

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

NOTICE OF REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expires:</u>
James A. Brzostowicz	President	2020/May 2020
Angie Hulsebus	Treasurer	2020/May 2020
<i>VACANT</i>		2022/May 2022
<i>VACANT</i>		2022/May 2020
<i>VACANT</i>		2020/May 2020
Lisa A. Johnson	Secretary	

DATE: June 5, 2019
TIME: 9:00 A. M.
PLACE: McGeady Becher P.C.
450 E. 17th Ave., Suite 400
Denver, CO 80203

I. ADMINISTRATIVE MATTERS

- A. Present Disclosures of Potential Conflicts of Interest.

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

- C. Review and approve Minutes of the November 7, 2018 Regular Meeting (enclosure).

II. FINANCIAL MATTERS

- A. Review and accept unaudited financial statements through the period ending April 30, 2019 (enclosure).

- B. Discuss status of 2018 Audit.

- C. Consider appointment of District Accountant to prepare the 2020 Budget and set date for public hearing to adopt the 2020 Budget.

III. LEGAL MATTERS

A. _____

IV. OTHER BUSINESS MATTERS

A. Consider appointments of Terry Willis and Lee Merritt to the Board of Directors after publication of notice of vacancy in the Boulder Daily Camera on May 10, 2019. Administer Oaths of Office.

B. Consider appointment of Officers:

President _____

Treasurer _____

Secretary _____

Asst. Secretary _____

Asst. Secretary _____

Asst. Secretary _____

V. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR
NOVEMBER 6, 2019/BUDGET HEARING.**

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 1 HELD NOVEMBER 7, 2018

A Regular 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 7th day of November, 2018, at 9:00 A.M., at the offices of McGeady Becher P.C., 450 E. 17th Ave., Suite 400, Denver, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James A. Brzostowicz
Angie Hulsebus

Also In Attendance Were:

Lisa A. Johnson and Peggy Ripko; Special District Management Services, Inc.

Megan Becher, Esq.; McGeady Becher P.C.

Mark Chambers; Simmons & Wheeler, P.C.

Sonia Chin, Bill Jencks, and Jessica Sergi (via speakerphone); 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 each of the Directors and that the statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. Ms. Johnson 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. Johnson distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

RECORD OF PROCEEDINGS

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

Confirm Location of Meeting, Posting of Meeting Notices and Quorum: Ms. Johnson confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries, within the County which the District is located, or within 20 miles of its boundaries to conduct this meeting, the meeting would be conducted at the above-stated location. The Board further noted that the notice of the time, date and location of the meeting was duly posted and that no objections to the location or any requests that the meeting place be changed were received from taxpaying electors within the District's boundaries.

Resignation of Director: The Board of Directors acknowledged the resignation of Director Bob Revis, effective as of October 24, 2018.

Minutes: The Board reviewed the Minutes of the September 5, 2018 special meeting.

Following discussion, upon motion duly made by Director Brzostowicz seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved the minutes of the September 5, 2018 special meeting.

Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices: The Board discussed Resolution No. 2018-11-01; Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices.

Following discussion, the Board determined to hold meetings on the first Wednesday in June and the first Wednesday in November. Upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-11-01; Resolution Establishing 2019 Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices. A copy of the resolution is attached hereto and incorporated herein.

RECORD OF PROCEEDINGS

§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2019: The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2019. The required Transparency Notice will be posted on the SDA website and the District website in 2019.

Insurance Coverage: The Board discussed the District's insurance coverage. Following discussion, the Board made the decision to renew current insurance. Special District Management Services, Inc. is coordinating.

FINANCIAL MATTERS

Unaudited Financial Statements: Mr. Chambers presented the unaudited financial statements for the period ending September 30, 2018 and the updated schedule of cash position for the period ending September 30, 2018.

Following review, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2018 and the updated schedule of cash position for the period ending September 30, 2018.

2017 Audit: The Board reviewed the 2017 Audit.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board ratified approval of the 2017 Audit.

2018 Audit Preparation: Ms. Johnson reviewed with the Board the Audit Engagement Letter from Dazzio & Associates, P.C. to perform the 2018 Audit.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board approved the engagement of Dazzio & Associates, P.C. to perform the 2018 Audit, for an amount not to exceed \$4,000.

2018 Budget Amendment Hearing: The President opened the public hearing to consider amending the 2018 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2018 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

RECORD OF PROCEEDINGS

Following review and discussion, the Board determined that there was not a need to amend the 2018 Budget.

2019 Budget Hearing: The Board opened the public hearing to consider the proposed 2019 Budget and discuss related issues.

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

No public comments were received and the public hearing was closed.

Mr. Chambers reviewed the estimated 2018 expenditures and the proposed 2019 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2018-11-02; Resolution to Adopt the 2019 Budget and Appropriate Sums of Money, and Resolution No. 2018-11-03; Resolution to Set Mill Levies, for the General Fund at 11.055 mills and the Debt Service Fund at 55.277 mills, for a total mill levy of 66.332 mills. Upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board adopted the Resolutions, as discussed, and authorized execution of the Certification of Budget and Certification of Mill Levies, subject to receipt of the final Certification of Assessed Valuation from the County on or before December 10, 2018. Ms. Johnson was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Boulder County not later than December 15, 2018. Ms. Johnson was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2019. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered 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.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board authorized 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.

RECORD OF PROCEEDINGS

LEGAL MATTERS **Current District Boundary Map:** The Board reviewed the current District boundary map and will make any necessary changes.

OTHER MATTERS _____
There were no other matters for discussion at this time.

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

THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 7, 2018
MINUTES OF THE STC METROPOLITAN DISTRICT NO. 1 BY THE BOARD
OF DIRECTORS SIGNING BELOW:

James A. Brzostowicz

Angie Hulsebus

RESOLUTION NO. 2018-11-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF
STC METROPOLITAN DISTRICT NO. 1
ESTABLISHING REGULAR MEETING DATES, TIME AND LOCATION, AND
DESIGNATING LOCATIONS FOR POSTING OF 72-HOUR AND 24-HOUR NOTICES**

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

B. Pursuant to Section 24-6-402(2)(c), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.

C. Pursuant to Section 32-1-903, C.R.S., special districts are required to post notices of regular and special meetings at three (3) public places within the district and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting.

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the STC Metropolitan District No. 2 of the County of Boulder, Colorado:

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

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

3. That regular meetings of the District Board of the STC Metropolitan District No. 1 for the year 2019 shall be held on June 5, 2019 and November 6, 2019 at 9:00 a.m., at the offices of McGeady Becher P.C., 450 E 17th Avenue, Suite 400, Denver, Colorado in the City and County of Denver, Colorado.

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

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

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

7. Notice of Meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

- (a) On the fence in the northwest corner of the 5' x 5' District parcel (said parcel located 91 feet north of the fence corner

8. Notices of regular and special meetings required to be posted at three (3) public places within the District and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting shall be made pursuant to Section 32-1-903, C.R.S., at the following locations:

- (a) Three locations on the fence in the northwest corner of the 5' x 5' District parcel (said parcel located 91 feet north of the fence corner

9. James A. Brzostowicz, or his/her designee, is hereby appointed to post the above-referenced notices.

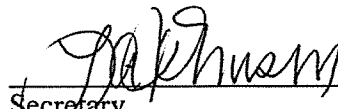
RESOLUTION APPROVED AND ADOPTED on November 7, 2018.

STC METROPOLITAN DISTRICT NO. 1

By: _____

President

Attest:


Secretary

RESOLUTION NO. 2018 - 11 - 02
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE STC METROPOLITAN DISTRICT NO. 1
TO ADOPT THE 2019 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the STC Metropolitan District No. 1 ("District") has appointed the District Accountant to prepare and submit a proposed 2019 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2018, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 7, 2018, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

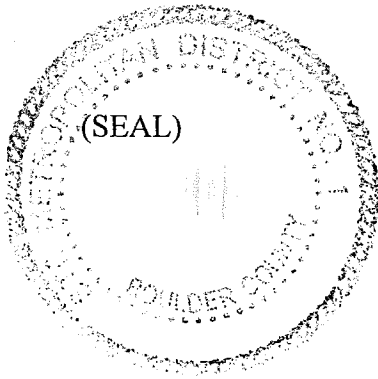
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the STC Metropolitan District No. 1:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the STC Metropolitan District No. 1 for the 2019 fiscal year.

2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 7th day of November, 2018.





Secretary

EXHIBIT A
(Budget)

STC METROPOLITAN DISTRICT NO. 1
2019
BUDGET MESSAGE

Attached please find a copy of the adopted 2019 budget for the STC Metropolitan District No. 1.

The STC Metropolitan District No. 1 has adopted two funds, a General Fund to provide for transfers to STC Metropolitan District No. 2 for general operating and maintenance expenditures; and a Debt Service Fund to provide for transfers to STC Metropolitan District No. 2 for payments on the outstanding general obligation bonds.

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

The primary sources of revenue for the District in 2019 will be property and specific ownership taxes and SURA property tax increments. The District intends to impose a 66.332 mill levy on the property within the District in 2019, of which 11.055 mills will be dedicated to the General Fund and the balance of 55.277 mills will be allocated to the Debt Service Fund.

STC Metropolitan District No. 1
Adopted Budget
General Fund
For the Year Ended December 31, 2019

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>6/30/2018</u>	Estimate <u>2018</u>	Adopted Budget <u>2019</u>
Beginning balance	\$ 884	\$ -	\$ (43)	\$ (43)	\$ -
Revenues:					
Property taxes	(1,091)	502	24	502	1,961
SURA Property Tax Increment	7,988	25,689	1,209	21,471	36,408
Specific ownership taxes	489	895	42	1,758	1,648
Reimbursement from SURA	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Total Revenue	<u>7,386</u>	<u>27,086</u>	<u>1,275</u>	<u>23,731</u>	<u>40,017</u>
Total Funds Available	<u>8,270</u>	<u>27,086</u>	<u>1,232</u>	<u>23,688</u>	<u>40,017</u>
Expenditures:					
Miscellaneous	179	-	120	180	-
Treasurer's Fees	-	444	-	8	10
Total expenditures	<u>179</u>	<u>444</u>	<u>120</u>	<u>188</u>	<u>10</u>
Transfers and Reserves					
Transfer to STCMD No. 2	8,134	26,629	1,155	23,500	40,007
Emergency Reserve	-	13	-	-	-
Total Transfers and Reserves	<u>8,134</u>	<u>26,642</u>	<u>1,155</u>	<u>23,500</u>	<u>40,007</u>
Ending balance	<u>\$ (43)</u>	<u>\$ -</u>	<u>\$ (43)</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed Valuation		<u>\$ 45,437</u>			<u>\$ 177,429</u>
Mill Levy		<u>11.056</u>			<u>11.055</u>

STC Metropolitan District No. 1
Adopted Budget
Debt Service Fund
For the Year Ended December 31, 2019

	Actual 2017	Adopted Budget 2018	Actual 6/30/2018	Estimate 2018	Adopted Budget 2019
Beginning balance	\$ -	\$ -	\$ (6,225)	\$ (6,225)	\$ -
Revenues:					
Property taxes	(9,093)	2,512	12	2,512	9,808
SURA Property Tax Increment	64,494	128,440	27,942	109,863	121,855
Specific Ownership Taxes	-	4,577	1,508	8,789	4,577
Reimbursement from SURA	-	-	8,437	-	-
Interest income	-	-	-	-	-
Total Revenue	<u>55,401</u>	<u>135,529</u>	<u>37,899</u>	<u>121,164</u>	<u>136,240</u>
Total Funds Available	<u>55,401</u>	<u>135,529</u>	<u>31,674</u>	<u>114,939</u>	<u>136,240</u>
Expenditures:					
Treasurer's Fees	3	2,218	-	38	147
Paying agent fees	-	-	-	-	-
Total expenditures	<u>3</u>	<u>2,218</u>	<u>-</u>	<u>38</u>	<u>147</u>
Transfers and Reserves					
Transfer to STCMD No. 2	61,623	133,244	37,899	114,901	136,093
Emergency Reserve	-	67	-	-	-
Total Transfers and Reserves	<u>61,623</u>	<u>133,311</u>	<u>37,899</u>	<u>114,901</u>	<u>136,093</u>
Ending balance	<u>\$ (6,225)</u>	<u>\$ -</u>	<u>\$ (6,225)</u>	<u>\$ -</u>	<u>\$ -</u>
Assessed Valuation		<u>\$ 45,437</u>			<u>\$ 177,429</u>
Mill Levy		<u>55.278</u>			<u>55.277</u>
Total Mill Levy		<u>66.334</u>			<u>66.332</u>

I, Lisa A. Johnson, hereby certify that I am the duly appointed Secretary of the STC Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2019, duly adopted at a meeting of the Board of Directors of the STC Metropolitan District No. 1 held on November 7, 2018.

By: 
Secretary

RESOLUTION NO. 2018 - 11 - 03
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE STC METROPOLITAN DISTRICT NO. 1
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the STC Metropolitan District No. 1 ("District") has adopted the 2019 annual budget in accordance with the Local Government Budget Law on November 7, 2018; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2019 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

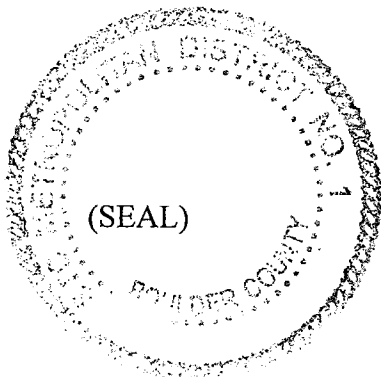
WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

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

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

1. That for the purposes of meeting all general fund expenses of the District during the 2019 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.
2. That for the purposes of meeting all debt service fund expenses of the District during the 2019 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.
3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Boulder County, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 7th day of November, 2018.




Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL GovernmentsTO: County Commissioners¹ of Boulder County, Colorado.On behalf of the STC Metropolitan District No. 1,
(taxing entity)^Athe Board of Directors,
(governing body)^Bof the STC Metropolitan District No. 1,
(local government)^CHereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 3,528,436
assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)Note: If the assessor certified a NET assessed valuation
(AV) different than the GROSS AV due to a Tax
Increment Financing (TIF) Area^F the tax levies must be \$ 177,429
calculated using the NET AV. The taxing entity's total
property tax revenue will be derived from the mill levy
multiplied against the NET assessed valuation of: (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED
BY ASSESSOR NO LATER THAN DECEMBER 10**Submitted: _____ for budget/fiscal year 2019.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)**PURPOSE** (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	<u>11.055</u> mills	\$ <u>1,961</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< _____ > mills	\$ < _____ >
SUBTOTAL FOR GENERAL OPERATING:	<u>11.055</u> mills	\$ <u>1,961</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	<u>55.277</u> mills	\$ <u>9,808</u>
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abments ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____

TOTAL: [Sum of General Operating
Subtotal and Lines 3 to 7]**66.332****mills****\$****11,769**Contact person: _____ Daytime
(print) Mark S. Chambers phone: (303) 689-0833
Signed: _____ Title: District Accountant

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

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

CERTIFICATION OF TAX LEVIES, continued

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

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____
2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

3. Purpose of Contract: Debt Service payments for bonds issued by STC Metropolitan District No. 2
Title: Cost Sharing Agreement
Date: October 18, 2013
Principal Amount: N/A
Maturity Date: N/A
Levy: 55.278
Revenue: \$9,808
4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

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

Notes:

^A Taxing Entity—A jurisdiction authorized by law to impose ad valorem property taxes on taxable property located within its territorial limits (please see notes B, C, and H below). For purposes of the DLG 70 only, a taxing entity is also a geographic area formerly located within a *taxing entity's* boundaries for which the county assessor certifies a valuation for assessment and which is responsible for payment of its share until retirement of financial obligations incurred by the *taxing entity* when the area was part of the *taxing entity*. For example: an area of excluded property formerly within a special district with outstanding general obligation debt at the time of the exclusion or the area located within the former boundaries of a dissolved district whose outstanding general obligation debt service is administered by another local government^C.

^B Governing Body—The board of county commissioners, the city council, the board of trustees, the board of directors, or the board of any other entity that is responsible for the certification of the *taxing entity's* mill levy. For example: the board of county commissioners is the governing board ex officio of a county public improvement district (PID); the board of a water and sanitation district constitutes ex officio the board of directors of the water subdistrict.

^C Local Government - For purposes of this line on Page 1 of the DLG 70, the local government is the political subdivision under whose authority and within whose boundaries the *taxing entity* was created. The local government is authorized to levy property taxes on behalf of the *taxing entity*. For example, for the purposes of this form:

1. a municipality is both the local government and the *taxing entity* when levying its own levy for its entire jurisdiction;
2. a city is the local government when levying a tax on behalf of a business improvement district (BID) *taxing entity* which it created and whose city council is the BID board;
3. a fire district is the local government if it created a subdistrict, the *taxing entity*, on whose behalf the fire district levies property taxes.
4. a town is the local government when it provides the service for a dissolved water district and the town board serves as the board of a dissolved water district, the *taxing entity*, for the purpose of certifying a levy for the annual debt service on outstanding obligations.

^D GROSS Assessed Value - There will be a difference between gross assessed valuation and net assessed valuation reported by the county assessor only if there is a “tax increment financing” entity (see below), such as a downtown development authority or an urban renewal authority, within the boundaries of the *taxing entity*. The board of county commissioners certifies each *taxing entity's* total mills upon the *taxing entity's* Gross Assessed Value found on Line 2 of Form DLG 57.

^E Certification of Valuation by County Assessor, Form DLG 57 - The county assessor(s) uses this form (or one similar) to provide valuation for assessment information to a *taxing entity*. The county assessor must provide this certification no later than August 25th each year and may amend it, one time, prior to December 10th.

^F TIF Area—A downtown development authority (DDA) or urban renewal authority (URA), may form plan areas that use “tax increment financing” to derive revenue from increases in assessed valuation (gross minus net, Form DLG 57 Line 3) attributed to the activities/improvements within the plan area. The DDA or URA receives the differential revenue of each overlapping *taxing entity's* mill levy applied against the *taxing entity's* gross assessed value after subtracting the *taxing entity's* revenues derived from its mill levy applied against the net assessed value.

^G NET Assessed Value—The total taxable assessed valuation from which the *taxing entity* will derive revenues for its uses. It is found on Line 4 of Form DLG 57.

^H General Operating Expenses (DLG 70 Page 1 Line 1)—The levy and accompanying revenue reported on Line 1 is for general operations and includes, in aggregate, all levies for and revenues raised by a *taxing entity* for purposes not lawfully exempted and detailed in Lines 3 through 7 on Page 1 of the DLG 70. For example: a fire pension levy is included in general operating expenses, unless the pension is voter-approved, if voter-approved, use Line 7 (Other).

^I Temporary Tax Credit for Operations (DLG 70 Page 1 Line 2)—The Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction of 39-1-111.5, C.R.S. may be applied to the *taxing entity's* levy for general operations to effect refunds. Temporary Tax Credits (TTCs) are not necessary for other types of levies (non-general operations) certified on this form because these levies are adjusted from year to year as specified by the provisions of any contract or schedule of payments established for the payment of any obligation incurred by the *taxing entity* per 29-1-301(1.7), C.R.S., or they are certified as authorized at election per 29-1-302(2)(b), C.R.S.

^J General Obligation Bonds and Interest (DLG 70 Page 1 Line 3)—Enter on this line the total levy required to pay the annual debt service of all general obligation bonds. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments. Title 32, Article 1 Special districts and subdistricts must complete Page 2 of the DLG 70.

^K Contractual Obligation (DLG 70 Page 1 Line 4)—If repayment of a contractual obligation with property tax has been approved at election and it is not a general obligation bond (shown on Line 3), the mill levy is entered on this line. Per 29-1-301(1.7) C.R.S., the amount of revenue levied for this purpose cannot be greater than the amount of revenue required for such purpose as specified by the provisions of any contract or schedule of payments.

^L Capital Expenditures (DLG 70 Page 1 Line 5)—These revenues are not subject to the statutory property tax revenue limit if they are approved by counties and municipalities through public hearings pursuant to 29-1-301(1.2) C.R.S. and for special districts through approval from the Division of Local Government pursuant to 29-1-302(1.5) C.R.S. or for any *taxing entity* if approved at election. Only levies approved by these methods should be entered on Line 5.

^M Refunds/Abatements (DLG 70 Page 1 Line 6)—The county assessor reports on the Certification of Valuation (DLG 57 Line 11) the amount of revenue from property tax that the local government did not receive in the prior year because taxpayers were given refunds for taxes they had paid or they were given abatements for taxes originally charged to them due to errors made in their property valuation. The local government was due the tax revenue and would have collected it through an adjusted mill levy if the valuation errors had not occurred. Since the government was due the revenue, it may levy, in the subsequent year, a mill to collect the refund/abatement revenue. An abatement/refund mill levy may generate revenues up to, but not exceeding, the refund/abatement amount from Form DLG 57 Line 11.

1. Please Note: If the *taxing entity* is in more than one county, as with all levies, the abatement levy must be uniform throughout the entity's boundaries and certified the same to each county. To calculate the abatement/refund levy for a *taxing entity* that is located in more than one county, first total the abatement/refund amounts reported by each county assessor, then divide by the *taxing entity's* total net assessed value, then multiply by 1,000 and round down to the nearest three decimals to prevent levying for more revenue than was abated/refunded. This results in an abatement/refund mill levy that will be uniformly certified to all of the counties in which the *taxing entity* is located even though the abatement/refund did not occur in all the counties.

^N Other (DLG 70 Page 1 Line 7)—Report other levies and revenue not subject to 29-1-301 C.R.S. that were not reported above. For example: a levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S.; a voter-approved fire pension levy; a levy for special purposes such as developmental disabilities, open space, etc.

STC Metropolitan District #1
Financial Statements

April 30, 2019

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
STC Metropolitan District #1

Management is responsible for the accompanying financial statements of each major fund of STC Metropolitan District #1, as of and for the period ended April 30, 2019, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the four months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to STC Metropolitan District #1 because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

May 25, 2019
Englewood, Colorado

STC Metropolitan District No 1
Balance Sheet - Governmental Funds and Account Groups
April 30, 2019

See Accountant's Compilation Report

	General <u>Fund</u>	Debt Service <u>Fund</u>	Total <u>All Funds</u>
Assets			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Developer Receivable	-	-	-
SURA Taxes Receivable	-	-	-
Taxes receivable	<u>27</u>	<u>134</u>	<u>161</u>
	<u>27</u>	<u>134</u>	<u>161</u>
Other assets			
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 27</u>	<u>\$ 134</u>	<u>\$ 161</u>
Liabilities and Equity			
Current liabilities			
Accounts payable	-	-	-
Due to District 2	<u>27</u>	<u>134</u>	<u>161</u>
	<u>27</u>	<u>134</u>	<u>161</u>
Total liabilities	<u>27</u>	<u>134</u>	<u>161</u>
Fund Equity			
Investment in capital improvements	-	-	-
Fund balance (deficit)	-	-	-
Emergency reserves	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 27</u>	<u>\$ 134</u>	<u>\$ 161</u>

STC Metropolitan District No 1
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Four Months Ended April 30, 2019
General Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 1,961	\$ 165	\$ (1,796)
Specific ownership taxes	1,648	112	(1,536)
Miscellaneous Income	-	-	-
SURA Property Tax Increment	<u>36,408</u>	<u>21,797</u>	<u>(14,611)</u>
	<u>40,017</u>	<u>22,074</u>	<u>(17,943)</u>
Expenditures			
Miscellaneous	-	-	-
Treasurer's Fees	10	2	8
Transfer to District 2	40,007	22,072	17,935
Emergency reserve	<u>-</u>	<u>-</u>	<u>-</u>
	<u>40,017</u>	<u>22,074</u>	<u>17,943</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STC Metropolitan District No 1
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Four Months Ended April 30, 2019
Debt Service Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Property Taxes	\$ 9,808	\$ 826	\$ (8,982)
SURA Property Tax Increment	121,855	87,524	(34,331)
Interest income	<u>-</u>	<u>2</u>	<u>2</u>
	<u>136,240</u>	<u>88,913</u>	<u>(47,327)</u>
Expenditures			
Treasurer's Fees	147	12	135
Transfer to District 2	<u>136,093</u>	<u>88,901</u>	<u>47,192</u>
	<u>136,240</u>	<u>88,913</u>	<u>47,327</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>