official, the Boulder County Clerk and Recorder's Office, and with the Division. The Designated Election Official shall also file notice and a copy of this Resolution authorizing the cancellation of the Election with the Division pursuant to § 1-11-103(3), C.R.S. The Designated Election Official shall also notify the candidates that the Election was canceled and they were elected by acclamation.

8. In accordance with §§ 1-11-103(3) & 32-1-104(1), C.R.S., the District directs the Designated Election Official to notify the Division of the results of any elections held by the District, including the District's business address, telephone number, and contact person within thirty (30) days after the Election (June 2, 2022).

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

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

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

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

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

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

[Remainder of page intentionally left blank.]

Whereupon, a motion was made and seconded, and upon a majority vote, this Resolution was approved by the Board.

ADOPTED AND APPROVED THIS 3RD DAY OF NOVEMBER, 2021.

STC METROPOLITAN DISTRICT NO. 1

James A. Brzostowicz, President

ATTEST:

Peggy Ripko, Secretary

DRAFT



MEMORANDUM

TO: Board of Directors, Managers, and other District Representatives

FROM: Icenogle Seaver Pogue, P.C.

DATE: July 30, 2021

RE: Summary of 2021 Legislation

INTRODUCTION

The First Regular Session of the Seventy-Third General Assembly of the State of Colorado (the “General Assembly”) convened on January 13, 2021 and adjourned on June 8, 2021. This memorandum generally summarizes certain bills enacted into law in 2021 that may impact special districts, either directly or indirectly. The Colorado Revised Statutes (“C.R.S.”) should be consulted for the complete statutory requirements of the legislation discussed herein.

SPECIAL DISTRICTS

Special District Transparency

SB 21-262

Senate Bill 21-262 aims to promote transparency for special districts by making changes to the Colorado Local Government Election Code, Sections 1-13.5-101 *et seq.*, C.R.S.; the Special District Act, Sections 32-1-101 *et seq.*, C.R.S.; and statutes governing disclosures required in connection with the conveyance of residential real property.

Currently, the Colorado Local Government Election Code requires a designated election official (“DEO”) publish a call for nominations for a regular election in a newspaper of general circulation within the special district. For any metropolitan district organized after January 1, 2000, Senate Bill 21-262 requires that notices of the call for nominations must be made by emailing each active registered elector of the district as specified in the voter registration list that is provided by the county clerk and recorder as of the date that is 150 days prior to the election. Where the active registered elector does not have such an email address, the notice must be made by mailing, at the lowest cost option, to each address at which one or more active registered electors of the district resides as specified in the voter registration list. In addition, the bill requires that the DEO shall

also provide notice of the call for nominations by any one of the following means: (i) publication in a newspaper of general circulation within the district; (ii) including the notice of the call for nominations as a prominent part of a newsletter, annual report, billing insert, billing statement, letter, voter information card or other notice of election, or other informational mailing sent by the district to its eligible electors; (iii) posting the notice on the district's website; or (iv) for a district with fewer than 1,000 eligible electors located wholly within a county with less than 30,000 people, posting the notice in at least three physical locations within the territorial boundaries of the district and, in addition, posting a notice in the county clerk and recorder's office; provided that such notices must remain posted until the day after the call for nominations closes.

For other local governments (including metropolitan districts organized before January 1, 2000), Senate Bill 21-262 provides that a call for nominations must be published *and* be made public using any one of the following methods: (i) mailing notice of the call for nominations, at the lowest cost option, to each address at which one or more active registered electors of the local government resides; or any of the means listed in items (ii), (iii), or (iv) of the paragraph above.

Senate Bill 21-262 also adds a requirement that any metropolitan district organized after January 1, 2000 establish, maintain, and unless otherwise specified, annually update an official website in a form that is readily accessible to the public. The bill sets forth a list of information the website is required to contain as well as deadlines for updating the same on an annual basis. Districts organized after January 1, 2000, but before January 1, 2022, are required to establish and maintain a website by January 1, 2023. Districts organized after January 1, 2022 must establish and maintain a website within 1 year from the date an order and decree organizing the district has been issued.

Senate Bill 21-262 requires any special district organized after July 1, 2000 to file an annual report for the preceding calendar year and sets forth the specific information required to be included therein. Unless waived or otherwise requested by an earlier date by the board of county commissioners or the governing body of a municipality in which a special district is located, beginning in 2023 for the 2022 reporting year, annual reports shall be filed no later than October 1st.

Section 32-1-1004, C.R.S. grants metropolitan districts the power of eminent domain and dominant eminent domain. Senate Bill 21-262 limits this grant of power by providing that a metropolitan district shall not exercise its power of dominant eminent domain within a municipality or unincorporated area of a county, other than within the boundaries of the jurisdiction that approved its service plan, without a written resolution approving the exercise of dominant eminent domain.

Senate Bill 21-262 also enacts a new Section 38-35.7-110, C.R.S. requiring that on and after January 1, 2022, a seller of real property in a metropolitan district that includes a "newly constructed residence"¹ shall provide to the purchaser, concurrently with or prior to the execution of a contract, certain additional disclosures with respect to the metropolitan district in which the property is located.

¹ A "newly constructed residence" means a building, or that portion of a building, designed for use predominantly as a place of residency by a person, a family, or families that (a) has not been previously sold to its intended occupant as a place of residence; and (b) is located within the territorial boundaries of a metropolitan district. *See* C.R.S. § 39-1-102.

Senate Bill 21-262 will take effect on September 7, 2021 provided no referendum is filed.²

Special District Meeting Requirements

HB 21-1278

House Bill 21-1278 expressly clarifies that a meeting of the board of a special district may be held at a physical location, telephonically, electronically, virtually, or any combination of such means. Meeting notices for meetings held telephonically, electronically, or by other virtual means must include the method or procedure (i.e., conference number or link) by which members of the public can attend. Meetings that are held solely in person must still be held within the boundaries of the district, within the boundaries of the county where the district is located, in whole or in part, or in any county provided the physical meeting location does not exceed 20 miles from the district's boundaries, unless certain waiver criteria are met. House Bill 21-1278 confirms that any meeting held prior to the effective date of the bill by telephonic, electronic, or other virtual means is validated, ratified, confirmed, and may not be challenged. This bill took immediate effect on July 7, 2021 when signed by Governor Polis.

Local Regulation of Firearms

SB 21-256

Senate Bill 21-256 authorizes a local government, including a special district, to enact a resolution, rule, or other regulation ("rule") that prohibits a concealed handgun permit holder from carrying a concealed handgun in a building or specific area under the direct control or management of the district, including a building or facility that is managed pursuant to an agreement between the district and a contractor. Any rule may only impose a civil penalty for violation and require the person to leave the premises. For first offenses, the rule may not impose a fine in excess of \$50. There shall be a notice sign posted at the public entrance to the buildings or specific areas where carrying a concealed handgun is prohibited. Senate Bill 21-256 took immediate effect on June 19, 2021 when signed by Governor Polis.

ELECTIONS

Modification to Local Government Election Code

SB 21-160

Senate Bill 21-160 revises several statutory citations to clarify that the Colorado Local Government Election Code ("Code") is the portion of the election code applicable to special district elections. Substantive changes to the Code included in the bill are as follows:

Senate Bill 21-160 modifies the Code to provide that, in computing for any act *or event* before a local government election, the first day is *excluded* and the last day is *included*. The bill makes certain clarifications with respect to self-nomination and acceptance forms ("SNAFs") and the DEO's verification and processing of SNAFs once submitted, including means for curing an insufficiency in the same. Senate Bill 21-160 also clarifies the Code to provide that the DEO shall

² The new laws described herein with an effective date of September 7, 2021 are subject to challenge by referendum until such date. If a referendum petition is filed against a new law, the law will not take effect unless approved by the people at the general election to be held in November 2022.

mail ballots to each active registered elector *and* any person who is an “eligible elector,” as defined in the Special District Act,³ or under any other applicable law.

In addition to the foregoing, Senate Bill 21-160 adds a new Section 32-1-902.7, C.R.S. to the Special District Act to provide for the creation of director districts within a special district. Pursuant to Section 32-1-902.7, the board of a special district may adopt a resolution to divide the district into director districts, wherein a 5-director district will be divided into 5 director districts and a 7-director district will be divided into 7 director districts. Each director district must have, as nearly as possible, the same number of eligible electors and shall be as contiguous and compact as possible. The board shall also designate whether the directors representing the director districts must be elected at large or by the eligible electors within each director district. If, after a reasonable time, the board determines that it is in the best interest of the district to revert to a single district format, the board may eliminate the director districts and thereafter operate as a single district by adopting a resolution to that effect. Senate Bill 21-160 will take effect on September 7, 2021, provided no referendum is filed.

Elections and Voting

SB 21-250

Senate Bill 21-250 is a sizeable voter registration and elections bill with limited applicability to special district recall elections. First, the bill removes the requirement that the form of recall petition be filed with the court and clarifies that a request to appoint a DEO for a recall of a special district director be filed with the district court in the county in which the special district was organized. If the court appoints a county clerk and recorder as the DEO, the recall election must be conducted in accordance with Article 12 of Title 1, C.R.S., except that certain provisions of the Special District Act in part 9 of Article 1, Title 32, C.R.S. still apply.⁴ Second, for special district recall elections conducted pursuant to Section 1-12-117, C.R.S., the bill requires the DEO by certain deadlines to verify successor candidate SNAFs and notify any successor candidate who files a deficient SNAF. As it applies to special districts, Senate Bill 21-250 took immediate effect on June 21, 2021 when signed by Governor Polis.

Ballot Access for Voters with Disabilities

SB 21-188

Current law allows a voter with a disability to use an electronic voting device to produce a paper record to vote in any mail ballot election. Senate Bill 21-188 allows a voter to either print the ballot for return by mail or return the ballot by electronic transmission if the voter makes certain affirmations. The Secretary of State is tasked with establishing the electronic transmission system through which a voter with a disability may request and return a ballot. Senate Bill 21-188 takes effect on September 7, 2021, provided no referendum is filed.

Voter Transparency in Ballot Measures

HB 21-1321

³ “Eligible elector” means a person who is registered to vote and who is a resident of the special district or who, or whose spouse or civil union partner, owns taxable real or personal property situated within the boundaries of the special district, whether they reside in the special district or not. C.R.S. § 32-1-103(5)(a).

⁴ Sections 32-1-906, 32-1-907, 32-1-909(4) to (6), 32-1-910(2)(c), 32-1-911(3)(b), (3)(c), and (4), and 32-1-912, C.R.S. still apply.

This bill enacts the Ballot Measure Fiscal Transparency Act of 2021 which requires that certain language appear at the beginning of initiated measures that would decrease state and local tax revenues through a tax change. The bill similarly requires additional language appear after the language required by Colo. Const. Art. X, Section 20 (“TABOR”) for measures that increase tax revenue for any district through a tax change. This bill does not affect special district elections due to the limited application of Title 1, Article 40, C.R.S. The bill also requires additional information be included in the ballot information booklet if a measure modifies state tax laws and would increase or decrease individual income tax revenue or state sales tax revenue. House Bill 21-1321 took immediate effect on July 7, 2021.

TAXATION

Local Authority for Business Personal Property Taxation Exemption

SB 21-130

As a means of providing COVID-19 relief to Colorado businesses, Senate Bill 21-130 allows counties, municipalities, and special districts to exempt up to 100% of business personal property from the levy and collection of property taxation for the 2021 property tax year. This bill took immediate effect on April 29, 2021.

Delinquent Interest Payments Property Tax

SB 21-279

Senate Bill 21-279 allows a board of county commissioners or a city council of a city and county, upon approval of the county treasurer, to temporarily reduce, waive, or suspend delinquent interest payments for property tax payments for any period of time between June 16, 2021 and September 30, 2021. The board of county commissioners or city council must notify at least three executives or board officers in local taxing jurisdictions (including special districts) of the intent to do so, and if a local taxing jurisdiction would be unable to meet its bond payment obligations after the proposed reduction, waiver, or suspension, the local taxing jurisdiction shall notify the board of county commissioners or city council within three business days of receiving notice. If such notice is provided, Senate Bill 21-279 requires the county treasurer to advance property tax payments to the local taxing jurisdiction to assist in its payment of bonded indebtedness and monthly operation costs if certain conditions are met. This authority to reduce, waive, or suspend delinquent interest payments is repealed effective December 31, 2021. Senate Bill 21-279 took immediate effect on June 28, 2021.

State Severance Tax Trust Fund Allocation

SB 21-281

Senate Bill 21-281 requires that a metropolitan district created on or after July 1, 2021 annually pay the state an amount equal to the total of all severance tax ad valorem credits claimed under Section 39-29-105(2)(b), C.R.S., for the property taxes that are imposed by the metropolitan district. Half of this revenue will be credited towards the state severance tax fund while the other half will be credited to the local government severance tax fund. The portions of Senate Bill 21-281 affecting special districts took immediate effect when signed by Governor Polis on June 18, 2021.

The law currently provides that, beginning in tax year 2020, there is a moratorium on changing the valuation for assessment of any class of property. Senate Bill 21-293 repeals this moratorium and sets forth new subclasses of residential and nonresidential property in an attempt to preemptively address state ballot initiatives to decrease the assessment rates. In addition, the law currently provides that the change or adjustment of any ratio of valuation for assessment for residential real property shall not constitute grounds for an abatement (reduction) of taxes. The bill expands this law to apply to all real property, not just residential property.

Nonresidential Property

Senate Bill 21-293 defines “nonresidential property” as all taxable real and personal property in the state other than residential real property, producing mines, or lands or leaseholds producing oil or gas. Senate Bill 21-293 classifies agricultural property, lodging property, and renewable energy production property as new subclasses of nonresidential property. Senate Bill 21-293 amends Section 39-1-104(1), C.R.S. to provide that the assessment rate for lodging property is 29% of the actual value thereof. For agricultural property and renewable energy production property, the assessment rate is 29% of the actual value of such property; provided, however, in tax years 2022 and 2023, the assessment rate is temporarily reduced from 29% to 26.4%. The assessment rate for all other nonresidential property is 29%.

Residential Property

Senate Bill 21-293 classifies multi-family residential real property as a new subclass of residential real property. “Multi-family residential real property” means residential real property that is a duplex, triplex, or multi-structure of four or more units. If a ballot initiative to decrease the assessment rate were to fail or if no such initiative exists, the assessment rate for multi-family residential real property is temporarily reduced from 7.15% to 6.8% for property tax years 2022 and 2023, effective December 31, 2021. Alternatively, the multi-family residential real property assessment rate will remain at 7.15%. For residential property other than multi-family residential real property, the assessment rate is temporarily reduced from 7.15% to 6.95% for property tax years 2022 and 2023.

Expanded Tax Deferral Program

Under current law, the state treasurer pays county treasurers for deferred taxes claimed by active servicemembers and senior citizens over the age of 65. Senate Bill 21-293 expands eligibility for tax deferral to all taxpayers. Beginning on January 1, 2023, a person who is not otherwise eligible for deferral pursuant to Title 39, Article 3.5 may elect to defer payment of the portion of the real property taxes that exceed the taxpayer’s “tax-growth cap.” The “tax-growth cap” means the amount equal to the average of a person’s real property taxes paid on the same homestead for the 2 property tax years preceding the year in which the deferral is claimed, increased by 4%. When utilizing the tax-growth cap deferral, the minimum amount of taxes that may be deferred at one time is \$100 and, collectively, the maximum amount of taxes that may be deferred for all years is \$10,000; provided, however, these limitations are in addition to limitations for other deferrals.

With the exception of amendments to Section 39-1-104.2(3)(q), C.R.S., Senate Bill 21-293 took effect June 23, 2021. Whether the amendments to Section 39-1-104.2(3)(q), C.R.S. set forth in Sections 3 and 4 of the bill take effect depends upon the results of the November 2021 statewide election and initiatives presented.

Related to Senate Bill 21-293 is Initiative 2021-2022 #27 (“Initiative #27”) proposed for inclusion on the November 2021 ballot pertaining to property tax assessment rate reduction. Initiative #27 is a measure to reduce the residential property tax assessment rate from 7.15% to 6.5% and the nonresidential assessment rate from 29% to 26.4% with authorization for the state to retain and spend up to \$25 million per year, from July 1, 2022 to July 1, 2027, for the purpose of off-setting lost revenue and funding state reimbursements to local governments credited to homestead exemptions. Assessment rates under Senate Bill 21-293 will differ depending on whether Initiative #27 is approved by state voters in the November 2021 general election. For an explanation of how Initiative #27 interplays with Senate Bill 21-293, please refer to the chart attached hereto as Exhibit A.

Insurance Premium Property Sales Severance Tax**HB 21-1312**

In addition to other amendments, House Bill 21-1312 clarifies this law to provide that the actual value of real property reflects the value of the fee simple estate. For personal property, the bill provides that the actual value is based on the property’s value in use. “Value in use” has not been defined, but the bill requires the Property Tax Administrator to prepare and make public appraisal procedures and instructions for the annual appraisal of personal property that will include a definition of “value in use.”

House Bill 21-1312 also increases available exemptions for business personal property to \$50,000 for property tax years commencing on January 1, 2021 and January 1, 2022 and adjusted biennially thereafter. In 2021, county treasurers will calculate and report to the Property Tax Administrator the total property tax revenue lost by all local government entities (including special districts) within the county based upon the exempt business personal property with a total value of more than \$7,900 and less than or equal to \$50,000. In 2022 and each year thereafter, each county treasurer will calculate such lost revenues based on exempt business personal property amount estimates. The state treasurer will distribute the reimbursements to local government entities as if the revenues had been regularly paid as a property tax. If not all counties receive reimbursement warrants for the lost property tax revenue amounts specified, the state treasurer must notify the Property Tax Administrator of the same, and the exemption amount will decrease to the alternate exemption amount (continually adjusted biennially). The Property Tax and State Sales Tax sections of House Bill 21-1312 take effect on July 1, 2021.

OPERATIONS

Replace the Term Illegal Alien**HB 21-1075**

Current law prohibits special districts from entering into public contracts for services with contractors who knowingly employ or contract with “illegal aliens.” Similarly, public contracts for

services must include certain provisions regarding employment eligibility and verification so as not to employ or contract with illegal aliens. House Bill 21-1075 replaces the term “illegal alien” with the phrase “worker without authorization.” District contracts should be adjusted accordingly beginning September 7, 2021, until the repeal of this prohibition under Senate Bill 21-199 (discussed below), which becomes effective July 1, 2022. This bill takes effect on September 7, 2021, provided no referendum petition is filed.

Removing Barriers to Certain Public Opportunities**SB 21-199**

As discussed above, current law prohibits state agencies and political subdivisions from entering into public contracts for services with contractors who knowingly employ or contract with illegal aliens. Senate Bill 21-199 repeals this prohibition effective July 1, 2022. Relatedly, this bill also provides that on and after July 1, 2022, proof of residence is no longer required for a person to be eligible for any “local public benefits” distributed by local governments (including special districts), which benefits include any contract or loan provided by or funded with appropriations by local governments. The operative portions of this bill will take effect on July 1, 2022.

Nonsubstantive E-mails and Open Meetings Law**HB 21-1025**

Colorado’s Open Meetings Law, Sections 24-6-401 *et seq.*, C.R.S. (“COML”), provides that if elected officials use e-mail to discuss pending legislation or other public business, then that e-mail exchange constitutes a meeting that is subject to COML’s open meeting requirements. House Bill 21-1025 amends COML to clarify that e-mail communication between elected officials that does not relate to the “merits or substance” of pending legislation or other public business is *not* a “meeting” subject to COML’s open meeting requirements and clarifies that the following types of e-mail exchanges do not constitute a meeting under COML: (i) exchanges regarding scheduling and availability; (ii) emails sent by an elected official for the purposes of forwarding information; (iii) emails responding to an inquiry from an individual who is not a member of the state or local public body; or (iv) emails posing a question for later discussion by the public body. House Bill 21-1025 takes effect September 7, 2021, provided no referendum is filed. This bill only applies to electronic mail communication sent on or after the effective date.

Public Information Applicants for Public Employment**HB 21-1051**

House Bill 21-1051 pertains to applications for employment as a chief executive officer with state or local public bodies. Under current law, if three or fewer candidates for an executive position meet the minimum requirements for that position, all of those candidates must be treated as finalists, and their application materials are public records subject to inspection. House Bill 21-1051 repeals this requirement and sets forth that the state or local public body must name one or more candidates as finalists for the position.

House Bill 21-1051 also amends the Colorado Open Records Act, Sections 24-72-200.1 *et seq.*, C.R.S. (“CORA”), to provide that records submitted by or on behalf of an applicant or candidate for *any* employment position, including an applicant for an executive position who is not a finalist, shall not be subject to public inspection; provided, however, it does not prohibit inspection of records submitted on behalf of a finalist or applications of past or current employees without

another applicable exception. Notwithstanding the prohibition for disclosure of applicant or candidate records, the official custodian shall allow public inspection of the demographic data of a candidate who was interviewed by a state public body, local public body, or search committee for an executive position, but is not named a finalist. House Bill 21-1051 takes effect September 7, 2021, provided no referendum is filed.

Colorado Laws for Persons with Disabilities**HB 21-1110**

House Bill 21-1110 adds language to strengthen laws related to protections against discrimination on the basis of disability. An individual with a disability must not, on the basis of the individual's disability, be excluded from participation in or be denied the benefits of services, programs, or activities provided by a public entity (including special districts) or be subjected to discrimination by any such public entity. Discrimination includes the failure of a public entity to develop an accessibility plan on or before July 1, 2024 and comply with the accessibility standards for individuals with a disability established by the state's Office of Information Technology. This bill imposes a statutory fine of \$3,500 payable to plaintiffs for each violation of the foregoing. House Bill 21-1110 took immediate effect on June 30, 2021.

REGULATION OF PROPERTY & HOMEOWNERS' ASSOCIATIONS

Homeowners' Association Governance Funding Record Keeping**HB 21-1229**

House Bill 21-1229 provides that any section of a restrictive covenant, declaration, bylaws, or rules and regulations of a common interest community and any rule or policy of a special district that prohibits the use of nonvegetative turf grass in the backyard of a residential property is declared contrary to public policy and is therefore unenforceable. Current law also provides that any covenant, restriction, deed, or contract that prohibits or restricts the installation or use of a renewable energy generation device is unenforceable as contrary to public policy subject to certain reasonable regulations. House Bill 21-1229 clarifies the circumstances in which renewable energy generation devices may be restricted or prohibited.

House Bill 21-1229 modifies the Colorado Common Interest Ownership Act, Section 38-33.3-101 *et seq.*, C.R.S. ("CCIOA"), to add the following to the list of records that associations must maintain: (i) a list of the current amounts of all fees that are chargeable in connection with the purchase or sale of a unit; and (ii) all documents included in the association's annual disclosures pursuant to Section 38-33.3-209.4, C.R.S. The bill further provides that if an association fails to allow inspection or copying of records within 30 calendar days after receipt of a written request submitted by certified mail, return receipt requested, and payment of any fees, the association is liable in the amount of \$50 per day, commencing on the 11th day after receipt of request, up to a maximum of \$500 or the unit owner's actual damages sustained as a result of the refusal, whichever is greater. House Bill 21-1229 will take effect on September 7, 2021, provided no referendum petition is filed, and will only apply to conduct occurring on or after that date.

Homeowners' Association Regulation of Flags and Signs**HB 21-1310**

House Bill 21-1310 also amends CCIOA by requiring an association to permit the display of *any* flag or sign at *any* time, subject only to reasonable, content-neutral limitations such as number, size, or placement. However, commercial speech is not protected under this bill, and associations are expressly permitted to prohibit flags and signs bearing commercial messages. An association may adopt reasonable, content-neutral rules to regulate the number, location, and size of flags, flagpoles, and signs, but shall not prohibit the installation of a flag or flagpole. House Bill 21-1310 will take effect on September 7, 2021, provided no referendum petition is filed.

EMPLOYMENT

Workers' Compensation**HB 21-1050**

House Bill 21-1050 concerns that portion of the Workers' Compensation Act of Colorado codified in Article 42 (Benefits) and Article 43 (Procedure) of Title 8, C.R.S. ("WC Act") and makes the following modifications to the WC Act by making changes that affect: (i) the timely payment of disability benefits; (ii) obligations of employers and insurers to provide guardian ad litem and conservator services for legally incapacitated employees; (iii) benefit offsets related to the receipt of federal disability or retirement benefits; (iv) the reduction of disability benefits based on apportionment; (v) the selection of independent medical examiners; (vi) limits on temporary disability and permanent partial disability payments; (vii) the withdrawal of admissions of liability; (viii) the rights of claimants to receive mileage expense reimbursement; (ix) the authority of prehearing administrative law judges; (x) the reopening of permanent total disability awards; and (xi) petitions for review and appeals of orders denying or approving the payment of benefits or penalties. House Bill 21-1050 will take effect on September 7, 2021, provided no referendum petition is filed and will apply to actions pending, filed, and occurring on or after the effective date.

Gender Identity Expression Anti-Discrimination**HB 21-1108**

Individuals are statutorily protected against discrimination on the basis of disability, race, creed, color, sex, sexual orientation, religion, age, national origin, or ancestry, including in various areas such as employment, public accommodations, and labor for public works projects. House Bill 21-1108 adds "gender expression" and "gender identity" to these protected classes. The bill also expands the definition of "sexual orientation." House Bill 21-1108 will take effect on September 7, 2021, provided no referendum is filed.

Additional Liability under Respondeat Superior**HB 21-1188**

A recent Colorado Supreme Court case held that in a civil action when an employer admits liability for the tortious actions of its employee, the plaintiff cannot also assert direct negligence claims against the employer arising out of the same incident. House Bill 21-1188 reverses that holding and allows a plaintiff to bring such claims against an employer or against a principal that admits liability for the actions of its agent. Nothing in this bill permits a plaintiff to recover damages more

than once for the same injury. House Bill 21-1188 will take effect on September 7, 2021, provided no referendum is filed.

Overpayment of Workers' Compensation Benefits**HB 21-1207**

House Bill 21-1207 limits the definition of “overpayment” of workers’ compensation benefits under the WC Act to include only money received by a claimant that: (i) is a result of fraud; (ii) is the result of an error in miscalculation, omission, or clerical error asserted in a new admission of liability filed within 30 days of the erroneous admission of liability; (iii) is paid in error or inadvertently in excess of an admission or order that exists at the time the benefits are paid to a claimant; or (iv) results in duplicate benefits because of offsets that reduce disability or death benefits. “Duplicate benefits” includes any wages earned by a claimant in the same or other employment while the claimant is also receiving temporary disability benefits. House Bill 21-1207 was signed by Governor Polis on May 17, 2021 and takes effect on January 1, 2022.

MISCELLANEOUS

Retaliation Against an Elected Official**SB 21-064**

Senate Bill 21-064 makes retaliation or retribution against an “Elected Official” a class 6 felony for any individual who “knowingly makes a credible threat” as retaliation or retribution against the Elected Official, or arising out of the status of the person as an Elected Official, which is directed against or committed upon an Elected Official. “Elected Official” means any person who is serving an elected position in the State of Colorado at any level of government, and protections under Senate Bill 21-064 extend to any family members of, persons in close relationship with, and persons residing with Elected Officials. “Credible threat” means a threat, physical action, or repeated conduct that would cause a reasonable person to be in fear for the person’s safety or the safety of his or her immediate family or of someone with whom the person has or has had a continuing relationship. The threat need not be directly expressed if the totality of the conduct would cause a reasonable person such fear. Senate Bill 21-064 took effect on July 1, 2021, applying only to offenses committed on or after the effective date.

811 Locate Exemption for County Road Maintenance**HB 21-1095**

House Bill 21-1095 concerns excavation notification requirements for underground facility locations in connection with county road maintenance. This bill provides that excavation that is routine or emergency maintenance of the right-of-way of a county-maintained gravel or dirt road, and is performed by county employees, does not require notification of Colorado 811 unless the excavation will: (i) disturb more than six inches in depth as it is conducted; (ii) lower the existing grade or elevation of the road or any adjacent shoulder; or (iii) lower the designed and constructed elevation of any adjacent ditch flowline. This bill also provides that markings of underground facilities shall be considered valid for no more than 30 calendar days following the due date of the locate request, removing prior exceptions extending the validity of markings for unpaved roads and maintenance by a government agency not exceeding six inches in depth. House Bill 21-1095 was signed by Governor Polis on May 21, 2021 and takes effect on June 1, 2022, provided no referendum is filed.

EXHIBIT A

Property Tax Assessment Rates – Senate Bill 21-293 & Initiative #27

Type of Property		Current Assessment Rate	Assessment rate – SB21-293	Assessment rate IF SB21-293 & Initiative 27 passes	Assessment rate IF SB21-293 does not pass but Initiative 27 does pass
Non-residential	Hotels, motels and B & Bs – 'lodging properties'	29%	29%	26.4%	26.4%
	Renewable Energy Production	29%	26.4% (for property tax years 2022 and 2023). Returns to 29% in 2023.	26.4% (for two years)	26.4%
	Agricultural Property	29%	26.4% (for property tax years 2022 and 2023). Returns to 29% in 2023.	26.4% (for two years)	26.4%
	Commercial, Vacant, Industry	29%	29%	29%	26.4%
	Oil & Gas	87.5%	87.5%	87.5%	87.5%
Residential	Multi-family housing (i.e. apartments)	7.15%	6.80% (for property tax years 2022 and 2023). Returns to 7.15% in 2023.	6.5%	6.5%
	All other residential property	7.15%	6.95% (for property tax years 2022 and 2023). Returns to 7.15% in 2023.	6.95% (for two years)	6.5%

Source: Colorado Counties, Inc., *Property Tax Classification and Assessment Rate – SB 21-291 & Initiative 27* (June 11, 2021).



ICENOGL SEAVR POGUE

MEMORANDUM

TO: Board of Directors, Managers, and other District Representatives

FROM: Icenogle Seaver Pogue, P.C.

DATE: October 14, 2021

RE: Senate Bill 21-262's Public Website Requirements for Metropolitan Districts

INTRODUCTION

During the 2021 legislative session, the Colorado General Assembly passed Senate Bill 21-262: Special District Transparency ("SB-262") which took effect on September 7, 2021 and modified certain reporting requirements imposed on metropolitan districts pursuant to the Special District Act, Sections 32-1-101 *et seq.*, C.R.S., among modifications to other statutes. One modification to the Special District Act enacted through SB-262 is a new requirement that all metropolitan districts organized after January 1, 2000 must, by certain deadlines, establish, maintain, and annually update an official public website setting forth specific information. C.R.S. § 32-1-104.5(3)(a). This memorandum describes the new website requirements enacted through SB-262, including exemptions from compliance.

DISCUSSION

Section 32-1-104.5(3)(a) of the Special District Act, as amended by SB-262, provides: "...within one year of the date an order and decree has been issued by a district court for newly organized metropolitan district, or by January 1, 2023, for any metropolitan district that has received an order and decree from the district court in connection with its organization after January 1, 2000, but before January 1, 2022, the metropolitan district shall establish, maintain, and, unless otherwise specified, annually update an official website in a form that is readily accessible to the public..."

Stated more simply, metropolitan districts organized after January 1, 2000 and before January 1, 2022 must comply with the website requirements by January 1, 2023. Any metropolitan district organized on and after January 1, 2022 must comply with the website requirements within one (1) year from its date of organization.

I. Reporting Requirements

SB-262 requires that a metropolitan district's public website contain the following information:

1. The names, terms, and contact information for the current directors of the board the metropolitan district and of the manager of the metropolitan district, if applicable;
2. The current fiscal year budget of the metropolitan district and, within thirty (30) days of adoption by the board of the metropolitan district, any amendments to the budget;
3. The prior year's audited financial statements of the metropolitan district, if applicable, or an application for exemption from an audit prepared in accordance with the "Colorado Local Government Audit Law," part 6 of Article 1, Title 29, C.R.S., within thirty (30) days of the filing of the application with the state auditor;
4. The annual report of the metropolitan district in accordance with Section 32-1-207(3)(c), C.R.S.;¹
5. By January 30 of each year, the date, time, and location of scheduled regular meetings of the metropolitan district's board for the current fiscal year;
6. If required by Section 1-13.5-501(1.5), C.R.S., by no later than seventy-five (75) days prior to a regular election for an election at which members of a board of directors for a metropolitan district will be considered, the call for nominations pursuant to Section 1-13.5-501(1), C.R.S.;²
7. Not more than thirty (30) days after an election, certified election results for an election conducted within the current fiscal year;
8. A current map depicting the boundaries of the metropolitan district as of January 1 of the current fiscal year; and
9. Any other information deemed appropriate by the board of directors of the metropolitan district.³

SB-262 permits metropolitan districts "serving the same community" to establish and maintain a consolidated website, provided the website clearly identifies each metropolitan district and provides the required information listed above for each metropolitan district. C.R.S. § 32-1-104.5(3)(b). "Serving the same community" is not explained in the bill, but it presumably includes metropolitan districts operating under a consolidated service plan and/or metropolitan districts serving the same development, whether or not operating under a consolidated service plan.

II. Exemptions from Compliance

Metropolitan districts organized on or before January 1, 2000 are exempt from the website requirements added to the Special District Act through SB-262. C.R.S. § 32-1-104.5(3)(a)(compliance

¹ SB-262 amended the annual report requirements in Section 32-1-207(3)(c), C.R.S. to include a list of specific information that must be submitted with a district's annual report beginning in 2023 for the 2022 report year. The annual report requirements are outside the scope of this memo, but we are happy to answer any questions you have regarding the new requirements.

² As enacted by SB 21-262, C.R.S. § 1-13.5-501(1.5) provides metropolitan districts organized prior to January 1, 2000 the option to post notice of calls for nomination on their public website, in addition to notice by publication. The statute cross-references C.R.S. § 1-13.5-501(1.7), which also provides metropolitan districts organized after January 1, 2000 the same option.

³ This may include, for example, copies of a district's rules and regulations, policies for covenant enforcement, fee schedules, approved meeting minutes, etc.

is required for new metropolitan districts and districts organized “after January 1, 2000, but before January 1, 2022”). SB-262 provides for two additional exemptions.

First, any metropolitan district in inactive status pursuant to Section 32-1-104(3), C.R.S. is not required to establish, maintain, or update an official website during inactive status. However, a metropolitan district returning to active status must comply with the reporting requirements in Section I above within ninety (90) days of adopting a resolution returning to active status. C.R.S. § 32-1-104.5(3)(d)(I).

Second, any metropolitan district that “does not have the power to impose an ad valorem tax” is not required to establish, maintain, or update an official website. C.R.S. § 32-1-104.5(3)(d)(II). Here too, SB-262 is silent on what it means to have “the power to impose an ad valorem tax.” It is not clear, for example, whether a metropolitan district that has authorization in its service plan to levy an ad valorem tax, but does not have authorization from its electors pursuant to COLO. CONST. art. X § 20 (“TABOR”), is exempt from SB-262’s website requirements. Interpreting SB-262 practically would mean that such a metropolitan district would be exempt from the requirements given that TABOR authorization is required to constitutionally levy an ad valorem tax.⁴ Nevertheless, the conservative approach would be to read SB-262 to mean that compliance is required of any metropolitan district that, at minimum, has the power to levy an ad valorem tax pursuant to its service plan.

III. Open Meetings Law

Colorado’s Open Meetings Law, Section 24-6-402, C.R.S. (“COML”) currently allows for local public bodies, including metropolitan districts, to post notice of public meetings on a public website of a local public body. SB-262 amends the Special District Act to align with COML, providing that a notice of meeting containing the information set forth in COML at Section 24-6-402(c)(III), that is posted on a metropolitan district’s website no less than twenty-four (24) hours prior to such meeting, satisfies the requirements of COML. C.R.S. § 32-1-104.5(3)(c).

CONCLUSION

Metropolitan districts organized after January 1, 2000 and before January 1, 2022 are required to comply with SB-262’s website requirements by January 1, 2023. Metropolitan districts organized on or after January 1, 2022 must comply with the website requirements within one year of organization. Metropolitan districts that were organized on or before January 1, 2000, that are in inactive status, or that do not have the power to levy an ad valorem tax are exempt from these requirements. While SB-262 does not impose specific sanctions for noncompliance, failure to comply would subject to a metropolitan district to civil liability under the Special District Act as it similarly would be for noncompliance with any other provision of the Special District Act. Accordingly, we recommend that you begin taking steps to ensure that a public website is timely established with the information required by SB-262. Once established, you may post notices of public meetings on the website to comply with COML’s meeting notice requirements, provided such notices contain all information required by COML.

⁴ TABOR requires that districts must have voter approval in advance for any new tax, tax rate increase, and extension of an expiring tax, among others. COLO. CONST. art. X § 20(4)(a).

**RESOLUTION OF THE
BOARD OF DIRECTORS OF
STC METROPOLITAN DISTRICT NO. 1**

A RESOLUTION ADOPTING AN AMENDED COVENANT ENFORCEMENT POLICY ESTABLISHING GUIDELINES FOR STC METROPOLITAN DISTRICT NO. 1 IN PROVIDING COVENANT ENFORCEMENT AND DESIGN REVIEW SERVICES

At a special meeting of the Board of Directors of the STC Metropolitan District No. 1, Town of Superior, Boulder County, Colorado, held at 9:00 A.M., on Wednesday, November 3, 2021, via online meeting at <https://us02web.zoom.us/j/89797364658?pwd=SHJkTkdyUmVxYjBYUDcvcHNmN3I0dz09> and via telephone at 1-253-215-8782, **Meeting ID:** 897 9736 4658, **Password:** 115782, at which a quorum was present, the following resolution (the "Resolution") was adopted:

WHEREAS, pursuant to the Special District Act, Section 32-1-101 *et seq.*, C.R.S., and the Service Plan for STC Metropolitan District No. 1 ("Service Plan"), STC Metropolitan District No. 1 ("District No. 1") has the authority to furnish covenant enforcement and design review services; and

WHEREAS, that certain Master Declaration of Covenants, Conditions, and Restrictions for Superior Town Center was recorded in Clerk and Recorder's Office for Boulder County on April 14, 2015, at Reception No. 03439339 (the "STC Declaration"); and

WHEREAS, District No. 1's Board of Directors ("Board") adopted that certain Resolution 2015-02-02 Acknowledging and Adopting the Master Declaration of Covenants, Conditions and Restrictions for Superior Town Center dated February 2, 2015 (the "Covenant Enforcement Policy"), whereby the Board adopted the STC Declaration as an official policy of District No. 1; and

WHEREAS, subsequent to the adoption of the Covenant Enforcement Policy, that certain Master Declaration of Covenants, Conditions, and Restrictions for Superior Town Center was recorded in Clerk and Recorder's Office for Boulder County on November 22, 2019 at Reception No. 03750773 (the "Discovery Ridge Declaration", and together with the STC Declaration, the "Declaration"); and

WHEREAS, District No. 1, STC Metropolitan District No. 2 ("District No. 2"), and STC Metropolitan District No. 3 (collectively, the "Districts") entered into that certain Facilities Funding, Construction and Operation Agreement (the "FFCOA"), dated January 15, 2015, pursuant to which the Districts agreed that District No. 2 is the Operating District responsible for all operations and maintenance services for the Districts; and

WHEREAS, the Districts further entered into that certain Intergovernmental Agreement Regarding Covenant Enforcement and Design Review Services dated June 7, 2017, as amended by that certain First Amendment to Intergovernmental Agreement Regarding Covenant Enforcement and Design Review Services dated December 9, 2019 (the "IGA"), pursuant to which

the Districts authorized District No. 2 to administer and enforce the Declaration and the Guidelines for the Property (as defined in the Declaration); and

WHEREAS, the Special District Act provides at Section 32-1-1004(8)(c), C.R.S., that metropolitan districts providing covenant enforcement and design review services are not authorized to enforce any covenant that has been determined to be unenforceable as a matter of law; and

WHEREAS, the Special District Act also provides at Section 32-1-1001(1)(m), C.R.S., that metropolitan districts have the power to adopt, amend, and enforce bylaws and rules and regulations not in conflict with the state constitution; and

WHEREAS, while District No. 2 currently provides covenant enforcement for the Districts, the Board hereby desires to clarify its Covenant Enforcement Policy and adopt a policy expressly stating that District No. 1 may only provide covenant enforcement and design review services to the extent that doing so does not infringe upon constitutional rights or otherwise violate the law; and

WHEREAS, the Board has determined that enacting such a policy is in the best interest of current and future residents and taxpayers of District No. 1.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF STC METROPOLITAN DISTRICT NO. 1 HEREBY ADOPTS THE FOLLOWING AMENDED COVENANT ENFORCEMENT POLICY:

1. The Board, in acting on behalf of District No. 1, and/or in acting as members of the Covenant Enforcement Committee or Design Review Committee pursuant to the Declaration and the Covenant Enforcement Policy, pursuant to the Declaration and the Covenant Enforcement Policy, shall not enforce any bylaws, covenants, guidelines, rules, regulations, or restrictions, however denominated, contained in the Declaration and the Covenant Enforcement Policy, as currently enacted or as the same may be amended or supplemented from time to time (collectively, the “Covenants”), if the Board determines, in its reasonable discretion or upon advice from legal counsel, that: (i) such enforcement may infringe upon constitutional rights of residents of District No. 1 against whom the Covenants are contemplated being enforced; or (ii) that such Covenants have been determined by applicable statute or by a court of competent jurisdiction to be unenforceable as a matter of law. The Covenants shall not be construed or interpreted as a grant of authority in excess of the authority granted to District No. 1 pursuant to the Service Plan and the Special District Act, as further limited by the state constitution and other applicable laws (altogether, the “Amended Covenant Enforcement Policy”).

2. This Amended Covenant Enforcement Policy shall supersede and control anything contained in the Covenants to the contrary.

3. This Amended Covenant Enforcement Policy shall take effect on the date and time of its adoption.

ADOPTED AND APPROVED THIS 3rd DAY OF NOVEMBER 2021.

STC METROPOLITAN DISTRICT NO. 1

By: _____
James A. Brzostowicz, President

ATTEST:

By: _____
Terry Willis, Assistant Secretary



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

MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski
Executive Vice-President

DATE: August 31, 2021

RE: Notice of 2022 Rate Increase

A handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement ("Agreement") between the District and Special District Management Services, Inc. ("SDMS"), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by the CPI (5.28%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.