

BEEBE DRAW FARMS MD #1
 8390 E. Crescent Pkwy., Suite 300
 Greenwood Village, Colorado 80111
 Tel: 303-779-5710 Fax: 303-779-0348

A copy of the agenda/meeting packet is available at the Beebe Draw Farms website at
www.colorado.gov/beebedrawfarms

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term Expires:</u>
William Caldwell	President	June 2023
Brenda Lewis	Vice President	June 2025
Catrena Rosentreader	Secretary	June 2025
Sharon Dillon	Treasurer	June 2025
Eric Wernsman	Assistant Secretary	June 2023
Lisa A. Johnson		

DATE: November 9, 2022
 TIME: 6:00 P.M.
 PLACE: Sales & Info Center
 16502 Beebe Draw Farms Pkwy.
 Platteville, CO

OR MICROSOFT TEAMS:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_Y2VkMDQ5MGltNzgxOC00OWRhLTgyMmQtN2JiZDgwNmU1YmMw%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d

Or call in (audio only)

[+1 720-547-5281](tel:+17205475281), Phone Conference ID: 777 016 035#

1. ADMINISTRATIVE MATTERS

- A. Call to order and approval of agenda.
- B. Present disclosures of potential conflicts of interest.
- C. Confirm quorum, location of meeting and posting of meeting notices.
- D. Consider adoption of the Resolution No. 2022-11-01 Regarding 2023 Annual Administrative Matters (enclosed).
- E. Consider approval of CliftonLarsonAllen LLP Statements of Work (enclosed).

2. CONSENT AGENDA

These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board member requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

1. Review and approve Minutes of the June 15, 2022 Special Meeting (enclosure).
2. Ratify approval of payment of claims through the period ending October 31, 2022 totaling \$7,096.85 (enclosure)
3. Review and Accept Unaudited Financial Statements for period ending September 30, 2022 (to be distributed under separate cover).

3. PUBLIC COMMENT

A.

4. FINANCIAL MATTERS

- A. Conduct Public Hearing to consider amendment of the 2022 Budget. If necessary, consider adoption of Resolution to Amend the 2022 Budget (enclosed).
- B. Conduct Public Hearing on the proposed 2023 Budget and consider adoption of Resolution No. 2022-11-____ to Adopt the 2023 Budget and Appropriate Sums of Money and Set Mill Levies (enclosures).
- C. Authorize District Accountant to prepare the DLG-70 Certification of Tax Levies form for certification to the Board of County Commissioners and other interested parties.
- D. Appointment of Board member to sign the DLG70 Certification of Tax Levies.

5. LEGAL MATTERS

- A. Consider adoption of Resolution No. 2011-11-__ Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election (enclosed). Self-Nomination and Acceptance Forms are due by February 24, 2023. Discuss need for ballot issues and/or questions.
- B. Other.

7. OTHER MATTERS

A.

8. ADJOURNMENT

**RESOLUTION OF THE BOARD OF DIRECTORS
OF BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1
CONCERNING ANNUAL ADMINISTRATIVE MATTERS
2023**

WHEREAS, the Board of Directors of the Beebe Draw Farms Metropolitan District No. 1 (the “District”) is to perform certain tasks on a recurring basis in the operation of the District;

NOW, THEREFORE, BE IT RESOLVED by the Beebe Draw Farms Metropolitan District No. 1 within the County of Weld, Colorado, as follows:

1. Contact Person. The Board of Directors of the District (the “Board”) directs District Manager to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of the municipality in which the District is located, if applicable, and the Division of Local Government of the name of the Chair of the Board, the contact person located within the District, if available, telephone number, and business address of the District on or before January 15, as required by Section 32-1-104(2), C.R.S. The Board hereby names the District Manager as the contact person within the District. The contact person is authorized, under Section 24-10-109(3)(b), C.R.S., to accept notices of claims against the District as the District’s agent and, if any such claim is received, must promptly notify the President of the Board and the attorney for the District of such receipt.

2. Map. The Board directs District Manager to prepare an accurate map as specified by the Division of Local Government for filing with the Division, the County Assessor, and the County Clerk and Recorder on or before January 1, as required by Section 32-1-306, C.R.S. If there have been no changes to the boundaries of the District since the filing of an accurate map, Legal Counsel may notify the above-mentioned entities in a letter that no changes have been made to the map.

3. Budget. The Board directs District Accountant 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, budget resolution and budget message, the certification of mill levies, and any budget amendment(s) needed; to certify the mill levies on or before December 15; and to file the approved budget and amendment(s) with the proper governmental entities in accordance with the Local Government Budget Law of Colorado, Sections 29-1-101 to 29-1-115, C.R.S. If no mill levy is to be certified, such actions may be completed by December 31.

4. Intergovernmental Agreements. If the District receives a written request from the Division of Local Government, the Board directs District Manager to prepare and file within thirty days of such request, an informational listing of all contracts in effect with other political subdivisions, in compliance with Section 29-1-205, C.R.S.

5. Notice to Electors (Transparency Notice). The Board directs that no more than sixty days prior to and not later than January 15, the District Manager will prepare and distribute the Notice to Electors pursuant to and in a matter prescribed by Section 32-1-809, C.R.S. The

Board further directs that in compliance with Section 32-1-104(2), C.R.S., the Notice will be filed with the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of the municipality in which the District is located, if applicable, and the Division of Local Government and a copy made available for public inspection at the District's business office.

6. Annual Securities Report. If required, the Board directs the District's Accountant to prepare and file the annual public securities report for nonrated public securities issued by the District (if any), with the Department of Local Affairs on or before March 1, in accordance with Sections 11-58-101 to 11-58-107, C.R.S.

7. Audit/Audit Exemption. The Board directs that an audit of the financial statements be prepared and submitted to the Board before June 30 and further directs that the Audit be filed with the State Auditor by July 31, as required by Section 29-1-606, C.R.S. In the event that the timetable will not be met, the auditor and the District Accountant are directed to request extensions of time to file the audit as needed. If neither the revenues nor the expenditures for the past year exceed \$100,000, then the Board directs that a short form application for exemption from audit shall be prepared. If either revenues or expenditures are greater than \$100,000 but are less than or equal to \$750,000, then the Board directs that a long form application for exemption from audit shall be prepared. The short form or long form application shall be submitted to the Board and then filed with the State Auditor by March 31, as required by Section 29-1-604, C.R.S.

8. Unclaimed Property. The Board directs District Manager to prepare the Unclaimed Property Act report and forward it to the State Treasurer by November 1 if there is District property presumed abandoned and subject to custody as unclaimed property, in accordance with Section 38-13-110, C.R.S.

9. Public Records. The Board designates the Board Secretary as the official custodian of public records as such term is used in Section 24-72-202, C.R.S., with the functions thereof hereby delegated to District Manager as the custodian as defined in 24-72-202(1.1), C.R.S. The custodian is authorized to develop such procedures as may be reasonably required for the protection and retention of such records. On behalf of the District, the custodian may charge the maximum fees allowed by law for copies, research and retrieval, development of privilege log, and such other services as are authorized by law.

10. CORA Policy. Pursuant to Colorado Open Records Act, Section 24-72-205, C.R.S. ("CORA"), the Board has adopted a policy concerning research and retrieval fees for public records. The Board directs District Manager to update the District's Notice to Electors (Transparency Notice) with the District's CORA policy information as required by the statute.

11. Data Privacy Policy. Pursuant to Sections 24-73-101, *et seq.*, C.R.S., the Board hereby adopts a written policy for the destruction of documents containing personal identifying information, for implementing reasonable security procedures and practices to protect personal identifying information, and for notifying Colorado residents of a security breach or possible security breach.

12. E-mail Policy. Pursuant to Section 24-72-204.5, C.R.S., the Board hereby adopts a written policy that District management may monitor electronic mail communications at any time, with or without cause, and further states that correspondence of any employee in the form of electronic mail may be a public record under the public records law and may be subject to public inspection under Section 24-72-203, C.R.S.

The Board further directs that when and if the District has employees, the following electronic mail policy will be in effect:

A. All employees of the District may have access to the District's electronic mail communications system, which access may include utilization of a District-assigned email address for use in both internal and external email communications.

B. Employees cannot expect a right of privacy in their use of the District's electronic communications system.

C. Employees understand, acknowledge and agree that all communications in the form of electronic mail may be considered a public record pursuant to CORA and may be subject to public inspection pursuant to C.R.S. Section 24-72-203 of CORA.

D. The District reserves the right to monitor an employee's electronic mail communication(s) including, but not limited to, circumstances where the District, in its sole discretion, reasonably believes that such communication(s) may be considered a public record pursuant to C.R.S. § 24-72-203 of CORA.

13. Fair Campaign Practices Act – Gifts and Honoraria. The Board is reminded that in accordance with the Fair Campaign Practices Act, each Board member is required to report to, and in a manner prescribed by, the Secretary of State certain items received in connection with their service, such report to be filed on or before January 15, April 15, July 15, and October 15 of each year, as required by Sections 1-45-109 and 24-6-203, C.R.S. No report needs to be filed unless a director receives \$53 or more in cash or loans, or real or personal property having a value of \$53 or more. Further, the Board is reminded that in accordance with Section 24-6-203, C.R.S., if a Board member receives annual compensation from the District of more than \$2,400, then the Board member is required to file a quarterly report in the prescribed manner with the Secretary of State.

14. Newspaper. The Board designates the *Greeley Tribune* as the 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 the afore-named newspaper, in accordance with Section 32-1-103(15), C.R.S. If publication in such newspaper is impossible or impracticable, then any legal newspaper published in the county may be used as an alternative.

15. Director Compensation/FICA. The Board of Directors of the District determines that each director shall receive compensation for services as directors, at the maximum rate allowed by law, in accordance with 32-1-902(3)(a)(I) & (II), C.R.S. The Board recognizes that

the Internal Revenue Service has determined that directors of special districts are considered employees of the District and as such, must pay federal employment taxes on the compensation they receive for services performed as a director. The Board, therefore, directs District Accountant to withhold federal employment taxes from the amount that the directors receive in compensation and to furnish each director with an annual IRS W-2 form.

16. Director Qualification. Pursuant to Section 32-1-901, C.R.S., the District determines that each present and future member of the Board shall have in the District files, with annual confirmation thereof by the District's custodian of public records, a complete and executed Certificate of Appointment (if the director is appointed), current Oath of Office and applicable Surety Bond, and that copies of each be submitted to the Division of Local Government and the District Court as necessary and as may be requested.

17. Officers. The District has elected, in accordance with Section 32-1-902, C.R.S., the following officers for the District:

Name	Title
William Caldwell	President
Brenda Lewis	Vice President
Sharon Dillon	Treasurer
Catrena Rosentreader	Secretary
Eric Wernsman	Asst. Secretary

Unless the District acts to elect new officers, or an officer resigns his or her office, such officers shall serve indefinitely.

18. Director Indemnification. The Board of Directors of the District extends the current indemnification resolution to allow the resolution to continue in effect as written. In the event an indemnification resolution is not in effect, then the approval of this administrative matters resolution shall be deemed to authorize indemnification of the directors of the District when acting in good faith within the scope of their duties and in the best interests of the District, to the fullest extent allowed by law.

19. Designated Posting Location for the Posting of Meeting Notices. Pursuant to Sections 24-6-402(2)(c)(I) and 32-1-903, C.R.S., the Board of Directors of the District has adopted a Resolution Concerning Online Notice of Public Meetings, which authorizes the Board to post notices of its public meetings, including specific agenda information, on the following public website: www.colorado.gov/beebedrawfarms no less than twenty-four hours prior to the holding of the meeting. In the event the District is unable to post a notice online in exigent or emergency circumstances, such as a power outage or an interruption in internet service that prevents the public from accessing the notice online, in accordance with Section 24-6-402(2)(c)(III), C.R.S., the Board designates the following location within the District's boundaries as the official designated posting place for the posting of meeting agendas no less than twenty-four hours prior to the meeting: 16498 Badminton Road South, Lot 85, Platteville, Colorado.

20. Meetings. Consistent with the provisions of Section 32-1-903, C.R.S., the District may hold meetings of the Board at a physical location or by telephonic, electronic, or virtual means, or a combination of the foregoing. The meeting notice of all meetings of the Board that are held telephonically, electronically, or by other means not including physical presence shall include the method or procedure, including the conference number or link, by which members of the public can attend the meeting.

The Board has determined to not hold regular meetings at this time. Instead, the Board will call special meetings on an as needed basis for District business. Meetings may be held at a physical location, or by telephonic, electronic, or virtual means, or a combination of the foregoing, in the Board's discretion. In addition, regular and special meeting notices shall be posted as identified above in accordance with Section 24-6-402(2)(c), C.R.S. The Board directs District Manager to prepare notices for posting in accordance with Section 32-1-903, C.R.S. Legal Counsel shall revise the notices when the Board intends to make a final determination to issue or refund general obligation indebtedness, to consolidate the District, to dissolve the District, to file a plan for adjustment of debt under federal bankruptcy law, or to enter into a private contract with a director, or not to make a scheduled bond payment.

21. Elections. Robin A. Navant of Spencer Fane LLP is hereby appointed as the "Designated Election Official" of the Board for any elections to be held by the District unless another Designated Election Official is appointed by resolution of the Board. In accordance with Section 1-1-111(2), C.R.S., 13.5 of Title 1, C.R.S., or applicable law, the Board hereby grants all powers and authority for the proper conduct of the election to the Designated Election Official and that the election shall be held and conducted in accordance with the Local Government Election Code, applicable portions of the Uniform Election Code of 1992, as amended and supplemented by Const. Colo. Art. X, Sec 20, the Current Rules and Regulations Governing Election Procedures of the Secretary of State of the State of Colorado, and Title 32, Article 1, Part 8, Colorado Revised Statutes, and other relevant Colorado and federal law. Further, the Board directs the Designated Election Official to notify the Division of Local Government of the results of any election held by the District, including business address, telephone number and the contact person; and to certify the results of any election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of a municipality, in accordance with Sections 1-11-103, 32-1-104(1), and 32-1-1101.5, C.R.S.

22. Elections; Call for Nominations. The District was formed on August 20, 1986. For Districts formed prior to January 1, 2000, the call for nominations required by Section 1-13.5-501 shall be made by:

- (1) publication; and
- (2) select only one of the following:

[] mailing the notice, at the lowest cost option, to each address at which one or more active registered electors of the District resides as specified in the registration list provided by the County Clerk and Recorder as of the date that is one hundred fifty days prior to the date of the regular election.

☐ 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.

☒ posting the information on the official website of the District.

☐ provided the District has fewer than one thousand eligible electors and is wholly located within a county the population of which is less than thirty thousand people, posting the notice in at least three public places within the territorial boundaries of the District and, in addition, posting a notice in the office of the Clerk and Recorder of the County in which the District is located; any such notices must remain posted until the day after the call for nominations closes.

23. Independent Mail Ballot Elections. The Board deems it expedient for the convenience of the electors that all regular and special elections of the District shall be conducted as an independent mail ballot election in accordance with Section 1-13.5-1101, C.R.S., unless a polling place election is deemed necessary and expressed in a separate election resolution.

24. Notice of Indebtedness. In accordance with C.R.S. Sections 32-1-1604 and 1101.5(1), the Board directs District Accountant to issue notice of indebtedness to the Board of County Commissioners and to record such notice with the County Clerk and Recorder within 30 days of incurring or authorizing of any indebtedness.

25. Quinquennial Findings. If requested, the Board directs Legal Counsel to prepare and file with the Board of County Commissioners the quinquennial finding of reasonable diligence, in accordance with Sections 32-1-1101.5(1.5) and (2), C.R.S.

26. Annual Report. If requested or required, the Board directs District Manager to prepare and file the special district annual report, in accordance with Section 32-1-207(3)(c), C.R.S. If the District was formed prior to July 1, 2000, the Annual Report is only due upon request by the Board of County Commissioners or governing body of the municipality, unless otherwise specified in the District's Service Plan.

27. Disclosure of Potential Conflict of Interest. The Board has determined that Legal Counsel may file general conflict of interest disclosure forms, if any, provided by the directors with the Secretary of State each year, which forms may be updated on an annual basis through information the directors give to Legal Counsel. If a specific conflict arises regarding a certain transaction of the Board, the director is required to notify Legal Counsel at least five days prior to the date of the meeting so that the transactional disclosure form may be filed in a timely manner, in accordance with Sections 32-1-902(3) and 18-8-308, C.R.S. Additionally, at the beginning of every term, Legal Counsel may request that each Board member submit information regarding actual or potential conflicts of interest.

28. Special District Association. If the District is currently a member of the Special District Association ("SDA"), the Board directs its District Accountant to pay the annual SDA membership dues in a timely manner.

29. Insurance. The Board directs District Manager to at least biannually review all insurance policies and coverage in effect to determine appropriate insurance coverage is maintained.

30. Promissory Notes. The District has no outstanding promissory note(s).

31. Outstanding General Obligation Indebtedness. The District has no outstanding general obligation bonds or multiple fiscal year financial obligations.

32. Continuing Disclosure. District Accountant shall provide continuing disclosure service if and as applicable to the bonds and other financial obligations of the District.

33. Workers' Compensation. Pursuant to Section 8-40-202(1)(a)(I)(B), C.R.S., the elected and appointed officials of the District shall not be deemed to be employees within the meaning of Section 8-40-202(1)(a), C.R.S. Such exclusion shall apply for all policy years until such time as the exclusion may be repealed by the Board of Directors of the District or unless District Accountant at the direction of the Board acquires coverage.

34. PDPA. Pursuant to the provisions of the Colorado Public Deposit Protection Act, Section 11-10.5-101, et seq., C.R.S., the Board appoints District Accountant as the official custodian of public deposits.

35. Water or Sewer Rates. The Board directs that any Board action to fix or increase fees, rates, tolls, penalties or charges for domestic water or sanitary sewer service rates will be taken after consideration at a public meeting. Such public meeting will be held at least thirty days after providing notice to the customers receiving the water or sewer services from the District. Notice will be made pursuant to and in a manner prescribed by Section 32-1-1001(2)(a), C.R.S.

36. Inclusions/Exclusions of Property. The Board directs Legal Counsel to handle all procedures required under the Colorado state statutes regarding the inclusion and exclusion of property into and out of the District's boundaries.

37. Public Disclosure Statement. Pursuant to Section 32-1-104.8, C.R.S., the Board directs Legal Counsel to prepare and record a special district public disclosure document, including a map showing the boundaries of the District, with the County Clerk and Recorder at the same time as any subsequent order or decree approving an inclusion of property into the District.

38. Underground and Aboveground Storage Tanks. If applicable, the Board directs District Manager to register and renew annually all underground and/or aboveground storage tanks with the state inspector of oils.

39. Underground Facility Locating. If applicable, the Board directs District Manager to provide accurate information regarding the boundaries of the District's service area, the type of underground facility(ies) that may be encountered within such service area, and the

name, address and telephone number of a person who shall be the designated contact person for the information regarding the District's underground facilities, along with information concerning underground facilities that the District owns or operates which are not located within the designated service area to the Utility Notification Center of Colorado. The Board further authorizes the District to maintain its membership in the notification association as a "Tier 1" member, if applicable.

40. Recording of Conveyances of Real Property to the District. Pursuant to Section 38-35-109.5(2), C.R.S., Legal Counsel is designated as an appropriate official to record conveyances of real property to the District within thirty days of such conveyance.

41. Ratification of Past Actions. The Board members have reviewed the minutes of every meeting of the Board conducted in 2022, and the Board, being fully advised of the premises, hereby ratifies and affirms each and every action of the Board taken in 2022.

42. Emergency Liaison Officer. The Board designates the President of the District, in his/her capacity as elected official for the District, as the Emergency Liaison Officer responsible for facilitating the cooperation and protection of the District in the work of disaster prevention, preparedness, response, and recovery with the Colorado Office of Emergency Management and any local disaster agencies. The Emergency Liaison Officer shall have the authority to designate such agents as (s)he shall determine appropriate to perform any and all acts necessary to facilitate the responsibilities of the Emergency Liaison Officer.

43. Execution of District Documents By Electronic Methods. Where necessary, convenient and permissible by law, the Board authorizes the execution of District documents on behalf of the Board through electronic methods such as DocuSign, electronic PDF, or similar means and in multiple counterparts, all of which shall constitute single, valid documents of the Board as if signed in paper format.

44. Official District Website. If requested or required, the Board directs District Manager to establish and maintain an official District website.

The District was formed on August 20, 1986 (prior to January 1, 2000). Therefore, no official district website is required under Section 32-1-104.5, C.R.S. If the District elects to establish and maintain an official District website, it may do so in the discretion of the Board either as set forth elsewhere in this Resolution or by separate Board action.

45. Dates Herein. All dates set forth in this Resolution shall be in 2023 unless otherwise specified.

46. Automatic Renewal. This Resolution shall be deemed renewed each year until terminated or a new resolution is adopted.

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Adopted and approved this 9th day of November, 2022.

BEEBE DRAW FARMS METROPOLITAN
DISTRICT NO. 1

By: _____
President

ATTEST:

By: _____
Secretary



CliftonLarsonAllen LLP
 8390 East Crescent Pkwy., Suite 300
 Greenwood Village, CO 80111
 phone 303-779-5710 fax 303-779-0348
CLAconnect.com

Special Districts Preparation SOW

This agreement constitutes a Statement of Work ("SOW") to the Master Service Agreement ("MSA") made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1 ("you" and "your"). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

Gigi Pangindian, CPA is responsible for the performance of the preparation engagement and other services identified in this agreement. She may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

Ongoing normal accounting services:

- Outsourced accounting activities
 - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
 - Cash receipts journal
 - Cash disbursements journal
 - General ledger
 - Accounts receivable journals and ledgers
 - Deposits with banks and financial institutions
 - Schedule of disbursements
 - Bank account reconciliations
 - Investment records
 - Detailed development fee records
 - Process accounts payable including the preparation and issuance of checks for approval by the Board of Directors.
 - Prepare billings, record billings, enter cash receipts, and track revenues
 - Reconcile certain accounts regularly and prepare journal entries
 - Prepare depreciation schedules

- Prepare monthly/quarterly/as requested financial statements and supplementary information, but not perform a compilation with respect to those financial statements. Additional information is provided below.
- Prepare a schedule of cash position to manage the district's cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district's board of directors.
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district's board of directors in monitoring actual expenditures against appropriation/budget.
- Oversee investment of district funds based on investment policies established by the board of directors, but in any case, in accordance with State law.
- Research and make recommendations to the board of directors on financial investments and cash management matters, as requested.
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district's auditors.
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below.
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required.
- Review claims for reimbursement from related parties prior to the board of directors' review and approval.
- Read supporting documentation related to the district's acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness. Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW. These procedures may not satisfy district policies, procedures, and agreements' requirements. Note: our procedures should not be relied upon as the final authorization for this transaction.
- Attend board meetings as requested.
- Be available during the year to consult with you on any accounting matters related to the district.
- Review and approve monthly reconciliations and journal entries prepared by staff
- Reconcile complex accounts monthly and prepare journal entries
- Analyze financial statements and present to management and the board of directors.
- Develop and track key business metrics as requested and review periodically with the board of directors.

- Document accounting processes and procedures
- Continue process and procedure improvement implementation
- Report and manage cash flows
- Assist with bank communications.
- Perform other non-attest services.

Compilation services

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

Preparation services – financial statements

We will prepare the monthly/quarterly/as requested financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

Preparation services – annual

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district's auditors.

Preparation services – prospective financial information (i.e., unexpired budget information)

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the forecast period. It is based on management's assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

Engagement objectives and our responsibilities

The objectives of our engagement are to:

- a. Prepare monthly/quarterly/as requested financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b. As requested, apply accounting and financial reporting expertise to assist you in the presentation of your monthly/quarterly/as requested financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c. Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d. Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.
- e. If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f. If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Engagement procedures and limitations

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly/quarterly/as requested financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any

wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

Our report

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

No assurance statements

The monthly/quarterly/as requested financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted. If applicable, for business type activities, the Statement of Cash Flows has been omitted".

If an audit is required, the year-end financial statements prepared for use by the district's auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

Management responsibilities

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed

by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management's responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district's operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a. The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b. The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c. The presentation of the supplementary information.
- d. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e. The prevention and detection of fraud.
- f. To ensure that the entity complies with the laws and regulations applicable to its activities.
- g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h. To provide us with the following:
 - i. Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
 - ii. Additional information that may be requested for the purpose of the engagement.
 - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the Board Treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

Fees, time estimates, and terms

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. We will also add a technology and client support fee of five percent (5%) of all professional fees billed. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

Use of financial statements, the annual budget, the Application for Exemption from Audit

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP



Gigi Pangindian, CPA
Principal
Gigi.Pangindian@CLAconnect.com

APPROVED:

Signature

Title

Date



CliftonLarsonAllen LLP
 8390 East Crescent Pkwy., Suite 300
 Greenwood Village, CO 80111
 phone 303-779-5710 fax 303-779-0348
CLAconnect.com

Special Districts Payroll Services SOW

This agreement constitutes a Statement of Work ("SOW") to the Master Service Agreement ("MSA") made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1 ("you" and "your"). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of payroll preparation services

We will provide the following payroll preparation services from information you provide:

- For each pay period:
 - Perform payroll calculations
 - Prepare payroll checks or pay-stubs in the case of direct deposit of employee net pay
 - Initiate electronic transfer of funds for employee net pay and payroll tax deposit liabilities
 - Processing retirement plan contribution payments
 - Preparation of information needed for the retirement plan and other census information
- Prepare the following government forms annually for each calendar year-end (may be filed electronically):
 - All copies of required forms W-2 and W-3
 - Form 940 – Employers Annual Federal Unemployment Tax Return, if applicable
 - Form 943 – Employers Annual Tax Return for Agricultural Employees
 - All necessary state forms, if applicable
- If applicable, prepare the following government reporting forms for each calendar quarter-end (may be filed electronically):
 - Form 941 – Employers Quarterly Tax Return
 - State Employers Quarterly Withholding Return
 - State Employers Quarterly Unemployment Tax Return (SUTA)
 - Initiate electronic funds transfer for quarterly Federal Unemployment Tax (FUTA) liability
- Cash access services related to payroll services
 - Obtain one or more signature stamps bearing the name(s) and facsimile signature(s) of any of your officer(s) who are responsible for signing checks and bank drafts on your behalf.

- Obtain access to electronic signatures or signatures embedded into cloud-based software for the purpose of drafting payments on your behalf.
- Prepare checks to be drawn upon your bank account(s) and to use the above noted methods to thereby finally approve such checks for payment by the corresponding bank(s).
- Initiate the direct deposit of employee net pay from funds drawn upon your bank account(s).
- The following services would impair independence
 - Accept responsibility to authorize payment of client funds, electronically or otherwise, except as specifically provided for with respect to electronic payroll tax payments.
 - Accept responsibility to sign or cosign client checks, even if only in emergency situations.
 - Maintain a client's bank account or otherwise have custody of a client's funds or make credit for banking decisions for the client.

Our responsibility to you and limitations of the payroll services

We will prepare your federal and state (if applicable) payroll forms and tax returns in accordance with the applicable payroll tax laws.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the payroll and related returns, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. However, we will inform the board of directors of the district of any material errors and of any evidence or information that comes to our attention during the performance of our payroll preparation services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our payroll preparation services regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify deficiencies in your internal control as part of this engagement but will promptly report them to the board of directors of the district if identified. You agree that we shall not be responsible for any misstatements in your payroll that we may not identify as a result of misrepresentations made to us by you.

Our payroll preparation services will include electronically transmitting information to taxing authorities and your financial institution to facilitate the electronic transfer of funds. Authorizations for us to provide these services will be made in separate communications.

Our payroll preparation services will include transmitting federal Form W-2, federal Form 1099, and payroll data forms to federal and state taxing authorities on your behalf. Authorizations for us to provide these services will be made in separate communications.

Your responsibilities

It is your responsibility to provide us with all of the information needed to prepare complete and accurate payrolls and returns. We will have no obligations with regard to a particular payroll or withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us. All necessary information should be provided to us within two days of the close of each payroll period or no later than two days prior to your payroll check date. A list of information we will require and the dates required will be provided in a separate communication.

For all nonattest services we may provide to you, including these payroll services, management agrees to assume all management responsibilities; oversee the services; by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services.

Specifically, your responsibilities include:

- Accuracy of information used in the preparation of the payrolls.
- Careful review of paychecks or pay-stubs, and payroll journals for each periodic payroll.
- Accuracy of information used in the preparation and filing of all government forms.
- Review and pre-approval of each electronic funds transfer initiated on your behalf for employee net pay amounts, payroll tax and withholding liabilities, and related benefit amounts.

You are responsible to carefully review the paper returns that we prepare on your behalf before signing and submitting them to tax authorities. You are responsible to review the paper copies of payroll forms and tax returns that were filed electronically on your behalf. We will advise you with regard to tax positions taken in the preparation of the payroll forms and tax returns, but the responsibility for the payroll forms and tax returns remains with you.

You are also responsible for the payment of payroll tax and withholding liabilities. Therefore, the Internal Revenue Service recommends that you enroll in the U.S. Department of the Treasury Electronic Federal Tax Payment System (EFTPS) to monitor your account and ensure that timely tax payments are being made for you. You may enroll in the EFTPS online at www.eftps.gov, or call 800-555-4477 for an enrollment form. Individual states have similar programs that allow you to monitor your account. A list of links by state is provided online at <http://www.americanpayroll.org/weblink/statelocal-wider/>.

Your responsibilities relevant to CLA's access to your cash

Someone with management authority is responsible for the processes below. All approvals listed must be documented in writing, either electronically or manually:

- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all payroll runs prior to cash being committed.

Fees

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Other than annual adjustments reflecting inflation, our professional fees will not fluctuate unless there is a significant change in the number of employees, taxing jurisdictions, or in the services you wish for us to provide. If such changes should occur, we will discuss any fee adjustments with you prior to making any changes to your billing. Lastly, any additional forms that you would like us to complete will be charged at an hourly fee.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are examples of services considered to be outside the scope of our engagement. We will bill you for additional services you would like us to provide at an hourly fee at periodic dates after the additional service has been performed.

- Reprocessing for corrected information provided to us subsequent to original payroll
- Preparation of non-standard reports
- Calculation of fringe benefit additions
- Processing retirement plan contribution payments
- Preparation of retirement plan and other census information
- Responding to workers compensation insurance audits
- Responding to employment verification requests
- Preparation of additional state tax registrations
- Preparation of amended payroll tax returns
- Responding to tax notices

Tax examinations

All government forms and returns are subject to potential examination by the IRS and state taxing authorities. In the event of an examination, we will be available, at your request, to assist or represent you. Services in connection with tax examinations are not included in our fee for preparation of your payroll returns. Our fee for such services will be billed to you separately, along with any direct costs.

Record retention

You are responsible for retaining all documents, records, payroll journals, canceled checks, receipts, or other evidence in support of information and amounts reported in your payroll records and on your quarterly and calendar year-end payroll forms and tax returns. These items may be necessary in the event the taxing authority examines or challenges your returns. These records should be kept for at least seven years. Your copy of the payroll forms and tax returns should be retained indefinitely.

In preparing the payrolls, payroll forms, and tax returns, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

All of the records that you provide to us to prepare your payrolls and related forms and tax returns will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of you.

Tax consulting services

This SOW also covers tax consulting services that may arise for which you seeks our consultation and advice, both written and oral, that are not the subject of a separate SOW. These additional services are not included in our fees for the preparation of the payroll and related federal and state forms and tax returns.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax law, tax regulations, and other tax authorities, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written advice provided by us is for your information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax law and regulations, or to the related judicial and administrative interpretations.

Communications and confidentiality

CLA will hold the information supplied by you to us in confidence and CLA will not disclose it to any other person or party, unless you authorizes us to do so, it is published or released by you, or it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

Consent to send you publications and other materials

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this SOW, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your consent is valid until further notice. If you do not wish to authorize such use, please strike out this paragraph prior to signing the SOW.

Legal compliance

You agree to assume sole responsibility for full compliance with all applicable federal and state laws, rules or regulations, and reporting obligations that apply to you or your business, including the accuracy and lawfulness of any reports you submit to any government regulator, authority, or agency. You also agree to be solely responsible for providing legally sufficient substantiation, evidence, or support for any reports or information supplied by you to any governmental or regulatory body, or for any insurance reimbursement in the event that you is requested to do so by any lawful authority. Except as outlined in this SOW, CLA, its successors, affiliates, officers, and employees do not assume or undertake any duty to perform or to be responsible in any way for any such duties, requirements, or obligations.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP



Gigi Pangindian, CPA

Principal

Gigi.Pangindian@CLAconnect.com

APPROVED:

Signature

Title

Date



CliftonLarsonAllen LLP
 8390 East Crescent Pkwy., Suite 300
 Greenwood Village, CO 80111
 phone 303-779-5710 fax 303-779-0348
CLAconnect.com

Special Districts Public Administration Services SOW

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

Matt Urkoski is responsible for the performance of the engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the engagement.

Scope of Public Management Services

CLA will perform the following services for the District:

District Board of Directors (“Board”) Meetings

- Coordination of Board meetings
- Meeting Attendance: District Manager and/or designee will attend Board meetings
- Preparation and distribution of agenda and informational materials as requested by the District
- Drafting of meeting minutes as assigned for approval by the Board of Directors.
- Preparation and posting of notices required in conjunction with the meetings

Recordkeeping

- Maintain directory-of persons and organizations for correspondence
- Repository of District records and act as Custodian of records for purposes of CORA (as that term is defined in the District’s Resolution Designating an Official Custodian for Purposes of the Colorado Open Records Act, Sections 24-72-201 *et seq.*, C.R.S.).

Communications

- 24/7 answering services
- Website administration. CLA will oversee maintenance of the District’s website as needed or requested by the District
- Assist with or lead the coordination of communication with municipal, county, or state governmental agencies as requested by the District.

General Administration

- Coordination with district's insurance provider including insurance administration, comparison of coverage, processing claims, and completion of applications..
- Coordination of insurance policy renewals and updates for approval by the district's board of directors.
- In collaboration with District counsel, ensure contractors and sub-contractors maintain the required insurance coverage as required by the district.
- At the direction of the Board of directors, supervise project processes and vendors as assigned by the Board
- Coordinate with legal, accounting, engineering, auditing and other consultants retained by the District as directed by the Board (CLA itself will not and cannot provide legal services);
- Assist with or lead the coordination efforts with municipal, county, or state governmental agencies as requested by the District.
- Coordinate the administration of the District's Rules and Regulations as requested by the Board.
- At the direction of District legal counsel, coordinate election processes for the District. CLA will not serve as the Designated Election Official ("DEO");

Accounts Payable Services to be Provided:

- Coordinate review and approval of invoices with District Accountant and Board to ensure timely payment to vendors.

In addition to these services, when, in the professional opinion of the District Manager, other services are necessary, the District Manager shall recommend the same to the Board or perform such services and report to the Board the nature of such services, the reason they were required, and the result achieved; provided however, with the exception of emergencies, that if such additional services are expected to cost more than \$2,000.00, the District Manager shall discuss such costs with the Board and receive prior authorization to perform such services.

Fees, time estimates, and terms

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

CLA'S 2022-2023 STANDARD HOURLY RATES FOR PUBLIC MANAGEMENT SERVICES:

Principals	\$300 – \$425
Public managers	\$190 - \$265
Assistant public managers	\$145 - \$175
Public management analysts	\$135 - \$155
District administrators	\$135 - \$165
Records retention professionals	\$110 - \$140

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP



Matt Urkoski
Principal
Matt.Urkoski@CLAconnect.com

APPROVED:

Signature

Title

Date

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1
HELD
JUNE 15, 2022**

A special meeting of the Board of Directors (referred to hereafter as the “Board”) of the Beebe Draw Farms Metropolitan District No. 1 (referred to hereafter as the “District”) was convened on Wednesday, the 15th day of June 2022, at 6:00 P.M. This meeting was a hybrid meeting held via Microsoft TEAMS and at the Sales & info Center, 16502 Beebe Draw Farms Pkwy. Platteville, CO. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Eric Wernsman
William Caldwell
Catrena Rosentreader
Sharon Dillon
Brenda Lewis

The Directors in attendance confirmed their qualifications to serve.

Also In Attendance Were:

Lisa Johnson, Shauna D’Amato; CliftonLarsonAllen LLP
Christine Hethcock, Paul “Joe” Knopinski and Diane Mead; Beebe Draw Farms
Metropolitan District No. 2 Board Members

Tina Wernsman, Crystal Clark, Linda Cox, Ed Farrell, Carol Satersmoen, Chris and Marianna Henderson, Melanie Briggs, Gary and Sally Webb and Patrick Powers; Members of the Public

**ADMINISTRATIVE
MATTERS**

Call to Order, Disclosures of Potential Conflicts of Interest: The meeting was called to order at 6:05 p.m. The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State.

Ms. Johnson noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute and have been filed.

Agenda, Confirmation of Notice Posting: Ms. Johnson distributed for the Board’s review and approval a proposed agenda for the District’s special

meeting.

Following discussion, upon motion duly made by President Wernsman, seconded by Director Caldwell and, upon vote, unanimously carried, the agenda was approved as presented. Ms. Johnson noted meeting notices were posted as required.

Results of May 3, 2022 Directors' Election: Ms. Johnson reviewed the results with the Board stating that Sharon Dillon, Catrena Rosentreader and Brenda Lewis were all elected as a result of the election. She stated all Oaths of Office have been taken and filed.

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

President: William Caldwell
 Vice President: Brenda Lewis
 Secretary: Catrena Rosentreader
 Treasurer: Sharon Dillon
 Assistant Secretary: Eric Wernsman

Appointment of two Board members to serve on the BBDF Authority Board: Upon a motion duly made by Director Lewis, seconded by Director Rosentreader and, upon vote, unanimously carried, the Board appointed as follows:

William Caldwell 2 Year Term
 Sharon Dillon 1 Year Term

PUBLIC COMMENT

Director Caldwell informed the Board of three great events this year. He thanked the POA and the entire community for attending all the events.

Linda Cox stated she has made sure that all the community light poles were numbered and identified. Ms. Johnson requested that we make sure this is shared with the Authority as it is their responsibility.

Ms. Johnson noted she will follow up regarding the signage and ordering per Ms. Cox's request. She confirmed that Ms. Cox does not need to wait for the next Board meeting and advises her to use the new Board members to guide her through the next steps.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the November 10, 2021 Special Meeting.

Upon a motion duly made by Director Caldwell, seconded by Director

Wernsman and, upon vote, unanimously carried, the Board approved the Consent Agenda as presented.

LEGAL
MATTERS

None.

FINANCIAL
MATTERS

Ratify 2021 Audit Exemption: Following discussion, upon a motion duly made by Director Lewis, seconded by Director Rosentreder and, upon vote, unanimously carried, the Board ratified the filing of the 2021 Audit Exemption Application.

Appointment of District Accountant to prepare the 2023 Budget and set date for Public Hearing to adopt 2023 Budget (November 9, 2022 at 6:00 p.m., held at Pelican Lake Ranch Community Info and Sales Center, 16502 Beebe Draw Farms Pkwy., Platteville, CO): Following discussion, upon a motion duly made by Director Lewis, seconded by Director Rosentreder and, upon vote, unanimously carried, the Board approved to appoint the District Accountant to prepare the 2023 Budget and set date for Public Hearing to adopt 2023 Budget for November 9, 2022 at 6:00 p.m., held at Pelican Lake Ranch Community Info and Sales Center, 16502 Beebe Draw Farms Pkwy., Platteville, CO.

Approval of Opening Bank Account with 1st Bank: Upon a motion duly made by Director Caldwell, seconded by Director Wernsman and, upon vote, unanimously carried, the Board approved opening a bank account with 1st Bank.

OTHER MATTERS

Consider sending Board member(s) to SDA Conference – September 13-15, 2022: Ms. Johnson reviewed the conference details with the Board. Directors Dillon, Lewis, Rosentreder and Caldwell confirmed their interest in attending. Director Wernsman was tentative.

Ms. Johnson informed the Board that the CLA office can register Board members, but they must make their own lodging reservations.

Cancel July 13, 2022 regular meeting: Since the Board needed to meet in June to appoint new Board members, it was the consensus to cancel the July meeting as no urgent business is needed to be discussed.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Caldwell, seconded by Director Wernsman, and upon vote, unanimously carried, the Board adjourned the meeting at 6:29 p.m.

Respectfully submitted,

By _____
Secretary for the Meeting

Beebe Draw Farms Metro District No. 1
Claims List 10.10.22 - 11.3.22

Process Date	Vendor	Invoice Number	Payment Method	Amount
10/27/2022	CliftonLarsonAllen LLP	Multiple	BILL EFT	\$ 3,808.85
10/27/2022	Colorado Special Dist P&L	23PL-60915-1583	BILL Check	2,793.00
10/27/2022	T. Charles Wilson Services	11342	BILL EFT	495.00
Grand Total				\$ 7,096.85

**RESOLUTION TO AMEND 2022 BUDGET
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1**

WHEREAS, the Board of Directors of the Beebe Draw Farms Metropolitan District No. 1 appropriated funds for the fiscal year 2022 as follows:

General Fund	\$
Debt Service Fund	\$
Capital Projects Fund	\$

; and

WHEREAS, the necessity has arisen for additional expenditures or appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2022; and

WHEREAS, the expenditures are a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, the necessity has arisen for additional appropriations and expenditures of funds as reflected by satisfactory evidence presented to and accepted by the Board of Directors at this meeting and set out in the amended budget attached hereto as **Exhibit A**; and

WHEREAS, funds are available for such expenditures from revenue funds available to the District; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget amendment was available for inspection by the public at a designated public office, a public hearing was held on November 9, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget amendment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Beebe Draw Farms Metropolitan District No. 1 shall and hereby does amend the budget for the fiscal year 2022 as follows:

General Fund	\$
Debt Service Fund	\$
Capital Projects Fund	\$

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the above-referenced Fund(s) for the purposes stated in **Exhibit A** and, if applicable, that such action of the Board is hereby ratified and approved *nunc pro tunc* as of the date of the actual expenditures.

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ADOPTED this 9th day of November 2022.

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

By: _____
President

ATTEST:

Secretary

EXHIBIT A

BEEBE DRAW FARMS METRO DISTRICT NO. 1
ANNUAL BUDGET
FOR YEAR ENDING DECEMBER 31, 2023

BEEBE DRAW FARMS METRO DISTRICT NO. 1
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

11/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 9,237	\$ 10,137	\$ 12,804	\$ 12,804	\$ 13,922
REVENUES					
Property taxes	245,993	270,994	269,562	270,994	310,634
Specific ownership tax	12,350	21,680	12,192	21,680	18,638
Interest income	372	1,600	2,117	2,600	1,750
CTF proceeds	1,032	800	1,485	2,000	2,000
Total revenues	259,747	295,074	285,356	297,274	333,022
Total funds available	268,984	305,211	298,160	310,078	346,944
EXPENDITURES					
General Fund	256,181	292,622	269,147	296,156	330,600
Special Revenue Fund	-	-	-	-	-
Total expenditures	256,181	292,622	269,147	296,156	330,600
Total expenditures and transfers out requiring appropriation	256,181	292,622	269,147	296,156	330,600
ENDING FUND BALANCES	\$ 12,803	\$ 12,589	\$ 29,013	\$ 13,922	\$ 16,345
EMERGENCY RESERVE	\$ -	\$ 1,552	\$ 1,552	\$ 1,552	\$ 1,724
AVAILABLE FOR OPERATIONS	2,534	-	15,642	-	-
TOTAL RESERVE	\$ 2,534	\$ 1,552	\$ 17,194	\$ 1,552	\$ 1,724

No assurance provided. See summary of significant assumptions.

BEEBE DRAW FARMS METRO DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

11/3/22

ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
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ASSESSED VALUATION

Residential	\$ 4,385,050	\$ 5,089,820	\$ 5,089,820	\$ 5,089,820	\$ 5,660,570
Commercial	600	430	430	430	220
Agricultural	820	840	840	840	800
State assessed	180	340	340	340	380
Vacant land	794,380	791,820	791,820	791,820	513,910
Personal property	243,110	251,500	251,500	251,500	360,030
Other	729,390	640,110	640,110	640,110	1,229,950
	<u>6,153,530</u>	<u>6,774,860</u>	<u>6,774,860</u>	<u>6,774,860</u>	<u>7,765,860</u>
Certified Assessed Value	<u>\$ 6,153,530</u>	<u>\$ 6,774,860</u>	<u>\$ 6,774,860</u>	<u>\$ 6,774,860</u>	<u>\$ 7,765,860</u>

MILL LEVY

General	40.000	40.000	40.000	40.000	40.000
Total mill levy	<u>40.000</u>	<u>40.000</u>	<u>40.000</u>	<u>40.000</u>	<u>40.000</u>

PROPERTY TAXES

General	\$ 246,141	\$ 270,994	\$ 270,994	\$ 270,994	\$ 310,634
Levied property taxes	<u>246,141</u>	<u>270,994</u>	<u>270,994</u>	<u>270,994</u>	<u>310,634</u>
Adjustments to actual/rounding	-	-	(1,432)	-	-
Budgeted property taxes	<u>\$ 246,141</u>	<u>\$ 270,994</u>	<u>\$ 269,562</u>	<u>\$ 270,994</u>	<u>\$ 310,634</u>

BUDGETED PROPERTY TAXES

General	<u>\$ 246,141</u>	<u>\$ 270,994</u>	<u>\$ 269,562</u>	<u>\$ 270,994</u>	<u>\$ 310,634</u>
	<u>\$ 246,141</u>	<u>\$ 270,994</u>	<u>\$ 269,562</u>	<u>\$ 270,994</u>	<u>\$ 310,634</u>

No assurance provided. See summary of significant assumptions.

BEEBE DRAW FARMS METRO DISTRICT NO. 1
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

11/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 2,534	\$ 2,534	\$ 1,552
REVENUES					
Property taxes	245,993	270,994	269,562	270,994	310,634
Specific ownership tax	12,350	21,680	12,192	21,680	18,638
Interest income	371	1,500	2,053	2,500	1,500
Total revenues	258,714	294,174	283,807	295,174	330,772
Total funds available	258,714	294,174	286,341	297,708	332,324
EXPENDITURES					
General and administrative					
Transfer to Authority - General Fund O&M	232,953	200,255	199,197	200,255	246,394
Transfer to Authority - Infrastructure (2019 D2 - Included Lot	-	22,331	24,794	24,794	16,646
Transfer to Authority - Amenities (2019 D2 - Included Lots)	-	5,583	2,045	2,045	4,162
Transfer to Authority - Amenities (2011 Boundary Lots)	-	12,666	4,153	4,153	4,325
Accounting	7,066	10,000	11,102	23,000	11,500
County Treasurer's fee	3,694	4,065	4,047	4,065	4,660
Directors' fees	1,000	1,600	-	800	800
Insurance and bonds	3,062	5,000	3,864	3,865	4,000
District management	4,926	10,000	5,140	9,865	12,500
Legal services	3,480	5,000	1,635	9,862	7,500
Miscellaneous	-	1,000	779	1,000	1,500
Payroll taxes	-	122	-	61	61
Election expense	-	15,000	12,391	12,391	15,000
Contingency	-	-	-	-	1,552
Total expenditures	256,181	292,622	269,147	296,156	330,600
Total expenditures and transfers out requiring appropriation	256,181	292,622	269,147	296,156	330,600
ENDING FUND BALANCES	\$ 2,534	\$ 1,552	\$ 17,194	\$ 1,552	\$ 1,724
EMERGENCY RESERVE	\$ -	\$ 1,552	\$ 1,552	\$ 1,552	\$ 1,724
AVAILABLE FOR OPERATIONS	2,534	-	15,642	-	-
TOTAL RESERVE	\$ 2,534	\$ 1,552	\$ 17,194	\$ 1,552	\$ 1,724

No assurance provided. See summary of significant assumptions.

BEEBE DRAW FARMS METRO DISTRICT NO. 1
SPECIAL REVENUE FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

11/3/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 9/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 9,237	\$ 10,137	\$ 10,270	\$ 10,270	\$ 12,370
REVENUES					
CTF proceeds	1,032	800	1,485	2,000	2,000
Interest income	1	100	64	100	250
Total revenues	<u>1,033</u>	<u>900</u>	<u>1,549</u>	<u>2,100</u>	<u>2,250</u>
Total funds available	<u>10,270</u>	<u>11,037</u>	<u>11,819</u>	<u>12,370</u>	<u>14,620</u>
EXPENDITURES					
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 10,270</u>	<u>\$ 11,037</u>	<u>\$ 11,819</u>	<u>\$ 12,370</u>	<u>\$ 14,620</u>

No assurance provided. See summary of significant assumptions.

**BEEBE DRAW FARMS METRO DISTRICT NO. 1
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court Weld County on April 12, 2011, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was established as part of a "Multiple District Structure" for the community located in the Town of Platteville, Colorado. The District operates under a Service Plan approved by the Town on January 27, 2012. The District's service area is located entirely within the Town of Platteville, Weld County, Colorado.

The District was established to provide financing for the acquisition, construction and installation of public improvements including, but not limited to, streets, sanitary sewer, storm sewer, drainage, water, and parks and trails, and to provide the operation and maintenance of these improvements.

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

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

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's maximum Required Mill Levy is 40.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay general operating expenses.

Pursuant to the AEA, District No. 1 agreed to impose the "Required Mill Levy" (as defined in the AEA) until 2018 and to transfer such revenues to the Authority for deposit into either the Infrastructure Account or the Amenities Account (as defined in the AEA). For tax collection year 2011 and thereafter, the Districts agreed to transfer all revenues from the "O&M Mill Levy" (as defined in the AEA) (the O&M Mill Levy) less the Districts' administrative costs to the Authority for deposit into the Authority's O&M account.

**BEEBE DRAW FARMS METRO DISTRICT NO. 1
2023 ADOPTED BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (Continued)

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

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

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Expenditures

Intergovernmental Expenditures

Pursuant to an Intergovernmental Agreement between Beebe Draw Farms Metropolitan Districts No. 1 and Beebe Draw Farms Authority, the District is obligated to impose a mill levy, not to exceed 40.000 mills, subject to certain adjustments, and remit property taxes derived from such mill levy, together with specific ownership taxes applicable to property within the District, after deducting administrative expenditures, to the Operating District.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt and Leases

The District has no outstanding debt, nor any operating or capital leases.

Reserves

Emergency Reserves

The District transfers all of its net revenues to Beebe Draw Farms Authority, as provided for in an intergovernmental agreement between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Authority. Therefore, no emergency reserve has been provided for in Beebe Draw Farms Metropolitan District No. 1. The emergency reserve related to this District is held in Beebe Draw Farms Authority.

RESOLUTION 2022-11-__
TO ADOPT 2023 BUDGET, APPROPRIATE SUMS OF MONEY,
AND AUTHORIZE THE CERTIFICATION OF THE TAX LEVY
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1, WELD COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2023, AND ENDING ON THE LAST DAY OF DECEMBER, 2023,

WHEREAS, the Board of Directors of the Beebe Draw Farms Metropolitan District No. 1 has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

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

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on November 9, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$_____; and

WHEREAS, the Board of Directors finds that it is required to temporarily lower the operating mill levy to render a refund for \$_____; and

WHEREAS, the amount of money necessary to balance the budget for voter-approved bonds and interest is \$_____; and

WHEREAS, the amount of money necessary to balance the budget for contractual obligation purposes from property tax revenue as approved by voters from property tax revenue is \$_____; and

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenue as approved by voters or at public hearing is \$ _____; and

WHEREAS, the amount of money necessary to balance the budget for refunds/abatements is \$ _____; and

WHEREAS, the 2022 valuation for assessment for the District as certified by the County Assessor of Weld County is \$ _____; and

WHEREAS, at an election held on November 3, 1998, the District has eliminated the revenue and expenditure limitations imposed on governmental entities by Article X, Section 20 of the Colorado Constitution and Section 29-1-301, C.R.S., as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1 OF WELD COUNTY, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Beebe Draw Farms Metropolitan District No. 1 for calendar year 2023.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 3. Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Levy of General Property Taxes. That the Board of Directors does hereby certify the levy of general property taxes for collection in 2023 as follows:

A. Levy for General Operating and Other Expenses. That for the purposes of meeting all general operating expense of the District during the 2023 budget year, there is hereby levied a tax of _____ mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2022.

B. Temporary Tax Credit or Rate Reduction. That pursuant to Section 39-1-111.5, C.R.S. for the purposes of effect of a refund for the purposes set forth in Section 20 of Article X of the Colorado Constitution, there is hereby certified a temporary property tax credit or temporary mill levy rate reduction of _____ mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

C. Levy for General Obligation Bonds and Interest. That for the purposes of meeting all debt retirement expense of the District during the 2023 budget year, as the funding requirements of the current outstanding general obligation indebtedness is detailed in the

following "Certification of Tax Levies," there is hereby levied a tax of _____ mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

D. Levy for Contractual Obligations. That for the purposes of meeting the contractual obligation expense of the District during the 2023 budget year, as detailed in the following "Certification of Tax Levies," there is hereby levied a tax of _____ mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2022.

E. Levy for Capital Expenditures. That for the purposes of meeting all capital expenditures of the District during the 2023 budget year pursuant to Section 29-1-301(1.2) or 29-1-302(1.5), C.R.S., there is hereby levied a tax of _____ mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

F. Levy for Refunds/Abatements. That for the purposes of recoupment of refunds/abatements of taxes pursuant to Section 39-10-114(1)(a)(I)(B), C.R.S., there is hereby levied a tax of _____ mills upon each dollar of the total valuation of assessment of all taxable property within the boundaries of the District for the year 2022.

Section 5. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget and mill levies do not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 6. Certification. That the appropriate officers of the District are hereby authorized and directed to certify by December 15, 2022, to the Board of County Commissioners of Weld County, Colorado, the mill levies for the District herein above determined and set, or be authorized and directed to certify to the Board of County Commissioners of Weld County, Colorado, as herein above determined and set, but as recalculated as needed upon receipt of the final certification of valuation from the County Assessor on or about December 10, 2022 in order to comply with any applicable revenue and other budgetary limits or to implement the intent of the District. That said certification shall be in substantially the form set out and attached hereto and incorporated herein by this reference.

Section 7. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

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ADOPTED this 9th day of November, 2022.

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

President

ATTEST:

Secretary

ATTACH COPY OF THE ADOPTED BUDGET AND
THE CERTIFICATION OF TAX LEVIES

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1
CONCERNING REGULAR ELECTION TO BE HELD MAY 2, 2023**

WHEREAS, the Beebe Draw Farms Metropolitan District No. 1 of Weld County, State of Colorado (the "District"), is a duly organized and existing quasi-municipal corporation and political subdivision of the State of Colorado, existing and operating under and by virtue of the Constitution and laws of the State of Colorado, including but not limited to Parts 1 through 16 of Article 1 of Title 32, C.R.S., as amended (the "Special District Act"); and

WHEREAS, a regular election is to be held on the Tuesday succeeding the first Monday of May in every odd-numbered year, for the purpose of electing members to the Board of Directors of the Beebe Draw Farms Metropolitan District No. 1 (the "Board"); and

WHEREAS, two (2) four-year terms and zero (0) two-year terms shall be open at the regular election to be held on May 2, 2023, by the District; and

WHEREAS, accordingly, the Board of Directors of the District has determined to submit to the electors of the District, at the regular biennial local district election to be held on May 2, 2023, the election of directors; and

WHEREAS, a designated election official shall be appointed by the Board of Directors to be responsible for conducting the election.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Beebe Draw Farms Metropolitan District No. 1 of Weld County, State of Colorado:

1. That a regular election to be conducted by mail ballot be called and held within the District on Tuesday, the 2nd day of May, 2023, at which election the electors shall vote for up to two (2) Directors;

2. That the terms of office for William Caldwell and Eric Wernsman shall expire following the regular election to be held on the 2nd day of May, 2023, and there are zero vacancies on the Board;

3. That Robin A. Navant of Spencer Fane LLP is hereby appointed to serve as the Designated Election Official for the conduct of the election. The Designated Election Official is hereby granted the authority to undertake all reasonable actions that are necessary or convenient for the conduct of the election;

4. That the election shall be held and conducted in accordance with the Colorado Local Government Election Code, Article 13.5 of Title 1, C.R.S., as supplemented by Const. Colo. Art. X, Sec. 20, the Uniform Election Code of 1992 as amended, the applicable Current Rules and Regulations Governing Election Procedures of the Secretary of State of the state of Colorado, and Title 32, Article 1, Part 8, Colorado Revised Statutes, C.R.S. 32-1-305.5, and other relevant Colorado and federal law (collectively, hereafter all such law and rules shall be

referred to as the "Relevant Law");

5. That a nomination for Director to serve for any designated vacancy shall be made by written self-nomination and acceptance form or letter and filed with the Designated Election Official not less than sixty-seven (67) days prior to the date of said election and that an affidavit of intent to be a write-in candidate for Director to serve for any designated vacancy shall be filed with the Designated Election Official not less than sixty-four (64) days prior to the date of said election;

6. That pursuant to the provisions of Section 1-13.5-513, C.R.S., as amended, if the only matter before the eligible electors is the election of persons to office and if, at the close of business on the sixty-third day before the election or any time thereafter, there are not more candidates than offices to be filled at the election, including candidates filing affidavits of intent, the Designated Election Official is authorized and instructed to cancel the election and declare the candidates elected. If the election is canceled, the Board of Directors by delegation to the Designated Election Official herein shall: (a) provide notice by publication of the cancellation of the election; (b) post a copy of the published notice at each polling location within the District, at the office of the Designated Election Official, and at the office of the clerk and recorder for each county in which the District is located; and (c) file a copy of the published notice with the Division of Local Government. The Board of Directors shall notify the candidates that the election was canceled and that they were elected by acclamation. If the election is canceled, the canvass board will not meet, and the Designated Election Official shall note the cancellation on the Certificate of Election and shall indicate which candidates were elected by acclamation;

7. That no person will receive a ballot in this election unless the person is an eligible elector of the District, as defined in Section 32-1-103(5), Colorado Revised Statutes;

8. That the Designated Election Official shall file within 30 days after the election, the results of election, including the business address, the telephone number, and the name of the contact person of the District with the Division of Local Government. (C.R.S. 1-11-103(3), 32-1-104(1))

9. That should any part or provision of this Resolution be adjudged unenforceable or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, it being the intention that the various provisions hereof are severable;

10. That all acts, orders, resolutions, or parts thereof, of the District that are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict;

11. That the provisions of this Resolution shall take effect immediately;

12. That all past actions taken by the District, its Board members individually and collectively, officers, agents, attorneys, and consultants directed toward the lawful conduct of the election were done in the best interests of the District and said actions are hereby ratified and confirmed as if originally taken with full authority.

13. That in the event of a conflict between this Resolution and Relevant Law, the Relevant Law shall control.

ADOPTED AND APPROVED this 9th day of November, 2022.

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

By: _____
President

ATTEST:

Secretary