

## 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 SPECIAL 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: March 6, 2019  
TIME: 9:00 A. M.  
PLACE: McGeady Becher P.C.  
450 E. 17<sup>th</sup> 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).  
\_\_\_\_\_
- D. \_\_\_\_\_

#### II. FINANCIAL MATTERS

- A. Review and accept unaudited financial statements through the period ending December 31, 2018 (enclosure).  
\_\_\_\_\_
- B. \_\_\_\_\_

III. LEGAL MATTERS

- A. Conduct public hearing on the inclusion of approximately 1.469 acres of real property owned by RC Superior, LLC, into the Boundaries of the District. Consider adoption of Resolution No. 2019-03-01, Resolution for Inclusion of Real Property (enclosure) (Petition for Inclusion-to be distributed).
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IV. ADJOURNMENT     **THE NEXT REGULAR MEETING IS SCHEDULED FOR  
JUNE 5, 2019/BUDGET HEARING.**

## RECORD OF PROCEEDINGS

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### 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. 17<sup>th</sup> 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

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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 its boundaries 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 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 meeting 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

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**§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, PC 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, PC 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 the Resolution to Amend 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

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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 Resolutions were adopted, as discussed, subject to final assessed valuation, and execution of the Certification of Budget and Certification of Mill Levies was authorized, 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 and the Division of Local Government, 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

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**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 17<sup>th</sup> 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.

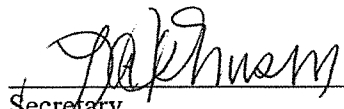
RESOLUTION APPROVED AND ADOPTED on November 7, 2018.

**STC METROPOLITAN DISTRICT NO. 1**

By: 

\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
Secretary

STC Metropolitan District #1  
Financial Statements

December 31, 2018

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 December 31, 2018, 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 year 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.*

January 25, 2019  
Englewood, Colorado

STC Metropolitan District No 1  
Balance Sheet - Governmental Funds and Account Groups  
December 31, 2018

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total All Funds</u>
<b>Assets</b>			
Current assets			
Cash in checking	\$ -	\$ -	\$ -
Prepaid Expenses	-	-	-
Developer Receivable	-	-	-
SURA Taxes Receivable	-	24,887	24,887
Taxes receivable	43	99	142
	<u>43</u>	<u>24,986</u>	<u>25,029</u>
Other assets			
Amount available in debt service fund	-	-	-
Amount to be provided for retirement of debt	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	\$ <u>43</u>	\$ <u>24,986</u>	\$ <u>25,029</u>
<b>Liabilities and Equity</b>			
Current liabilities			
Accounts payable	-	-	-
Due to District 2	43	24,986	25,029
	<u>43</u>	<u>24,986</u>	<u>25,029</u>
Total liabilities	<u>43</u>	<u>24,986</u>	<u>25,029</u>
Fund Equity			
Investment in capital improvements	-	-	-
Fund balance (deficit)	-	-	-
Emergency reserves	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	\$ <u>43</u>	\$ <u>24,986</u>	\$ <u>25,029</u>

STC Metropolitan District No 1  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Nine Months Ended September 30, 2018  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 502	\$ 221	\$ (281)
Specific ownership taxes	895	439	(456)
Reimb from SURA-Operations	<u>25,689</u>	<u>1,887</u>	<u>(23,802)</u>
	<u>27,086</u>	<u>2,547</u>	<u>(24,539)</u>
Expenditures			
Miscellaneous	-	248	(248)
Treasurer's Fees	444	114	330
Transfer to District 2	26,629	2,829	23,800
Emergency reserve	<u>13</u>	<u>-</u>	<u>13</u>
	<u>27,086</u>	<u>3,191</u>	<u>23,895</u>
Excess (deficiency) of revenues over expenditures	-	(644)	(644)
Fund balance - beginning	<u>-</u>	<u>644</u>	<u>644</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>-</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 Nine Months Ended September 30, 2018  
Debt Service Fund

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property Taxes	\$ 2,512	\$ 2,415	\$ (97)
SURA Property Tax Increment	128,440	105,724	(22,716)
Specific Ownership taxes	<u>4,577</u>	<u>4,534</u>	<u>(43)</u>
	<u>135,529</u>	<u>112,673</u>	<u>(22,856)</u>
Expenditures			
Treasurer's Fees	2,218	814	1,404
Transfer to District 2	<u>133,311</u>	<u>111,859</u>	<u>21,452</u>
	<u>135,529</u>	<u>112,673</u>	<u>22,856</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>

**RESOLUTION NO. 2019-03-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
STC METROPOLITAN DISTRICT NO. 1 FOR INCLUSION OF REAL PROPERTY**

A. RC Superior, LLC, a Delaware limited liability company, the 100% fee owner of the Property (hereinafter defined) has petitioned the STC Metropolitan District No. 1 (the “**District**”) for the inclusion into the District’s boundaries of the real property hereinafter described (“**Property**”).

B. Public Notice has been published in accordance with law, calling for a public hearing on the request for approval of said Petition.

C. The statutory requirements of Section 32-1-401(1)(a), C.R.S., for submission of a petition for inclusion to the Board of Directors of the District (“**Board**”), including a legal description of the Property, a statement that assent to the inclusion of the Property was obtained by the 100% fee owner thereof and acknowledgment in the same manner as required for conveyances of land, were presented to and have been satisfied and approved by the Board.

D. The District may consider the enlargement or extension of its facilities in the exercise of discretion as a governmental function in the interest of public health, safety and welfare.

E. The District is capable of serving the Property with facilities of the District.

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

1. That the Board of Directors of the District shall and hereby does order the inclusion of the Property described herein within the boundaries of the District.

2. The name and address of the Petitioner and the legal description of the Property are as follows:

Petitioner:	RC Superior, LLC, a Delaware limited liability company
Address of Petitioner:	11452 El Camino Real, Suite 120 San Diego, CA 92130
Legal Description:	Approximately 1.469 acres of land legally described on <u><b>Exhibit A</b></u> attached hereto and incorporated herein.

3. That approval of this inclusion is further subject to the following:

(a) On and after the effective date of this inclusion (which shall be the date of recording of the Court Order approving the inclusion by the Clerk and Recorder of Boulder County, Colorado, unless otherwise specified in the Court Order), the Property shall be subject to the rules and regulations of the District, and the payment of any and all taxes, fees, rates and charges of the District.

Dated this [\_\_\_\_\_] day of [\_\_\_\_], 2019.

**STC METROPOLITAN DISTRICT NO. 1**

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

Attest:

\_\_\_\_\_  
Secretary



## **EXHIBIT A**

### **Legal Description**

A parcel of land, being Lot 1, Block 14 of Superior Town Center Filing No. 1B Replat No. 5 recorded January 4, 2018 as Reception No. 3634333 of the Records of Boulder County, located in the Southwest Quarter (SW1/4) of Section Nineteen (19), Township One South (T.1S.), Range Sixty-nine West (R.69W.) of the Sixth Principal Meridian (6th P.M.), Town of Superior, County of Boulder, State of Colorado.

Said parcel contains 1.469 Acres, more or less( $\pm$ ).

**CERTIFICATION**

I hereby certify that the foregoing is a true and correct copy of Resolution No. 2019-03-01, Resolution of the Board of Directors of STC Metropolitan District No. 1, Resolution for Inclusion of Real Property.

**STC METROPOLITAN DISTRICT NO. 1**

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

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