

RIVERDALE PEAKS II METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
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NOTICE OF SPECIAL MEETING AND AGENDA
OF THE BOARD OF DIRECTORS OF THE DISTRICT
AND OF THE RIVERDALE PEAKS II METROPOLITAN DISTRICT
WATER ACTIVITY ENTERPRISE

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Annette Peters	Treasurer	2022/May 2022
Jason C. Jose		2022/May 2022
VACANT		2023/May 2022
VACANT		2023/May 2022
VACANT		2023/May 2022
David Solin	Secretary	

DATE: June 17, 2020 (Wednesday)

TIME: 6:00 P.M.

PLACE: *Due to Executive Order D 2020 044 Safer at Home issued by Governor Polis on April 26, 2020, and Public Health Order 20-28 implementing the Executive Order, issued by the Colorado Department of Health and Environment (CDPHE) on April 26, 2020, this meeting will be held via teleconference and can be joined through the directions below:*

IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE CALL IN TO THE CONFERENCE BRIDGE AT 1-877-250-3814 AND WHEN PROMPTED, DIAL IN THE PASSCODE OF 5592663.

I. ADMINISTRATIVE MATTERS

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

B. Approve Agenda, confirm location of the meeting and posting of meeting notices and designate 24-hour posting location.

C. Discuss cancellation of the May 5, 2020 Election (enclosure).

D. Discuss Board vacancies. Consider appointment of Amy Vasquez and Isaac Womack to the Board of Directors. Administer Oaths of Office.

E. Consider appointment of Officers:

President _____
 Treasurer _____
 Secretary _____
 Asst. Secretary _____
 Asst. Secretary _____
 Asst. Secretary _____

F. Review and approve the minutes of the November 20, 2019 Joint Regular Meeting (enclosure).

II. COMMUNITY COMMENTS

A. _____

III. FINANCIAL MATTERS

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

Fund	Period Ending Dec. 31, 2019	Period Ending Jan. 17, 2020	Period Ending Feb. 10, 2020	Period Ending March 11, 2020
General	\$ 1,182.38	\$ 7,473.21	\$ 856.54	\$ 3,617.96
Enterprise	\$ 4,934.12	\$ 28,705.85	\$ 6,262.36	\$ 20,485.94
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 6,116.50	\$ 36,179.06	\$ 7,118.90	\$ 24,103.90

Fund	Period Ending April 13, 2020	Period Ending May __, 2020
General	\$ 1,562.59	\$ 994.55
Enterprise	\$ 5,904.42	\$ 5,157.26
Debt	\$ -0-	\$ -0-
Total	\$ 7,467.01	\$ 6,151.81

B. Review and approve payment of claims through June 17, 2020 totaling \$ _____ (to be distributed).

C. Review and accept unaudited financial statements for the period ending March 31, 2020 (enclosure).

- D. Conduct public hearing to consider Amendment to 2019 Budget and consider adoption of Resolution to Amend the 2019 Budget and Appropriate Expenditures (enclosure).

- E. Review and consider approval of 2019 Audited Financial Statements (enclosures) and authorize execution of Representations Letter.

- F. Consider making a final determination regarding the inability to make a scheduled bond payment (Section 32-1-903(3), C.R.S.).

- G. Ratify appointment of District Accountant to prepare the 2021 Budget and set date for public hearing to adopt the 2021 Budget (November 18, 2020).

IV. OPERATIONS AND MAINTENANCE

- A. Property Maintenance.
 - 1. Review and ratify approval of Service Agreement with A & M Landscaping LLC for landscape architecture services (enclosure).

 - 2. Review and ratify approval of Service Agreement with Neighborhood Lawn Care, Inc. for landscape maintenance services (enclosure).

- B. Water Operations.
 - 1. Review reports from Ramey Environmental Compliance, Inc. for the months beginning November 2019 through April 2020 regarding operation of water system (enclosure).

V. LEGAL MATTERS

- A. Discuss and ratify adoption of Resolution Declaring Local Disaster Emergency (enclosure).

VI. OTHER MATTERS

A. _____

VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR
NOVEMBER 18, 2020.**

NOTICE OF CANCELLATION
and
CERTIFIED STATEMENT OF RESULTS
§1-13.5-513(6), 32-1-104, 1-11-103(3) C.R.S.

NOTICE IS HEREBY GIVEN by the Riverdale Peaks II Metropolitan District, Adams County, Colorado, that at the close of business on the sixty-third day before the election, there were not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates; therefore, the election to be held on May 5, 2020 is hereby canceled pursuant to section 1-13.5-513(6) C.R.S.

The following candidates are declared elected for the following terms of office:

<u>Name</u>	<u>Term</u>
Amy Vasquez	Second Regular Election, May 2023
Vacant	Second Regular Election, May 2023
Vacant	Second Regular Election, May 2023
Jason Jose	Next Regular Election, May 2022

/s/ David Solin
(Designated Election Official)

Contact Person for the District:	David Solin
Telephone Number of the District:	303-987-0835
Address of the District:	141 Union Boulevard, Suite 150, Lakewood, CO 80228
District Facsimile Number:	303-987-2032
District Email:	dsolin@sdmsi.com

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE RIVERDALE PEAKS II METROPOLITAN DISTRICT WATER ACTIVITY ENTERPRISE HELD NOVEMBER 20, 2019

A regular meeting of the Board of Directors of the Riverdale Peaks II Metropolitan District and the Board of Directors of the Water Activity Enterprise (referred to hereafter as "Board") was convened on Wednesday, the 20th day of November, 2019, at 6:00 P.M., at the Anythink Library, 5877 E. 120th Avenue, Thornton, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Brian Bata
Annette Peters
Jeffrey P. Hartman
Jason Jose (for a portion of the meeting)

Following discussion, upon motion duly made by Director Hartman, seconded by Director Peters and, upon vote, unanimously carried, the absence of Director Amy Vasquez was excused.

Also In Attendance Were:

David Solin (full meeting) and Peggy Ripko (for a portion of the meeting);
Special District Management Services, Inc. (SDMS)

MaryAnn M. McGeady, Esq.; McGeady Becher P.C. (for a portion of the meeting)

Karl Heil; Ramey Environmental Compliance (for a portion of the meeting)

See list attached for other attendees (for a portion of the meeting)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: 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 of Directors and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board to 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. It was noted that all

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Directors are residents within the District and a Disclosure Statement was filed with the Secretary of State's office 72-hours prior to the meeting for Director Jose.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

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

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board Meeting.

Following review, upon motion duly made by Director Hartman, seconded by Director Peters and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries to conduct this meeting, it was determined to conduct the meeting at the above stated location. The Board further noted that notice of this location was duly posted and that it had not received any objections to the location or requests that the meeting place be changed by residents or taxpaying electors within the District boundaries.

Minutes: The Board reviewed the minutes of the June 27, 2019 Joint Special Meeting.

Following discussion, upon motion duly made by Director Hartman, seconded by Director Peters and, upon vote, unanimously carried, the Minutes of the June 27, 2019 Joint Special meeting were approved.

District Website: Mr. Solin reviewed with the Board the alternative pricing for establishment of a District Website.

Following discussion, upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, the Board authorized the creation of a basic website for an amount not exceed \$600.

Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Locations, Establishing District Website and Designating Location for Posting of 24-Hour Notices: The Board discussed Resolution No. 2019-11-01 of the Board of Directors of the Riverdale Peaks II Metropolitan

RECORD OF PROCEEDINGS

District Establishing Regular Meeting Dates, Time and Location, Establishing District Website and Designating Location for Posting 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2020 to meet the statutory compliance requirements. The Board, determined to meet on June 17, 2020 and November 18, 2020 at 6:00 p.m., at the Anythink Library, 5877 E 120 Avenue, Thornton, CO 80602.

Following discussion, upon motion duly made by Director Hartman, seconded by Director Peters and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-01 of the Board of Directors of the Riverdale Peaks II Metropolitan District Establishing Regular Meeting Dates, Time and Location, Establishing District Website and Designating Location for posting 24-Hour Notices. A copy of the resolution is attached hereto and incorporated herein.

Eligible Governmental Entity Agreement (“EGE”) between the Statewide Internet Portal Authority (“SIPA”) and the District: The Board reviewed the EGE between SIPA and the District.

Following discussion, upon motion duly made by Director Hartman, seconded by Director Peters and, upon vote, unanimously carried, the Board approved the EGE between SIPA and the District.

§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2019: The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2020.

The Board determined to post the required transparency notice information on the Special District Association website and District website.

McGeady Becher P.C. District Records Retention Policy: Attorney McGeady presented to the Board the update to the McGeady Becher P.C. Document Retention Policy.

The Board approved the update and directed a copy of the approved updated McGeady Becher P.C. Document Retention Policy be attached to the Minutes for this meeting. Accordingly, a copy of the updated McGeady Becher P.C. Document Retention Policy is attached hereto and incorporated herein by reference.

COMMUNITY COMMNETS

Community Comments: Mr. Bouge shared a concern with the Board regarding the accuracy of his water billing subsequent to the District’s recent pipe leak and repair. Mr. Bouge was also concerned about the water pressure being too high in

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his irrigation system. He noted that during the repair Mr. Bogue had reported to Special District Management Services, Inc. that his pressure vacuum breaker (PVB) was unable to close, and water was continually draining.

Following discussion, upon motion duly made by Director Bata, seconded by Director Hartman and, upon vote, unanimously carried, the Board directed Mr. Solin to remove the approximately 8,000 gallons estimated to have leaked out of the PVB drain and to recalculate total usage to correct for overage billing on those 8,000 gallons. The Board also directed Mr. Solin to work with Director Bata to review Mr. Bouge's revised billing, and to consult with Director Bata if any other homeowners contact SDMS with supportable claims of overbilling subsequent to the pipe repair.

Mr. Bouge was also advised that it could be beneficial to install a pressure relief valve (PRV).

Following discussion, upon motion duly made by Director Peters, seconded by Director Bata and, upon vote, unanimously carried, the Board directed Mr. Solin to include an insert into a future billing advising all residents that they might wish to install PRV's on their irrigation supply lines.

OPERATIONS AND MAINTENANCE

Beautification Committee: Ms. Ripko gave a status update of the Beautification Committee.

Following discussion, upon motion duly made by Director Hartman, seconded by Director Bata and, upon vote, unanimously carried, the Board authorized the Beautification Committee to spend up to \$5,000 with an HOA match of \$5,000. The Board also directed that Mr. Solin prepare a landscape maintenance scope of work for review by the Beautification Committee.

Freedom Mailing Services: The Board discussed the new billing service with Freedom Mailing Services.

Following discussion, upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, the Board ratified approval of the new billing service with Freedom Mailing Services.

Request for Temporary Exemption from Annual Irrigation Budget: The Board discussed the request from 12650 Valentia Street for a temporary exemption from the annual irrigation budget under Community Comments.

Property Maintenance: The Board discussed under the Beautification Committee discussion.

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Water Operations:

Reports from Ramey Environmental Compliance, Inc.: Mr. Heil reviewed with the Board the Ramey Environmental Compliance, Inc. reports beginning June 2019 through October 2019 regarding the operation of the water system. Copies of the reports are attached hereto and incorporated herein by this reference.

Inspection Report for Tank Cleaning: Mr. Heil reviewed with the Board the inspection report for Tank Cleaning from Inland Potable Services, Inc. No action was taken.

Cost Estimate for OmniSite Radio Upgrade: Mr. Heil reviewed with the Board the cost estimate for OmniSite Radio Upgrade.

Following discussion, upon motion duly made by Director Jose, seconded by Director Hartman and, upon vote, unanimously carried, the Board approved the cost estimate for OmniSite Radio Upgrade, in the amount of \$535.56.

Ramey Environmental Compliance's ORC rates for 2020: Mr. Heil discussed with the Board the Ramey Environmental Compliance's ORC rates for 2020.

Following discussion, upon motion duly made by Director Bata, seconded by Director Jose and, upon vote, unanimously carried, the Board approved the Ramey Environmental Compliance's ORC rates for 2020.

**FINANCIAL
MATTERS**

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period Ending July 11, 2019	Period Ending Aug. 19, 2019	Period Ending Sept. 16, 2019	Period Ending Oct. 16, 2019
General	\$ 1,279.78	\$ 1,938.79	\$ 10,498.90	\$ 1,665.94
Enterprise	\$ 5,225.66	\$ 13,307.09	\$ 14,436.64	\$ 3,772.26
Debt	\$ 4,100.00	\$ -0-	\$ -0-	\$ 2,000.00
Total	\$ 10,605.44	\$ 15,245.88	\$ 24,935.54	\$ 7,438.20

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

The Board then considered approval of the payment of claims through the period ending November 11, 2019, in the amount of \$7,411.01.

Following discussion, upon motion duly made by Director Bata, seconded by Director Jose and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending November 11, 2019, as presented.

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Unaudited Financial Statements/Schedule of Cash Position: Mr. Solin reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending September 30, 2019.

Following review and discussion, upon motion duly made by Director Bata, seconded by Director Jose and, upon vote, unanimously carried, the Board accepted the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending September 30, 2019 as presented.

2019 Audit: The Board considered the engagement of Schilling & Company, Inc. to perform the 2019 Audit.

Following review and discussion, upon motion duly made by Director Bata, seconded by Director Hartman and, upon vote, unanimously carried, the Board approved the engagement of Schilling & Company, Inc. to perform the 2019 Audit, for an amount not to exceed \$4,100.

2019 Budget Amendment Hearing: The President opened the public hearing to consider an amendment to the 2019 Budget and to discuss related issues.

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

Following discussion, the Board determined that an amendment to the 2019 Budget Amendment was unnecessary.

Final Determination of Inability to Make a Scheduled Bond Payment (Section 32-1-903(3), C.R.S.: Following discussion, upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, the Board acknowledged the District's inability to make the scheduled bond interest payment in November, 2019.

2020 Budget Hearing: The Board opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No

RECORD OF PROCEEDINGS

written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Mr. Solin reviewed the estimated 2019 expenditures and the proposed 2020 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2019-11-02 to Adopt the 2020 Budget and Appropriate Sums of Money, and Resolution No. 2019-11-03 to Set Mill Levies (for the General Fund at 43.120 mills and the Debt Service Fund at 63.986 mills, Other Funds at 0.000 for a total mill levy of 107.106 mills). Upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Adams County and the Division of Local Government, not later than December 15, 2019. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

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

Following discussion, upon motion duly made by Director Bata, seconded by Director Peters, and upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3: The Board reviewed Resolution No. 2019-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

Following discussion, upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

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2021 Budget Preparation: The Board entered into discussion regarding appointing the District Accountant to prepare the 2021 Budget and setting the date for a Public Hearing to adopt the 2021 Budget for November 18, 2020.

Following discussion, upon motion duly made by Director Bata, seconded by Director Peters and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2021 Budget and set the date for a Public Hearing to adopt the 2021 Budget for November 18, 2020. The Board directed that the 2021 Budget be the same as the 2020 adopted Budget unless a Board member provides input to otherwise adjust those assumptions.

LEGAL MATTERS

Election Resolution: The Board discussed Resolution No. 2019-11-05; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director Hartman, seconded by Director Peters and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-05; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Termination of Tolling Agreement by and between the District, Quebec Corp. and Gateway American Properties, LLC: Attorney McGeady discussed with the Board the Termination of Tolling Agreement by and between the District, Quebec Corp. and Gateway American Properties, LLC.

Following discussion, upon motion duly made by Director Jose, seconded by Director Peters and, upon vote, unanimously carried, the Board approved the Termination of the Tolling Agreement by and between the District, Quebec Corp. and Gateway American Properties, LLC.

OTHER MATTERS

Insurance Claim: Mr. Solin discussed with the Board the status of the insurance claim regarding water leak.

ADJOURNMENT

There being nothing further for the Board to discuss at this time, upon motion duly made by Director Peters, seconded by Director Bata, and upon vote, unanimously carried, the meeting was adjourned.

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Respectfully submitted,

By _____
Secretary for the Meeting

**Riverdale Peaks II Metropolitan District
December-19**

	<u>General</u>	<u>Debt</u>	<u>Enterprise</u>	<u>Totals</u>
Disbursements	\$ 1,182.38	\$ -	\$ 4,934.12	\$ 6,116.50
				\$ -
Total Disbursements from Checking Acct	\$1,182.38	\$0.00	\$4,934.12	\$6,116.50

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
5845							
12/31/2019	Mail Services LLC	1711273	Billing	4-7210	52.46	52.46	
Total 5845:						52.46	
5846							
12/31/2019	McGeady Becher P.C.	654M 115	Legal Services	1-7460	200.00	200.00	
Total 5846:						200.00	
5847							
12/31/2019	Ramey Environmental Complia	19693	Testing	4-7260	118.14	118.14	
12/31/2019	Ramey Environmental Complia	19693	Operations	4-7240	952.87	952.87	
12/31/2019	Ramey Environmental Complia	19739	Operations	4-7240	535.56	535.56	
Total 5847:						1,606.57	
5848							
12/31/2019	Special Dist Mgmt Srvs	NOVEMBER 2019	Miscellaneous	1-7480	472.93	472.93	
12/31/2019	Special Dist Mgmt Srvs	NOVEMBER 2019	District Managemen	4-7440	320.00	320.00	
12/31/2019	Special Dist Mgmt Srvs	NOVEMBER 2019	Billing	4-7210	223.83	223.83	
12/31/2019	Special Dist Mgmt Srvs	NOVEMBER 2019	Accounting	4-7000	576.17	576.17	
12/31/2019	Special Dist Mgmt Srvs	NOVEMBER 2019	Accounting	1-7000	143.83	143.83	
12/31/2019	Special Dist Mgmt Srvs	NOVEMBER 2019	District Managemen	1-7440	336.17	336.17	
Total 5848:						2,072.93	
5849							
12/31/2019	Test Gauge Inc.	INV6-2647	Operations	4-7240	96.90	96.90	
Total 5849:						96.90	
5850							
12/31/2019	Upper Case Printing, Ink.	15157	Miscellaneous	1-7480	29.45	29.45	
Total 5850:						29.45	
20191201							
12/31/2019	United Power	1290 11/19	Utilities	4-7850	1,663.12	1,663.12	M
Total 20191201:						1,663.12	
20191202							
12/31/2019	United Power	1381 11/19	Utilities	4-7850	20.44	20.44	M
Total 20191202:						20.44	
20191203							
12/31/2019	United Power	13813503 11/19	Utilities	4-7850	20.22	20.22	M
Total 20191203:						20.22	
20191204							
12/31/2019	United Power	1305 11/19	Utilities	4-7850	235.75	235.75	M
Total 20191204:						235.75	

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
20191205 12/31/2019	Century Link	11/2019	Utilities	4-7850	118.66	118.66	M
Total 20191205:						118.66	
Grand Totals:						6,116.50	

**Riverdale Peaks II Metropolitan District
January-20**

	<u>General</u>	<u>Debt</u>	<u>Enterprise</u>	<u>Totals</u>
Disbursements	\$ 7,473.21	\$ -	\$ 28,705.85	\$ 36,179.06
				\$ -
Total Disbursements from Checking Acct	\$7,473.21	\$0.00	\$28,705.85	\$36,179.06

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
5851							
01/10/2020	Colorado Special District P&L	POL-0003250	Prepaid Expense	1-1240	6,608.00	6,608.00	
Total 5851:						6,608.00	
5852							
01/10/2020	McGeady Becher P.C.	654M 116	Legal Services	1-7460	203.00	203.00	
Total 5852:						203.00	
5853							
01/10/2020	Ramey Environmental Complia	19831	Testing	4-7260	389.24	389.24	
01/10/2020	Ramey Environmental Complia	19831	Operations	4-7240	682.87	682.87	
01/10/2020	Ramey Environmental Complia	19910	Claim 1 - Control Pa	4-7894	24,410.64	24,410.64	
Total 5853:						25,482.75	
<i>5854 void and reissue as check 5856 for code change</i>							
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Accounting	1-7000	96.60	96.60	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Accounting	1-7000	96.60-	96.60-	V
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Accounting	4-7000	225.40	225.40	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Accounting	4-7000	225.40-	225.40-	V
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	District Managemen	1-7440	298.48	298.48	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	District Managemen	1-7440	298.48-	298.48-	V
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	District Managemen	4-7440	234.52	234.52	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	District Managemen	4-7440	234.52-	234.52-	V
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Billing	4-7210	591.00	591.00	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Billing	4-7210	591.00-	591.00-	V
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Election Expense	1-7430	28.00	28.00	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Election Expense	1-7430	28.00-	28.00-	V
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Auditing	2-7020	28.00	28.00	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Auditing	2-7020	28.00-	28.00-	V
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Insurance and Bond	1-7360	98.00	98.00	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Insurance and Bond	1-7360	98.00-	98.00-	V
01/10/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Miscellaneous	1-7480	113.13	113.13	
01/17/2020	Special Dist Mgmt Srvs	DECEMBER 2019	Miscellaneous	1-7480	113.13-	113.13-	V
Total 5854:						.00	
5855							
01/10/2020	Utility Notification Center	219120894	Miscellaneous	4-7480	88.04	88.04	
Total 5855:						88.04	
5856							
01/10/2020	Special Dist Mgmt Srvs	12/2019	Accounting	4-7000	225.40	225.40	
01/10/2020	Special Dist Mgmt Srvs	12/2019	Accounting	1-7000	96.60	96.60	
01/10/2020	Special Dist Mgmt Srvs	12/2019	District Managemen	4-7440	234.52	234.52	
01/10/2020	Special Dist Mgmt Srvs	12/2019	District Managemen	1-7440	298.48	298.48	
01/10/2020	Special Dist Mgmt Srvs	12/2019	Billing	4-7210	591.00	591.00	
01/10/2020	Special Dist Mgmt Srvs	12/2019	Election Expense	1-7430	28.00	28.00	
01/10/2020	Special Dist Mgmt Srvs	12/2019	Insurance and Bond	1-7360	98.00	98.00	
01/10/2020	Special Dist Mgmt Srvs	12/2019	Miscellaneous	1-7480	113.13	113.13	
01/10/2020	Special Dist Mgmt Srvs	12/2019	Auditing	1-7020	28.00	28.00	
Total 5856:						1,713.13	

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
20200101 01/10/2020	Century Link	12/2019	Utilities	4-7850	118.66	118.66	M
Total 20200101:						118.66	
20200102 01/10/2020	United Power	1290 12/19	Utilities	4-7850	1,689.07	1,689.07	M
Total 20200102:						1,689.07	
20200103 01/10/2020	United Power	13812503 12/19	Utilities	4-7850	20.44	20.44	M
Total 20200103:						20.44	
20200104 01/10/2020	United Power	13813503 12/19	Utilities	4-7850	20.22	20.22	M
Total 20200104:						20.22	
20200105 01/10/2020	United Power	1305 12/19	Utilities	4-7850	235.75	235.75	M
Total 20200105:						235.75	
Grand Totals:						36,179.06	

**Riverdale Peaks II Metropolitan District
January-20**

	<u>General</u>		<u>Debt</u>		<u>Enterprise</u>		<u>Totals</u>
Disbursements	\$ 856.54	\$	-	\$	6,262.36	\$	7,118.90
						\$	-
Total Disbursements from Checking Acct	\$856.54		\$0.00		\$6,262.36		\$7,118.90

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
5857							
02/10/2020	Badger Meter	80046656	Meter Fee	4-6460	906.54	906.54	
Total 5857:						906.54	
5858							
02/10/2020	Freedom Mailing Services, Inc.	37514	Billing	4-7210	38.76	38.76	
Total 5858:						38.76	
5859							
02/10/2020	McGeady Becher P.C.	654M 117	Legal Services	1-7460	200.00	200.00	
Total 5859:						200.00	
5860							
02/10/2020	Ramey Environmental Complia	19980	Operations	4-7240	1,575.00	1,575.00	
02/10/2020	Ramey Environmental Complia	19980	Testing	4-7260	516.30	516.30	
Total 5860:						2,091.30	
5861							
02/10/2020	Special Dist Mgmt Srvs	01/2020	Accounting	1-7000	148.35	148.35	
02/10/2020	Special Dist Mgmt Srvs	01/2020	Accounting	4-7000	346.15	346.15	
02/10/2020	Special Dist Mgmt Srvs	01/2020	District Managemen	1-7440	130.20	130.20	
02/10/2020	Special Dist Mgmt Srvs	01/2020	District Managemen	4-7440	303.80	303.80	
02/10/2020	Special Dist Mgmt Srvs	01/2020	Billing	4-7210	531.50	531.50	
02/10/2020	Special Dist Mgmt Srvs	01/2020	Election Expense	1-7430	112.00	112.00	
02/10/2020	Special Dist Mgmt Srvs	01/2020	Insurance and Bond	1-7360	28.00	28.00	
02/10/2020	Special Dist Mgmt Srvs	01/2020	Miscellaneous	1-7480	125.23	125.23	
Total 5861:						1,725.23	
5862							
02/10/2020	Upper Case Printing, Ink.	15419	Miscellaneous	1-7480	42.01	42.01	
Total 5862:						42.01	
5863							
02/10/2020	Utility Notification Center	219110907	Miscellaneous	1-7480	15.62	15.62	
02/10/2020	Utility Notification Center	220010920	Miscellaneous	1-7480	55.13	55.13	
Total 5863:						70.75	
20200201							
02/10/2020	Century Link	997B 01/20	Utilities	4-7850	117.64	117.64	M
Total 20200201:						117.64	
20200202							
02/10/2020	United Power	12902200 01/20	Utilities	4-7850	1,650.26	1,650.26	M
Total 20200202:						1,650.26	
20200203							
02/10/2020	United Power	13812503 01/20	Utilities	4-7850	20.44	20.44	M

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
Total 20200203:						<u>20.44</u>	
20200204							
02/10/2020	United Power	13813503 01/20	Utilities	4-7850	20.22	<u>20.22</u>	M
Total 20200204:						<u>20.22</u>	
20200205							
02/10/2020	United Power	13052501 01/20	Utilities	4-7850	235.75	<u>235.75</u>	M
Total 20200205:						<u>235.75</u>	
Grand Totals:						<u><u>7,118.90</u></u>	

Riverdale Peaks II Metropolitan District
March-20

	<u>General</u>	<u>Debt</u>	<u>Enterprise</u>	<u>Totals</u>
Disbursements	\$ 3,617.96	\$ -	\$ 20,485.94	\$ 24,103.90
Total Disbursements from Checking Acct	\$3,617.96	\$0.00	\$20,485.94	\$24,103.90

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
5864							
03/11/2020	A & M Landscaping LLC	1068	Landscape Improve	1-7512	1,600.00	1,600.00	
Total 5864:						1,600.00	
5865							
03/11/2020	Freedom Mailing Services, Inc.	37690	Billing	4-7210	38.76	38.76	
Total 5865:						38.76	
5866							
03/11/2020	McGeady Becher P.C.	654M 01/20	Legal Services	1-7460	923.94	923.94	
Total 5866:						923.94	
5867							
03/11/2020	Metrowest Newspapers	201911	Miscellaneous	1-7480	19.80	19.80	
Total 5867:						19.80	
5868							
03/11/2020	Ramey Environmental Complia	20059	Storage Tank Repair	4-7895	202.15	202.15	
03/11/2020	Ramey Environmental Complia	20132	Operations	4-7240	1,650.00	1,650.00	
03/11/2020	Ramey Environmental Complia	20132	Testing	4-7260	21.00	21.00	
03/11/2020	Ramey Environmental Complia	20132	Chemicals & Suppli	4-7270	466.58	466.58	
Total 5868:						2,339.73	
5869							
03/11/2020	Special Dist Mgmt Srvs	02/2020	Accounting	4-7000	123.20	123.20	
03/11/2020	Special Dist Mgmt Srvs	02/2020	Accounting	1-7000	52.80	52.80	
03/11/2020	Special Dist Mgmt Srvs	02/2020	Billing	4-7210	837.50	837.50	
03/11/2020	Special Dist Mgmt Srvs	02/2020	Election Expense	1-7430	110.50	110.50	
03/11/2020	Special Dist Mgmt Srvs	02/2020	Miscellaneous	1-7480	246.46	246.46	
03/11/2020	Special Dist Mgmt Srvs	02/2020	Insurance and Bond	1-7360	84.00	84.00	
03/11/2020	Special Dist Mgmt Srvs	02/2020	District Managemen	4-7440	274.40	274.40	
03/11/2020	Special Dist Mgmt Srvs	02/2020	District Managemen	1-7440	117.60	117.60	
Total 5869:						1,846.46	
5870							
03/11/2020	Special District Association	2020 RENEWAL	Miscellaneous	1-7480	453.92	453.92	
Total 5870:						453.92	
5871							
03/11/2020	Tristar Risk Management	19783228 REFUND	Insurance	4-7360	15,065.94	15,065.94	
Total 5871:						15,065.94	
5872							
03/11/2020	Utility Notification Center	220020964	Miscellaneous	1-7480	8.94	8.94	
Total 5872:						8.94	
20200301							
03/11/2020	Century Link	997B 02/20	Utilities	4-7850	117.64	117.64	M

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
Total 20200301:						<u>117.64</u>	
20200302							
03/11/2020	United Power	13052501 02/20	Utilities	4-7850	235.75	<u>235.75</u>	M
Total 20200302:						<u>235.75</u>	
20200303							
03/11/2020	United Power	12902200 02/20	Utilities	4-7850	1,412.49	<u>1,412.49</u>	M
Total 20200303:						<u>1,412.49</u>	
20200304							
03/11/2020	United Power	13812503 02/20	Utilities	4-7850	20.42	<u>20.42</u>	M
Total 20200304:						<u>20.42</u>	
20200305							
03/11/2020	United Power	13813503 02/20	Utilities	4-7850	20.11	<u>20.11</u>	M
Total 20200305:						<u>20.11</u>	
Grand Totals:						<u><u>24,103.90</u></u>	

Riverdale Peaks II Metropolitan District
April-20

	<u>General</u>	<u>Debt</u>	<u>Enterprise</u>	<u>Totals</u>
Disbursements	\$ 1,562.59	\$ -	\$ 5,904.42	\$ 7,467.01
			\$	-
Total Disbursements from Checking Acct	\$1,562.59	\$0.00	\$5,904.42	\$7,467.01

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
5873							
04/13/2020	Badger Meter	80048733	Meter Fee	4-6460	6.54	6.54	
04/13/2020	Badger Meter	80050820	Meter Fee	4-6460	6.54	6.54	
Total 5873:						13.08	
5874							
04/13/2020	Freedom Mailing Services, Inc.	37865	Billing	4-7210	38.76	38.76	
Total 5874:						38.76	
5875							
04/13/2020	McGeady Becher P.C.	654M 02/2020	Legal Services	1-7460	603.47	603.47	
Total 5875:						603.47	
5876							
04/13/2020	New Vision Development Partn	040920	Billing	4-7210	469.58	469.58	
Total 5876:						469.58	
5877							
04/13/2020	Ramey Environmental Complia	20281	Chemicals & Suppli	4-7270	531.60	531.60	
04/13/2020	Ramey Environmental Complia	20281	Operations	4-7240	1,687.50	1,687.50	
Total 5877:						2,219.10	
5878							
04/13/2020	Special Dist Mgmt Srvs	03/2020	Accounting	1-7000	63.60	63.60	
04/13/2020	Special Dist Mgmt Srvs	03/2020	Accounting	4-7000	148.40	148.40	
04/13/2020	Special Dist Mgmt Srvs	03/2020	Auditing	1-7020	518.00	518.00	
04/13/2020	Special Dist Mgmt Srvs	03/2020	Billing	4-7210	548.00	548.00	
04/13/2020	Special Dist Mgmt Srvs	03/2020	Election Expense	1-7430	84.00	84.00	
04/13/2020	Special Dist Mgmt Srvs	03/2020	Miscellaneous	1-7480	189.34	189.34	
04/13/2020	Special Dist Mgmt Srvs	03/2020	District Managemen	1-7440	71.40	71.40	
04/13/2020	Special Dist Mgmt Srvs	03/2020	District Managemen	4-7440	166.60	166.60	
Total 5878:						1,789.34	
5879							
04/13/2020	Utility Notification Center	220031000	Miscellaneous	1-7480	32.78	32.78	
Total 5879:						32.78	
20200401							
04/13/2020	Century Link	997B 03/20	Utilities	4-7850	117.64	117.64	M
Total 20200401:						117.64	
20200402							
04/13/2020	United Power	13052501 03/20	Utilities	4-7850	235.75	235.75	M
Total 20200402:						235.75	
20200403							
04/13/2020	United Power	13812503 03/20	Utilities	4-7850	40.53	40.53	M

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
Total 20200403:						<u>40.53</u>	
20200404							
04/13/2020	United Power	13813503 03/20	Utilities	4-7850	40.33	<u>40.33</u>	M
Total 20200404:						<u>40.33</u>	
20200405							
04/13/2020	United Power	12902200 03/20	Utilities	4-7850	1,866.65	<u>1,866.65</u>	M
Total 20200405:						<u>1,866.65</u>	
Grand Totals:						<u><u>7,467.01</u></u>	

Riverdale Peaks II Metropolitan District
May-20

	<u>General</u>	<u>Debt</u>	<u>Enterprise</u>	<u>Totals</u>
Disbursements	\$ 994.55	\$ -	\$ 5,157.26	\$ 6,151.81
Total Disbursements from Checking Acct	\$994.55	\$0.00	\$5,157.26	\$6,151.81

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
5880							
05/06/2020	Badger Meter	80052569	Meter Fee	4-6460	39.24	39.24	
Total 5880:						39.24	
5881							
05/06/2020	Freedom Mailing Services, Inc.	38083	Billing	4-7210	38.08	38.08	
Total 5881:						38.08	
5882							
05/06/2020	McGeady Becher P.C.	654M 03/20	Legal Services	1-7460	206.60	206.60	
Total 5882:						206.60	
5883							
05/06/2020	Ramey Environmental Complia	20406	Chemicals & Suppli	4-7270	21.00	21.00	
05/06/2020	Ramey Environmental Complia	20406	Storage Tank Repair	4-7895	168.75	168.75	
05/06/2020	Ramey Environmental Complia	20406	Operations	4-7240	1,909.63	1,909.63	
Total 5883:						2,099.38	
5884							
05/06/2020	Special Dist Mgmt Srvs	04/2020	Accounting	4-7000	78.75	78.75	
05/06/2020	Special Dist Mgmt Srvs	04/2020	Accounting	1-7000	33.75	33.75	
05/06/2020	Special Dist Mgmt Srvs	04/2020	Auditing	1-7020	14.00	14.00	
05/06/2020	Special Dist Mgmt Srvs	04/2020	Billing	4-7210	395.50	395.50	
05/06/2020	Special Dist Mgmt Srvs	04/2020	Election Expense	1-7430	168.00	168.00	
05/06/2020	Special Dist Mgmt Srvs	04/2020	Miscellaneous	1-7480	280.46	280.46	
05/06/2020	Special Dist Mgmt Srvs	04/2020	Insurance and Bond	1-7360	14.00	14.00	
05/06/2020	Special Dist Mgmt Srvs	04/2020	District Managemen	4-7440	627.20	627.20	
05/06/2020	Special Dist Mgmt Srvs	04/2020	District Managemen	1-7440	268.80	268.80	
Total 5884:						1,880.46	
5885							
05/06/2020	Test Gauge Inc.	INV6-3376	Operations	4-7240	40.95	40.95	
Total 5885:						40.95	
5886							
05/06/2020	Utility Notification Center	220041032	Miscellaneous	1-7480	8.94	8.94	
Total 5886:						8.94	
20200501							
05/06/2020	Century Link	997B 04/20	Utilities	4-7850	117.20	117.20	M
Total 20200501:						117.20	
20200502							
05/06/2020	United Power	13052501 04/20	Utilities	4-7850	218.10	218.10	M
Total 20200502:						218.10	
20200503							
05/06/2020	United Power	12902200 04/20	Utilities	4-7850	1,462.22	1,462.22	M

Check No/ Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	Auto Pay
Total 20200503:						<u>1,462.22</u>	
20200504							
05/06/2020	United Power	13812503 04/20	Utilities	4-7850	20.42	<u>20.42</u>	M
Total 20200504:						<u>20.42</u>	
20200505							
05/06/2020	United Power	13813503 04/20	Utilities	4-7850	20.22	<u>20.22</u>	M
Total 20200505:						<u>20.22</u>	
Grand Totals:						<u><u>6,151.81</u></u>	

RIVERDALE PEAKS II METROPOLITAN DISTRICT
 Schedule of Cash Position
 March 31, 2020

	Rate	Operating	Debt Service	Enterprise	Total
Checking:					
1st Bank Checking Acct		\$ 5,824.04	\$ 1,904.35	\$ 65,727.47	\$ 73,455.86
Investments:					
C-Safe	1.39%	\$ 225,725.07	\$ 78,865.40	\$ 0.32	\$ 304,590.79
Trust Funds					
Bond Fund			\$ 0.09		\$ 0.09
TOTAL FUNDS:		\$ 231,549.11	\$ 80,769.84	\$ 65,727.79	\$ 378,046.74

2020 Mill Levy Information

Certified General Fund Mill Levy	43.120
Certified Debt Service Fund Mill Levy	63.986
Total Certified Mill Levy	107.106

Board of Directors

- * Brian Bata
- * Annette Peters
- Jeffrey P. Hartman
- Jason Jose
- Amy Vasquez

* Authorized signer on the Checking Account

RIVERDALE PEAKS II METROPOLITAN DISTRICT
UNAUDITED FINANCIAL STATEMENTS
March 31, 2020

RIVERDALE PEAKS II METROPOLITAN DISTRICT
Combined Balance Sheet - All Fund Types and Account Groups
March 31, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Enterprise</u>	<u>Long Term Debt</u>	<u>Fixed Assets</u>	<u>Total</u>
Assets						
1st Bank Checking Acct	\$ 5,824	\$ 1,904	\$ 65,727	\$ -	\$ -	\$ 73,456
C-Safe	225,725	78,865	0	-	-	304,591
Property taxes receivable	70,750	104,985	-	-	-	175,735
Total Current Assets	<u>302,299</u>	<u>185,755</u>	<u>65,728</u>	<u>-</u>	<u>-</u>	<u>553,782</u>
Other Debits						
Amount available in DSF	-	-	-	80,770	-	80,770
Amount to be Provided	-	-	-	5,828,841	-	5,828,841
Total Other Debits	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,909,611</u>	<u>-</u>	<u>5,909,611</u>
Capital Assets						
Land	-	-	-	-	20	20
Pump Station	-	-	-	-	1,123,277	1,123,277
Water System	-	-	-	-	2,225,459	2,225,459
Landscaping	-	-	-	-	272,081	272,081
Accumulated Depreciation	-	-	-	-	(920,822)	(920,822)
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,700,015</u>	<u>2,700,015</u>
Total Assets	<u>\$ 302,299</u>	<u>\$ 185,755</u>	<u>\$ 65,728</u>	<u>\$ 5,909,611</u>	<u>\$ 2,700,015</u>	<u>\$ 9,163,407</u>
Liabilities						
Long Term Liabilities						
Developer Adv Payable	\$ -	\$ -	\$ 114,731	\$ -	\$ -	\$ 114,731
Accrued Interest on Dev Adv-Ef	-	-	92,865	-	-	92,865
Developer Adv-Capital	-	-	-	1,151,454	-	1,151,454
Developer Adv-GF	-	-	-	365,069	-	365,069
Accrued Inter-Dev Adv-Capital	-	-	-	982,438	-	982,438
Accrued Int-Dev Adv Operations	-	-	-	345,650	-	345,650
Bonds Payable	-	-	-	3,065,000	-	3,065,000
Total Long Term Liabilities	<u>-</u>	<u>-</u>	<u>207,596</u>	<u>5,909,611</u>	<u>-</u>	<u>6,117,207</u>
Deferred Inflows of Resources						
Deferred Property Taxes	70,750	104,985	-	-	-	175,735
Total Deferred Inflows of Resources	<u>70,750</u>	<u>104,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>175,735</u>
Fund Balance						
Investment in fixed assets	-	-	-	-	2,700,015	2,700,015
Fund Balance	190,914	4,854	(162,647)	-	-	33,121
Current Year Earnings	40,635	75,915	20,780	-	-	137,330
Total Fund Balances	<u>231,549</u>	<u>80,770</u>	<u>(141,868)</u>	<u>-</u>	<u>2,700,015</u>	<u>2,870,466</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 302,299</u>	<u>\$ 185,755</u>	<u>\$ 65,728</u>	<u>\$ 5,909,611</u>	<u>\$ 2,700,015</u>	<u>\$ 9,163,407</u>

RIVERDALE PEAKS II METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 3 Months Ending,
March 31, 2020
General Fund

	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Property taxes	\$ 50,436	\$ 50,436	\$ 121,186	\$ (70,750)	41.6%
Specific ownership tax	1,469	1,469	7,271	(5,802)	20.2%
Interest income	794	794	3,500	(2,706)	22.7%
Total Revenues	<u>52,699</u>	<u>52,699</u>	<u>131,957</u>	<u>(79,258)</u>	<u>39.9%</u>
Expenditures					
Accounting	201	201	3,000	2,799	6.7%
County Treasurer's fee	757	757	1,818	1,061	41.6%
Insurance and Bonds	7,120	7,120	7,000	(120)	101.7%
Election Expense	223	223	4,000	3,778	5.6%
District Management	248	248	5,000	4,752	5.0%
Legal Services	924	924	2,800	1,876	33.0%
Miscellaneous	951	951	3,000	2,049	31.7%
Banking fees	40	40	100	60	40.0%
Landscape Maintenance	-	-	5,000	5,000	0.0%
Landscape Improvements	1,600	1,600	32,000	30,400	5.0%
Contingency	-	-	10,000	10,000	0.0%
Total Expenditures	<u>12,063</u>	<u>12,063</u>	<u>73,718</u>	<u>61,655</u>	<u>16.4%</u>
Excess (Deficiency) of Revenues Over Expenditures	40,635	40,635	58,239	(17,604)	
Transfers and Other Financing Sources (Uses)					
Transfer to Enterprise Fund	-	-	(50,000)	50,000	
Emergency Reserve	-	-	(3,959)	3,959	
Total Transfers and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(53,959)</u>	<u>53,959</u>	
Change in Fund Balance	40,635	40,635	4,280	36,355	
Beginning Fund Balance	190,914	190,914	142,671	48,243	
Ending Fund Balance	<u>\$ 231,549</u>	<u>\$ 231,549</u>	<u>\$ 146,951</u>	<u>\$ 84,598</u>	

RIVERDALE PEAKS II METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 3 Months Ending,
March 31, 2020
Debt Service Fund

	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Property taxes	\$ 74,843	\$ 74,843	\$ 179,828	\$ (104,985)	41.6%
Interest income	16	16	500	(484)	3.1%
Total Revenues	<u>77,038</u>	<u>77,038</u>	<u>186,078</u>	<u>(101,899)</u>	<u>41.4%</u>
Expenditures					
Auditing	-	-	4,500	4,500	0.0%
County Treasurer's fee	1,123	1,123	2,697	1,574	41.6%
Interest expense - bonds	-	-	170,000	170,000	0.0%
Paying agent / trustee fees	-	-	2,000	2,000	0.0%
Total Expenditures	<u>1,123</u>	<u>1,123</u>	<u>179,197</u>	<u>178,074</u>	<u>0.6%</u>
Excess (Deficiency) of Revenues Over Expenditures	75,915	75,915	6,881	69,034	
Beginning Fund Balance	4,854	4,854	5,231	(377)	
Ending Fund Balance	<u>\$ 80,770</u>	<u>\$ 80,770</u>	<u>\$ 12,112</u>	<u>\$ 68,658</u>	

RIVERDALE PEAKS II METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 3 Months Ending,
March 31, 2020
Enterprise Fund

	<u>Period Actual</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>% of Budget</u>
Revenues					
Water Charges	\$ 25,619	\$ 25,619	\$ 75,000	\$ (49,381)	34.2%
Insurance Reimbursements	8,845	8,845	-	8,845	-
Total Revenues	<u>34,463</u>	<u>34,463</u>	<u>75,000</u>	<u>(40,537)</u>	<u>46.0%</u>
Expenditures					
Accounting	469	469	7,000	6,531	6.7%
Billing	1,447	1,447	3,100	1,653	46.7%
Operations	3,225	3,225	18,000	14,775	17.9%
Equipment Repair	-	-	15,000	15,000	0.0%
Meter Install and Inspect	907	907	-	(907)	0.0%
Testing	537	537	3,500	2,963	15.4%
Chemicals & Supplies	467	467	5,650	5,183	8.3%
Generator Maintenance	-	-	1,500	1,500	0.0%
Transient Voltage Surge Suppre	-	-	5,500	5,500	0.0%
VFD for Emergency Pumps	-	-	15,000	15,000	0.0%
Spare Chlorine Pump	-	-	1,500	1,500	0.0%
Insurance	-	-	5,750	5,750	0.0%
Developer Advance Interest	2,002	2,002	-	(2,002)	-
District Management	578	578	4,000	3,422	14.5%
Miscellaneous	-	-	1,200	1,200	0.0%
Utilities	3,850	3,850	21,000	17,150	18.3%
Fuel Generator	-	-	800	800	0.0%
Storage Tank Repair	202	202	-	(202)	-
Sodium Hypochlorite Tank	-	-	2,600	2,600	0.0%
Floor Water alarm	-	-	1,300	1,300	0.0%
Total Expenditures	<u>13,684</u>	<u>13,684</u>	<u>112,400</u>	<u>98,716</u>	<u>12.2%</u>
Excess (Deficiency) of Revenues Over Expenditures	20,780	20,780	(37,400)	58,180	
Transfers and Other Financing Sources (Uses)					
Transfer from General Fund	-	-	50,000	(50,000)	
Total Transfers and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>(50,000)</u>	
Change in Fund Balance	<u>20,780</u>	<u>20,780</u>	<u>12,600</u>	<u>8,180</u>	
Beginning Fund Balance	(162,647)	(162,647)	43,570	(206,217)	
Ending Fund Balance	<u>\$ (141,868)</u>	<u>\$ (141,868)</u>	<u>\$ 56,170</u>	<u>\$ (198,038)</u>	

RESOLUTION TO AMEND 2019 BUDGET
RIVERDALE PEAKS II METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Riverdale Peaks II Metropolitan District adopted a budget and appropriated funds for the fiscal year 2019 as follows:

General Fund	\$	107,140
Debt Service Fund	\$	147,076
Water Enterprise Fund	\$	138,996

WHEREAS, the necessity has arisen for additional expenditures in the Debt Service Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2019; and

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

WHEREAS, funds are available for such expenditures in the Debt Service Fund from specific ownership taxes.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Riverdale Peaks II Metropolitan District shall and hereby does amend the adopted Budget for the fiscal year 2019 and adopts a supplemental budget and appropriation for the Debt Service Fund for the fiscal year 2019, as follows:

Debt Service Fund	\$	152,923
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 17th day of June, 2020.

RIVERDALE PEAKS II METROPOLITAN DISTRICT

By: _____
Secretary



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

_____, 2020

To the Board of Directors
Riverdale Peaks II Metropolitan District
Arapahoe County, Colorado

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Riverdale Peaks II Metropolitan District (District) for the year ended December 31, 2019 and have issued our report thereon dated _____, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit.

Responsibilities under U.S. Generally Accepted Auditing Standards

As stated in the engagement letter dated October 31, 2019, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We generally communicate our significant findings at the conclusion of the audit. However, some matters may have been communicated sooner, particularly if significant difficulties were encountered during the audit where assistance was needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We also communicate any internal control related matters that are required to be communicated under professional standards.

The audit was performed in June 2020 and we issued our report on _____, 2020.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. There were no accounting estimates that are considered particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing the audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. See Exhibit I for the corrected misstatement noted during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representation

We have requested certain representations from management that are included in the management representation letter dated _____, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to report on supplementary information, which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on other information, which accompanies the financial statements but is not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

SCHILLING & COMPANY, INC.

Schilling & Company, Inc.

Adj. Journal Entries
 Riverdale Peaks II Metropolitan District
 December 31, 2019

Done by:	Date:	Index:
Reviewer:	Date:	

AJE No.	Account Description	W/P Ref	Account Number	Debits	Credits
1	Water Charges	PY	4-6380	9,311.51	
1	Fund Balance		4-4500		9,311.51

To adjust beginning net position for 2018 AJE.

2	Insurance and Bonds	301	1-7360		5,463.45
2	1st Bank Checking Acct		1-1020	5,463.45	
2	1st Bank Checking Acct		4-1020		5,463.45
2	Insurance		4-7360	5,463.45	

To allocate insurance expense between General Fund and Enterprise Fund.

3	Water Charges	B-1	4-6380		13,415.16
3	Accounts Receivable		4-1130	13,415.16	

To record accounts receivable - customer at December 31, 2019.

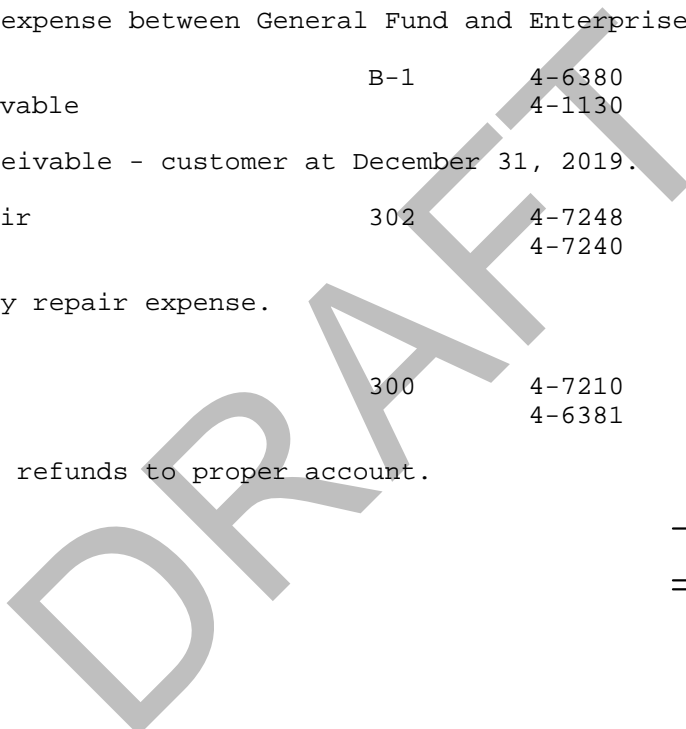
4	Equipment Repair	302	4-7248	8,619.90	
4	Operations		4-7240		8,619.90

To reclassify emergency repair expense.

5	Billing	300	4-7210		1,449.58
5	Refunds		4-6381	1,449.58	

To reclassify customer refunds to proper account.

	Totals			43,723.05	43,723.05
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**RIVERDALE PEAKS II
METROPOLITAN DISTRICT
Adams County, Colorado**

**FINANCIAL STATEMENTS
DECEMBER 31, 2019**

DRAFT 6/8/2020

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SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

Independent Auditor's Report

Board of Directors
Riverdale Peaks II Metropolitan District
Adams County, Colorado

Report for the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Riverdale Peaks II Metropolitan District (District) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. The prior year partial comparative information has been derived from the District's 2018 financial statements and, in our report dated June 27, 2019, we expressed unmodified opinions on the respective financial statements of the governmental activities, business-type activities and each major fund.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of Riverdale Peaks II Metropolitan District, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has not presented the management's discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the financial statements.

The supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
 , 2020

BASIC FINANCIAL STATEMENTS

DRAFT 6/8/2020

RIVERDALE PEAKS II METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
December 31, 2019

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and investments - unrestricted	\$ 196,505	\$ 66,188	\$ 262,693
Cash and investments - restricted	4,033	-	4,033
Prepaid expenses	400	-	400
Receivable - County Treasurer	1,374	-	1,374
Accounts receivable - customers	-	13,415	13,415
Property taxes receivable	301,014	-	301,014
Capital assets, not being depreciated	720,888	-	720,888
Capital assets, net of depreciation	1,979,125	-	1,979,125
Total assets	<u>3,203,339</u>	<u>79,603</u>	<u>3,282,942</u>
LIABILITIES			
Accounts payable	1,081	28,706	29,787
Accrued interest payable	688,175	-	688,175
Noncurrent liabilities:			
Due within one year	355,000	-	355,000
Due in more than one year	5,528,144	205,593	5,733,737
Total liabilities	<u>6,572,400</u>	<u>234,299</u>	<u>6,806,699</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue			
Total deferred inflows of resources	301,014	-	301,014
	<u>301,014</u>	<u>-</u>	<u>301,014</u>
NET POSITION			
Net investment in capital assets	(1,516,441)	-	(1,516,441)
Restricted for:			
Emergencies	3,000	-	3,000
Unrestricted	(2,156,634)	(154,696)	(2,311,330)
Total net position	<u>\$ (3,670,075)</u>	<u>\$ (154,696)</u>	<u>\$ (3,824,771)</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019**

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and investments - unrestricted	\$ 196,505	\$ -	\$ 196,505
Cash and investments - restricted	-	4,033	4,033
Prepaid expenditures	400	-	400
Cash with County Treasurer	553	821	1,374
Property tax receivable	121,186	179,828	301,014
TOTAL ASSETS	\$ 318,644	\$ 184,682	\$ 503,326
LIABILITIES			
Accounts payable	\$ 1,081	\$ -	\$ 1,081
Total liabilities	1,081	-	1,081
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	121,186	179,828	301,014
Total deferred inflows of resources	121,186	179,828	301,014
FUND BALANCES			
Nonspendable			
Prepaid expenditures	400	-	400
Spendable			
Restricted for emergencies	3,000	-	3,000
Restricted for debt service	-	4,854	4,854
Unassigned	192,977	-	192,977
Total fund balances	196,377	4,854	201,231
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 318,644	\$ 184,682	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Some long-term assets used in governmental activities are not financial resources and, therefore, are not reported in the Balance Sheet - Governmental Funds.	
Capital assets	2,700,013
Some liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the Balance Sheet - Governmental Funds.	
General obligation bonds payable	(3,065,000)
Accrued interest payable on general obligation bonds	(688,175)
Developer advances payable and accrued interest thereon	(2,818,144)
Net position of governmental activities	\$ (3,670,075)

These financial statements should be read only in connection with the accompanying notes to financial statements.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2019**

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
REVENUES			
Property tax	\$ 88,779	\$ 131,738	\$ 220,517
Specific ownership tax	7,121	10,567	17,688
Availability of service fees	-	1,710	1,710
Net investment income	4,075	843	4,918
Total revenues	<u>99,975</u>	<u>144,858</u>	<u>244,833</u>
EXPENDITURES			
Current			
Management fees	3,996	-	3,996
Accounting	1,707	-	1,707
Audit	-	4,100	4,100
Legal	2,613	-	2,613
Insurance and bonds	1,366	-	1,366
Election	28	-	28
County Treasurer's fees	1,334	1,979	3,313
Landscape maintenance	6,708	-	6,708
Landscape improvements	6,620	-	6,620
Miscellaneous	3,945	-	3,945
Debt service			
Paying agent fees	-	2,000	2,000
Bond interest	-	144,844	144,844
Total expenditures	<u>28,317</u>	<u>152,923</u>	<u>181,240</u>
NET CHANGE IN FUND BALANCES	71,658	(8,065)	63,593
FUND BALANCES - BEGINNING OF YEAR	124,719	12,919	137,638
FUND BALANCES - END OF YEAR	<u>\$ 196,377</u>	<u>\$ 4,854</u>	<u>\$ 201,231</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2019**

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balances - Total governmental funds	\$ 63,593
<p>Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. Instead the cost of the asset is allocated over its estimated useful life, and recorded as depreciation expense in each of those years.</p>	
Depreciation	(81,797)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Change in accrued interest on developer advances	(106,157)
Change in accrued interest on bonds	<u>(88,422)</u>
Change in net position - Governmental activities	<u><u>\$ (212,783)</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

RIVERDALE PEAKS II METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2019

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Property tax	\$ 88,779	\$ 88,779	\$ -
Specific ownership taxes	5,327	7,121	1,794
Net investment income	500	4,075	3,575
Total revenues	<u>94,606</u>	<u>99,975</u>	<u>5,369</u>
EXPENDITURES			
Management fees	4,100	3,996	104
Accounting	2,000	1,707	293
Legal	2,800	2,613	187
Insurance and bonds	1,320	1,366	(46)
Election	-	28	(28)
County Treasurer's fees	1,332	1,334	(2)
Landscape maintenance	4,700	6,708	(2,008)
Landscape improvements	30,000	6,620	23,380
Miscellaneous	3,000	3,825	(825)
Banking fees	50	120	(70)
Contingency and emergency reserve	12,838	-	12,838
Total expenditures	<u>62,140</u>	<u>28,317</u>	<u>33,823</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>32,466</u>	<u>71,658</u>	<u>39,192</u>
OTHER FINANCING SOURCES (USES)			
Transfers to other funds	<u>(45,000)</u>	-	<u>45,000</u>
Total other financing sources (uses)	<u>(45,000)</u>	-	<u>45,000</u>
NET CHANGE IN FUND BALANCE	(12,534)	71,658	84,192
FUND BALANCE - BEGINNING OF YEAR	68,244	124,719	56,475
FUND BALANCE - END OF YEAR	<u>\$ 55,710</u>	<u>\$ 196,377</u>	<u>\$ 140,667</u>

These financial statements should be read only in connection with the
accompanying notes to financial statements.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2019
(with comparative totals for December 31, 2018)**

	Enterprise Fund	
	2019	2018
ASSETS		
Cash and investments - unrestricted	\$ 66,188	\$ 42,178
Accounts receivable - customers	13,415	11,192
Total assets	79,603	53,370
LIABILITIES		
Accounts payable	28,706	4,235
Noncurrent liabilities		
Due in more than one year	205,593	197,562
Total liabilities	234,299	201,797
UNRESTRICTED NET POSITION	\$ (154,696)	\$ (148,427)

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND**

**Year Ended December 31, 2019
(with comparative totals for December 31, 2018)**

	Enterprise Fund	
	2019	2018
OPERATING REVENUES		
Water charges	\$ 96,845	\$ 83,152
Water meter fee	-	15,605
Landscape design fee	1,195	510
Insurance reimbursements	15,419	-
Other revenue	-	193
Total operating revenues	<u>113,459</u>	<u>99,460</u>
OPERATING EXPENDITURES		
Management	3,755	3,840
Accounting	6,563	6,914
Billing	3,669	3,509
Landscape design review	1,390	680
Operations	11,399	9,332
Insurance	5,463	5,254
Generator preventative maintenance	1,406	1,080
Repairs and maintenance	41,813	6,512
Meter install and inspection	600	2,000
Testing	5,757	3,987
Chemicals and supplies	1,745	-
Utilities	27,974	19,995
Miscellaneous	163	75
Total operating expenses	<u>111,697</u>	<u>63,178</u>
OPERATING INCOME	<u>1,762</u>	<u>36,282</u>
NONOPERATING REVENUES (EXPENSES)		
Interest expense	<u>(8,031)</u>	<u>(8,031)</u>
Total nonoperating revenues (expenses)	<u>(8,031)</u>	<u>(8,031)</u>
CHANGES IN NET POSITION	(6,269)	28,251
NET POSITION - BEGINNING OF YEAR	(148,427)	(176,678)
NET POSITION - END OF YEAR	<u>\$ (154,696)</u>	<u>\$ (148,427)</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended December 31, 2019
(with comparative totals for December 31, 2018)**

	Enterprise Fund	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 95,817	\$ 96,941
Payments to suppliers	(87,226)	(62,644)
Other receipts	15,419	-
Net cash provided by operating activities	<u>24,010</u>	<u>34,297</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	24,010	34,297
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>42,178</u>	<u>7,881</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 66,188</u>	<u>\$ 42,178</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 1,762	\$ 36,282
Adjustments to reconcile operating income to net cash provided by operating activities:		
(Increase) decrease in accounts receivable	(2,223)	(2,519)
Increase (decrease) in accounts payable	24,471	534
Net cash provided by operating activities	<u>\$ 24,010</u>	<u>\$ 34,297</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 – DEFINITION OF REPORTING ENTITY

Riverdale Peaks II Metropolitan District (District), a quasi-municipal corporation, was organized on December 2, 2002, and is governed pursuant to the provisions of the Colorado Special District Act. The District's service area is located in Adams County, Colorado. The District was established to provide financing for the design, acquisition and construction of streets, traffic and safety controls, water, sanitary sewer, park and recreation, mosquito control, television relay and translation and transportation facilities.

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

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to significant extent on fees and charges for support.

The statement of net position reports all financial and capital resources of the District. The difference between the assets and deferred outflows of resources, and liabilities and deferred inflows of resources of the District is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxes and other items, not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property and specific ownership taxes. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The District reports the following major proprietary fund:

The Enterprise Fund accounts for the water operations that are financed and operated in a manner where the intent of the District is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has approved supplemental appropriations for the Debt Service Fund.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each funds' average equity balance in total cash. Investments are carried at fair value.

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 30 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.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

Capital Assets

Capital Assets, which include property and infrastructure improvements (e.g. water improvements, park and recreation improvements, and similar items) are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Pump station	25 years
Water system	50 years
Irrigation and fencing	10 years

Water Rights

In order to provide water for in-house and irrigation uses within the District, the District acquired the rights to 87.93 acre-feet of non-tributary Denver Basin aquifer ground water from Prospect Farms, LLC, in 2005. The cost of water rights includes acquisition cost, legal and engineering costs related to the development and augmentation of those rights. Since the rights have a perpetual life, they are not amortized. All other costs, including costs incurred for the protection of those rights, are expensed.

Surface Rights

In order to assure uninterrupted provision of water to the District, the District acquired certain surface rights within the boundaries of the District from Riverdale Holdings, LLC, and Elkhart, LLC, in 2005. Since the rights have a perpetual life, they are not amortized. All other costs, including costs incurred for the protection of those rights, are expensed.

Deferred Inflows/Outflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds for unavailable revenues are property taxes levied for the ensuing year.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

Water Facilities Fees

Water facility fees of \$19,750 per residential equivalent unit are charged against properties within the District. The facilities fee is due at the time of issuance of a building permit by Adams County. The District records the facilities fee as revenue when received, which may be at the transfer of property from the Developer to a builder. The District does not anticipate receipt of any additional fees as the remaining vacant land in the District has been acquired by Brighton School District 27J and Adams County. (See Note 8 regarding Developer guarantee.)

Availability of Service Fees

The District imposes an Availability of Service charge on all vacant lots in the District with a water line installed and ready for connection. The Fee may not exceed fifty percent of the fees, rates or charges paid by the average customer in the District and is calculated by dividing the total usage quantity for the District over the last fiscal year by the total number of users, resulting in an average usage and applying the applicable rates. For 2019, the Board of Directors set the fee at \$70 per month which is 50% of the total base potable water rate and base irrigation water rate combined. The fees charged are to be used solely for the repayment of bond principal and interest.

Fund Balances – Governmental Funds

The District's governmental fund balances may consist of five classifications based on the relative strength of the spending constraints:

Nonspendable fund balance—the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance—the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance—amounts the District intends to use for a specific purpose. Intent can be expressed by the District Board of Directors or by an official or body to which the District Board of Directors delegates the authority.

Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

assigned funds, and finally unassigned funds, as needed, unless the District Board of Directors has provided otherwise in its commitment or assignment actions.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2019 are classified in the accompanying statement of net position as follows:

Cash and investments - unrestricted	\$ 262,693
Cash and investments - restricted	4,033
	\$ 266,726

Cash and investments as of December 31, 2019 consist of the following:

Deposits with financial institutions	\$ 77,867
Investments	188,859
	\$ 266,726

Cash Deposits

The Colorado Public Deposit Protection Act (PDDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDDPA. PDDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2019, the District's cash deposits had a bank balance of \$80,582 and carrying balance of \$77,867.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District follows Colorado State Statutes which specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States and certain U.S. government agency securities and the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Bankers' acceptances of certain banks

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

- . Commercial paper
- . Certain reverse repurchase agreements
- . Certain securities lending agreements
- . Certain corporate bonds
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirement.

At December 31, 2019, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Carrying Value</u>
Colorado Surplus Asset Fund Trust (CSAFE)	Weighted average under 60 days	<u>\$ 188,859</u>

CSAFE

During 2019, the District invested in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to custodian agreements. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAM by Standard and Poor's. As of December 31, 2018, the District had \$114,273 invested in CSAFE. Information related to CSAFE, including the annual audited financial statements, can be found at the CSAFE website at www.csafe.org. Information related to Standard & Poor's ratings can be obtained from Standard & Poor's.

Investment Valuation

Certain investments are measured at fair value on a recurring basis and are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District's investments are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments. The

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

District held investments in CSAFE at yearend for which the investment valuations were determined as follows.

CSAFE's primary goal is to maintain \$1.00 per share NAV. CSAFE prices its portfolio on a weekly basis using a third-party pricing entity to determine if the pool's NAV deviates materially from \$1.00 per share. CSAFE has in place a NAV monitoring policy to take action if a material variation exists.

The District has invested in CSAFE, an external investment pool that records its investments at amortized cost and therefore is not subject to the hierarchy disclosure requirements above.

NOTE 4 - CAPITAL ASSETS

An analysis of the changes in property for the period ended December 31, 2019 follows:

	Balance at December 31, 2018	Increases	Decreases	Balance at December 31, 2019
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Surface rights	\$ 113,718	\$ -	\$ -	\$ 113,718
Water Rights	351,720	-	-	351,720
Land and landscaping	255,450	-	-	255,450
Total capital assets, not being depreciated	<u>720,888</u>	<u>-</u>	<u>-</u>	<u>720,888</u>
Capital assets, being depreciated:				
Water system	1,760,020	-	-	1,760,020
Pump station	1,123,276	-	-	1,123,276
Irrigation and fencing	16,651	-	-	16,651
Total capital assets, being depreciated	<u>2,899,947</u>	<u>-</u>	<u>-</u>	<u>2,899,947</u>
Less accumulated depreciation for:				
Water system	(366,615)	(35,199)	-	(401,814)
Pump station	(459,089)	(44,932)	-	(504,021)
Irrigation and fencing	(13,321)	(1,666)	-	(14,987)
Total accumulated depreciation	<u>(839,025)</u>	<u>(81,797)</u>	<u>-</u>	<u>(920,822)</u>
Total capital assets being depreciated, net	<u>2,060,922</u>	<u>(81,797)</u>	<u>-</u>	<u>1,979,125</u>
 Total capital assets, net	 <u>\$ 2,781,810</u>	 <u>\$ (81,797)</u>	 <u>\$ -</u>	 <u>\$ 2,700,013</u>

Total depreciation expense for the water system, pump station, and irrigation and fencing was charged to the general government function of the District in the amount of \$81,797 for the year ended December 31, 2019.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 5 – LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District’s long-term obligations for the year ended December 31, 2019.

	Balance at December 31, 2018	New Issues/ Additions	Retirements	Balance at December 31, 2019	Due Within One Year
<u>Governmental</u>					
Series 2005 G.O. Bonds	\$ 3,065,000	\$ -	\$ -	\$ 3,065,000	\$355,000
Developer advances:					
Operations	365,068	-	-	365,068	-
Capital	1,151,454	-	-	1,151,454	-
Accrued interest on					
Developer advances:					
Operations	313,723	25,555	-	339,278	-
Capital	881,742	80,602	-	962,344	-
	<u>5,776,987</u>	<u>106,157</u>	<u>-</u>	<u>5,883,144</u>	<u>355,000</u>
<u>Business-type</u>					
Developer advances:					
Enterprise operations	114,731	-	-	114,731	-
Accrued interest on					
Developer advances:					
Enterprise operations	82,831	8,031	-	90,862	-
	<u>197,562</u>	<u>8,031</u>	<u>-</u>	<u>205,593</u>	<u>-</u>
Total district obligations	<u>\$ 5,974,549</u>	<u>\$ 114,188</u>	<u>\$ -</u>	<u>\$ 6,088,737</u>	<u>\$ 355,000</u>

General Obligation Bonds

On September 29, 2005, the District issued \$3,105,000 in General Obligation Bonds (Limited Tax Convertible to Unlimited Tax) dated September 1, 2005, for infrastructure improvements and related initial operation and maintenance costs. The bonds are term bonds due December 1, 2025 with an interest rate of 6.40% paid semi-annually on June 1 and December 1 and due December 1, 2035 with an interest rate of 6.50% paid semi-annually on June 1 and December 1. The bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2015, and on any date thereafter, upon payment of par and accrued interest, without redemption premium. The bonds maturing December 1, 2025 are subject to mandatory sinking fund redemptions on December 1, 2007 and on each December 1 thereafter in increasing annual amounts through December 1, 2025. The bonds maturing on December 1, 2035 are subject to mandatory sinking fund redemptions on December 1, 2026 and on each December 1 thereafter in increasing annual amounts.

The proceeds of such debt were used for bond issuance costs, capitalized interest, capital infrastructure costs and reimbursement to the Developer for advances made to the District.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

The bonds are payable from pledged revenue, including the District's covenant to levy the required mill levy on all taxable property within the District and water facilities fees (See Note 8 – WATER FACILITIES FEE AGREEMENT). The minimum mill levy is 38.000 mills and the maximum levy is 63.986, as adjusted by the Gallagher Amendment, until the ratio of the District's debt to its assessed value is 50% or less at which time the required mill levy becomes unlimited. The District must levy taxes sufficient to make debt service payments when combined with other pledged revenue sources. The District levied the maximum mill levy of 63.986 for collection in 2020.

The District filed material event notifications for the June 1, 2015, December 1, 2015, June 1, 2016, December 1, 2016, June 1, 2017, December 1, 2017, June 1, 2018 and December 1, 2018 to inform the bondholders and potential purchasers of the Bonds of the lack of funds available to make the principal and interest payments due. The amount available from Pledged Revenues in the District's Debt Service Fund, as well as the Bond Fund and Surplus Fund held by the trustee was insufficient to make the debt service payments in full which resulted in shortfalls.

On June 3, 2019, a material event notification was filed by the District to inform the bondholders and potential purchasers of the Bonds of the lack of funds available to make the June 1, 2018 interest payment due of \$93,227.50. The amount available from Pledged Revenues in the District's Debt Service Fund, as well as the Bond Fund and Surplus Fund held by the trustee, total \$80,050.00 which resulted in a payment shortfall of \$13,177.50.

On December 2, 2019, a material event notification was filed by the District to inform the bondholders and potential purchasers of the Bonds of the lack of funds available to make the December 1, 2019 interest payment due of \$173,227.50. The amount available from Pledged Revenues in the District's Debt Service Fund, as well as the Bond Fund and Surplus Fund held by the trustee, total \$64,780.07 which resulted in a payment shortfall of \$108,447.43.

Under Section 2.01(g) of the Indenture, to the extent interest on any bond is not paid when due, such interest shall compound semiannually on each interest payment date, at the rate then borne by the bond.

As of December 31, 2019, the District had unpaid accrued interest of \$673,063.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

The District's bonds scheduled maturities are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	\$ 355,000 *	\$ 854,398 *	\$ 1,209,398
2021	95,000	175,575	270,575
2022	105,000	169,495	274,495
2023	115,000	162,775	277,775
2024	125,000	155,415	280,415
2025-2029	805,000	641,090	1,446,090
2030-2034	1,175,000	335,400	1,510,400
2035	290,000	18,850	308,850
	<u>\$ 3,065,000</u>	<u>\$ 2,512,998</u>	<u>\$ 5,577,998</u>

* - includes unpaid principal and interest from prior years.

Debt Authorization

On November 5, 2002, the District's electors authorized the issuance of indebtedness in an amount not to exceed \$15,428,750 for infrastructure improvements and \$500,000 for operations at an interest rate not to exceed 18%; and \$15,428,750 for refunding the District's debt or other obligations.

At December 31, 2019, the District had authorized but unissued indebtedness in the following amount allocated for the following purposes:

	Authorized November 5, 2002 Election	Authorization Used by Series 2005 Bonds	Remaining December 31, 2019
Water system	\$ 7,581,000	\$ 2,321,919	\$ 5,259,081
Parks and recreation	585,000	493,385	91,615
Operations and maintenance	500,000	-	500,000
Sanitary sewer	3,001,250	289,696	2,711,554
Streets	4,261,500	-	4,261,500
Refunding of debt	15,428,750	-	15,428,750
	<u>\$ 31,357,500</u>	<u>\$ 3,105,000</u>	<u>\$ 28,252,500</u>

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of up to \$5,887,500. Mill Levy requirements and restrictions are discussed earlier in this note in the section titled "General Obligation Bonds".

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area. As of the date of this report (as noted on the

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

Independent Auditor's Report on page I), the amount and timing of any debt issuance is not determinable.

Advance and Reimbursement Agreement

The District entered into an Advance and Reimbursement Agreement with Quebec Corp. (Quebec), the former developer of the District, on July 1, 2005. According to the terms of the agreement, the District shall reimburse Quebec for any advances made to the District for construction, maintenance and operation costs associated with the provision of certain public improvements, facilities and services, together with interest at 7% per annum from the date of the advance. The District shall make payment for the advances, subject to annual appropriation and budget approval, from funds available within any fiscal year and not otherwise required for operations, capital improvements, and debt service costs and expenses of the District. The payment to Quebec is subordinate to the District's obligation to reimburse Gateway American Properties, LLC, for any advances made pursuant to the Advance and Reimbursement Agreement dated January 15, 2003.

There were no advances from Quebec during 2019. The total balance due Quebec, under the Advance and Reimbursement Agreement at December 31, 2019 is \$1,631,253 in principal plus accrued interest of \$1,392,484.

NOTE 6 – FUND EQUITY

At December 31, 2019, the District reported the following classifications of fund equity.

Nonspendable Fund Balance

The nonspendable fund balance in the General Fund in the amount of \$400 is comprised of prepaid amounts which are not in spendable form.

Restricted Fund Balance

The restricted fund balance in the General Fund in the amount of \$3,000 is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 11).

The restricted fund balance in the Debt Service Fund in the amount of \$4,854 is to be used exclusively for debt service requirements (see Note 5).

NOTE 7 - NET POSITION

The District's net position consists of three components: net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, developer advances, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

As of December 31, 2019, the District reported \$(1,516,441) net investment in capital assets calculated as follows:

Net investment in capital assets:

Capital assets, net	\$ 2,700,013
Current and noncurrent portion of long-term obligations - Bonds	(3,065,000)
Noncurrent portion of long-term obligations - Developer advances (capital)	(1,151,454)
Net investment in capital assets	\$ (1,516,441)

The restricted portion of net position includes amounts that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The

District's restricted net position at December 31, 2019 is \$3,000 as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 11).

The District's unrestricted net position at December 31, 2019 totaled \$(2,156,634). This deficit is due to governmental and business-type activities being funded mainly by advances from the former developer of the District, including related accrued interest.

NOTE 8 – WATER FACILITIES FEE AGREEMENT

On September 27, 2005, Quebec and Gateway American Properties, LLC (Gateway) entered into an agreement to partially guarantee the collection of water facilities fees. Facilities fees paid at a rate faster than the prescribed minimum guaranty amounts will be credited against the guaranteed amount due in subsequent years. Under the terms of the agreement, Quebec was obligated to pay \$177,750 of these fees for the year ended December 31, 2009, \$592,500 for the year ended December 31, 2010, \$533,250 for the year ended December 31, 2011, \$434,500 for the year ended December 31, 2012, \$434,500 for the year ended December 31, 2013 and \$414,750 for the year ended December 31, 2014. As of the date of the audit report, the fees remain unpaid as follows, \$2,003,234 of interest accrued at 10%, per the agreement, was added to the amounts due for a total of \$4,590,484 at December 31, 2019. An allowance for doubtful accounts has been established in the amount of \$4,590,484. Therefore, the net receivable at December 31, 2019 due from the Developer is \$0-.

NOTE 9 – TOLLING AGREEMENT

With the consent of the then current Bondholders, Quebec Corp. ("Quebec"), Gateway American Properties, LLC ("Gateway"), and the District executed a Tolling Agreement effective November 26, 2012 (the "Tolling Agreement"), suspending the running of all statute(s) of limitations, principles of laches, or other principles or doctrines, whether statutory or common law in origin or nature, which could have the effect or intention of barring or limiting, in whole or in part, the filing and prosecution of any claim, demand, cause of action, or remedy of any kind by the District due to the passage of a period of time running from the occurrence of the wrong complained of or from the District's purported discovery of the wrong complained of in relation to failure of Quebec and Gateway to pay the Shortfall Amounts as required by the Water Facilities Fee Agreement. Quebec and Gateway in no way agree or acknowledge that the District has any claim of whatever nature against them, whether sounding in tort, breach of contract, or any

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

other claim or theory, and by entering into the Tolling Agreement, are not admitting to any wrongdoing in connection with the District's alleged claims in connection with the Water Facilities Agreement. The Tolling Agreement shall remain in effect until the tenth business day after either the District has provided written notice to Quebec of the District's intent to terminate the Tolling Agreement, or Quebec or Gateway has furnished written notice to the District of Quebec or Gateway's intent to terminate the Tolling Agreement.

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2019. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability and workers compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 11 - TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provision of TABOR.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 5, 2002, the District's electors authorized the District to increase taxes \$200,000 annually or by a lesser annual amount as may be necessary to pay the District's operations and maintenance and other expenses without limitation of rate. Further the District's electors authorized the District to collect, retain and spend all District revenue, other than ad valorem taxes, without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an Enterprise, will require judicial interpretation.

DRAFT 6/8/2020

This information is an integral part of the accompanying financial statements

SUPPLEMENTAL INFORMATION

DRAFT 6/8/2020

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2019**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Property taxes	\$ 131,738	\$ 131,738	\$ 131,738	\$ -
Specific ownership taxes	5,400	10,567	10,567	-
Availability of service fees	3,840	1,710	1,710	-
Net investment income	20	843	843	-
Total revenues	<u>140,998</u>	<u>144,858</u>	<u>144,858</u>	<u>-</u>
EXPENDITURES				
Audit	4,100	4,100	4,100	-
County treasurer's fees	1,976	1,979	1,979	-
Paying agent fees	2,000	2,000	2,000	-
Bond interest	139,000	144,844	144,844	-
Total expenditures	<u>147,076</u>	<u>152,923</u>	<u>152,923</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(6,078)	(8,065)	(8,065)	-
FUND BALANCE - BEGINNING OF YEAR	<u>5,288</u>	<u>12,919</u>	<u>12,919</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ (790)</u>	<u>\$ 4,854</u>	<u>\$ 4,854</u>	<u>\$ -</u>

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUNDS AVAILABLE - BUDGET AND ACTUAL
ENTERPRISE FUND
Year Ended December 31, 2019**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Water charges	\$ 65,520	\$ 96,845	\$ 31,325
Water meter fee	7,700	-	(7,700)
Landscape design fee	-	1,195	1,195
Insurance reimbursements	-	15,419	15,419
Transfers from other funds	45,000	-	(45,000)
Total revenues	<u>118,220</u>	<u>113,459</u>	<u>(4,761)</u>
EXPENDITURES			
Management	4,000	3,755	245
Accounting	7,000	6,563	437
Billing	3,100	3,669	(569)
Landscape design review	-	1,390	(1,390)
Operations	11,000	11,399	(399)
Insurance	5,500	5,463	37
Equipment repair	2,500	13,037	(10,537)
Meter install and inspect	7,700	600	7,100
Generator preventive maintenance	750	1,406	(656)
Storage tank cleaning	3,000	1,800	1,200
Repairs and maintenance reserve	45,000	2,565	42,435
Testing	3,500	5,757	(2,257)
Chemicals and supplies	5,546	1,745	3,801
Utilities	19,000	27,974	(8,974)
Fuel generator	800	-	800
Miscellaneous	1,200	163	1,037
Repair and maintenance reserve	45,000	24,411	20,589
Capital equipment replacement and repairs	19,400	-	19,400
Total expenditures	<u>183,996</u>	<u>111,697</u>	<u>72,299</u>
NET CHANGE IN FUNDS AVAILABLE	(65,776)	1,762	67,538
FUNDS AVAILABLE - BEGINNING OF YEAR	68,552	49,135	(19,417)
FUNDS AVAILABLE - END OF YEAR	<u>\$ 2,776</u>	<u>\$ 50,897</u>	<u>\$ 48,121</u>

Funds available is computed as follows:

Current assets	\$ 79,603
Current liabilities	(28,706)
	<u>\$ 50,897</u>

Reconciliation of Budgetary Basis to the Statement of Revenues,
Expenses and Changes in Fund Net Position

Net change in funds available - budgetary basis	\$ 1,762
Change in interest on long term obligations	(8,031)
Change in net position per Statement of Revenues, Expenses and Changes in Fund Net Position	<u>\$ (6,269)</u>

OTHER INFORMATION

DRAFT 6/8/2020

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION , MILL LEVY
AND PROPERTY TAXES COLLECTED
Year Ended December 31, 2019**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied			Property Taxes		Percentage Collected to Levied
		General	Debt	Total	Levied	Collected	
2008	\$ 1,209,380	10.000	38.000	48.000	\$ 58,050	\$ 58,062	100.0%
2009	\$ 1,423,670	10.000	38.000	48.000	\$ 68,336	\$ 68,087	99.6%
2010	\$ 1,434,740	33.475	40.000	73.475	\$ 105,418	\$ 105,401	100.0%
2011	\$ 1,257,590	33.475	40.000	73.475	\$ 92,401	\$ 92,396	100.0%
2012	\$ 966,410	33.475	40.000	73.475	\$ 71,007	\$ 71,003	100.0%
2013	\$ 945,330	33.475	40.000	73.475	\$ 69,458	\$ 69,465	100.0%
2014	\$ 840,770	42.821	40.000	82.821	\$ 69,633	\$ 64,255	92.3%
2015	\$ 782,800	42.821	40.000	82.821	\$ 64,832	\$ 61,329	94.6%
2016	\$ 960,620	48.419 (a)	40.000	88.419	\$ 84,937	\$ 83,218	98.0%
2017	\$ 969,260	42.821	40.000	82.821	\$ 80,275	\$ 79,649	99.2%
2018	\$ 1,785,520	42.821	63.542	106.363	\$ 189,913	\$ 189,087	99.6%
2019	\$ 2,073,250	42.821	63.542	106.363	\$ 220,517	\$ 220,517	100.0%
Estimated for year ending December 31, 2020	\$ 2,810,430	43.120	63.986	107.106	\$ 301,014		

NOTE: Property taxes collected in any one year may include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.

(a) - includes 5.598 mill levy for refunds and abatements.

**RIVERDALE PEAKS II METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2019**

**\$3,105,000 General Obligation Bonds, Series 2005
(Limited Tax Convertible to Unlimited Tax)
Interest Rate 6.40% (\$970,000 Term Bond Due
December 1, 2025) and 6.50% (\$2,135,000
Term Bond Due December 1, 2035)
Principal Due December 1
Interest Due June 1 and December 1**

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2020 *	\$ 355,000	\$ 854,398	\$ 1,209,398
2021	95,000	175,575	270,575
2022	105,000	169,495	274,495
2023	115,000	162,775	277,775
2024	125,000	155,415	280,415
2025	135,000	147,415	282,415
2026	150,000	138,775	288,775
2027	160,000	129,025	289,025
2028	175,000	118,625	293,625
2029	185,000	107,250	292,250
2030	200,000	95,225	295,225
2031	215,000	82,225	297,225
2032	235,000	68,250	303,250
2033	250,000	52,975	302,975
2034	275,000	36,725	311,725
2035	290,000	18,850	308,850
	<u>\$ 3,065,000</u>	<u>\$ 2,512,998</u>	<u>\$ 5,577,998</u>

* includes \$265,000 of unpaid principal due on December 1, 2015 , December 1, 2016, December 1, 2017, December 1, 2018 and December 1, 2019 and \$673,063 of unpaid interest.

RIVERDALE PEAKS II METROPOLITAN DISTRICT

_____, 2020

Schilling & Company, Inc.
PO Box 631579
Highlands Ranch, CO 80163

This representation letter is provided in connection with your audit of the financial statements of Riverdale Peaks II Metropolitan District, which comprise the respective financial position of the governmental activities, the business-type activities, and each major fund as of December 31, 2019 and 2018, and the respective changes in financial position and, where applicable, cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of the Independent Auditor's Report the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 31, 2019 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for the preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units, if any, required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

- 7) Adjustments or disclosures have been made for all material events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We have reviewed the attached Exhibit I of corrected misstatements and are in agreement with them. We have directed that these correcting entries be posted to the accounting records of the District.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented, if any.
- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 28) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 30) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any.
- 31) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 32) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

- 33) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, assigned and unassigned) are properly classified and, if applicable, approved.
- 34) Investments are properly valued.
- 35) Provisions for uncollectible receivables have been properly identified and recorded.
- 36) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 37) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 38) Interfund, activity and balances have been appropriately classified and reported.
- 39) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 40) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 41) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 42) We are following our established accounting policy regarding which resources (that is, restricted, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 43) The Management's Discussion and Analysis which is required supplementary information (RSI) has been omitted from the financial statements. We are aware that such information is required by accounting principles generally accepted in the United States.
- 44) With respect to the Supplemental Information as listed in the table of contents:
 - a) We acknowledge our responsibility for presenting the Supplemental Information in accordance with accounting principles generally accepted in the United States of America, and we believe the Supplemental Information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the Supplemental Information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the Supplemental Information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 45) The District understands that TABOR (Section 20 of Article X of the Colorado Constitution) is complex and subject to interpretation and that many of the provisions will require judicial interpretation. We have reviewed the various provisions and interpretations and believe to the best of our knowledge at this time, the District is in compliance.

46) We have directed that all banking and savings and loan institutions be notified of our assigned number which identifies that our deposits are subject to the respective Public Deposit Protection Act.

RIVERDALE PEAKS II METROPOLITAN DISTRICT

Member of the Board of Directors

District Manager

Adj. Journal Entries
 Riverdale Peaks II Metropolitan District
 December 31, 2019

Done by:	Date:	Index:
Reviewer:	Date:	

AJE No.	Account Description	W/P Ref	Account Number	Debits	Credits
1	Water Charges	PY	4-6380	9,311.51	
1	Fund Balance		4-4500		9,311.51

To adjust beginning net position for 2018 AJE.

2	Insurance and Bonds	301	1-7360		5,463.45
2	1st Bank Checking Acct		1-1020	5,463.45	
2	1st Bank Checking Acct		4-1020		5,463.45
2	Insurance		4-7360	5,463.45	

To allocate insurance expense between General Fund and Enterprise Fund.

3	Water Charges	B-1	4-6380		13,415.16
3	Accounts Receivable		4-1130	13,415.16	

To record accounts receivable - customer at December 31, 2019.

4	Equipment Repair	302	4-7248	8,619.90	
4	Operations		4-7240		8,619.90

To reclassify emergency repair expense.

5	Billing	300	4-7210		1,449.58
5	Refunds		4-6381	1,449.58	

To reclassify customer refunds to proper account.

Totals				43,723.05	43,723.05
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SERVICE AGREEMENT FOR LANDSCAPE ARCHITECTURE SERVICES

THIS SERVICE AGREEMENT FOR LANDSCAPE ARCHITECTURE SERVICES ("**Agreement**") is entered into and effective as of the 19th day of November, 2019, by and between **RIVERDALE PEAKS II METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**"), and **A & M LANDSCAPING LLC.**, a Colorado corporation (the "**Consultant**") (each a "**Party**" and, collectively, the "**Parties**").

RECITALS

A. The District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan; and

B. Pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District; and

C. The Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the "**Services**"), and is willing to provide such Services to the District for reasonable consideration; and

D. The Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the District;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

(a) Perform the Services, safely and in accordance with the highest standard of care, skill, and diligence provided by a professional consultant in performance of work similar to the Services.

(b) Be properly qualified to perform the Services. The Consultant does hereby warrant that the quality of the Services shall be as specified in this Agreement, shall conform in all respects to the requirements of this Agreement and shall be free of defects and deficiencies.

(c) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required under Section 4.2 hereof.

(d) Advise the District of the status of the Services required by this Agreement on a regular basis and work in coordination with the District's consultants to assure that the District has the most complete information available for the exercise of the District's powers and discretionary authority.

(e) Refrain from entering into any contract, oral or written, in the name of the District, and from incurring any debt, liability or obligation for or on behalf of the District. All obligations incurred by the Consultant shall be obligations of the Consultant and the Consultant shall hold the District harmless therefrom.

1.2 Limitations on Authority.

(a) The Consultant shall have no right or authority, expressed or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement or specifically authorized or ratified by the board of directors of the District as reflected in the minutes of the District board meetings. The Consultant shall at all times conform to the stated policies established and approved by the District.

(b) Independent Contractor Status. The Consultant is an independent contractor, as provided in Section 8-40-202(2)(b)(I)-(IV), C.R.S., as amended, and nothing herein contained shall constitute or designate the Consultant or any of its employees, agents, subcontractors or suppliers as employees of the District. The Services to be performed by the Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District, except the payments to be made by the District to the Consultant for the Services performed as provided herein. The District shall not be responsible for the Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. **The Consultant is not entitled to workers' compensation benefits and the Consultant is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

1.3 Compliance with Applicable Law. The Consultant shall provide the Services set forth herein in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the District.

1.4 No Right or Interest in District Assets. The Consultant shall have no right or interest in any of the District's assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

1.5 Certification of Compliance with Illegal Alien Statute. By its execution hereof, the Consultant confirms and ratifies all of the certifications, statements, representations and warranties set forth in **Exhibit B** attached hereto and made a part hereof by this reference.

1.6 Work Product. "**Work Product**" shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain

reproducible copies of any test results and logs which it obtains and shall make them available for the District's use, and shall provide such copies to the District upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the District. If requested by the District, Consultant shall execute and deliver such documents as shall be necessary in the District's sole discretion, to assign, transfer and convey all rights in the Work Product to the District or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the District its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the District immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit A** attached hereto, unless otherwise approved in advance by the District through a written change order in form substantially as attached hereto as **Exhibit C** ("Change Order").

2.2 Fee Payment and Schedule. Payment for Consultant's services shall be scheduled as follows:

1/3rd of the total costs due as a retainer fee due with submission of executed proposal;
1/3rd of the total costs due upon completion and presentation of preliminary plan; and
The remaining balance due upon completion and presentation of the master plan.

2.3 Expenses. The Consultant is responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as set forth in **Exhibit A**, unless otherwise approved in advance by the District in writing.

2.4 Subject to Annual Budget and Appropriation; District Debt. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds is subject to annual budgeting and appropriation. Nothing herein constitutes or creates an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on satisfactory completion of the Services. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination. The District may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the District at least thirty (30) days prior to the effective date of such termination. Any

termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

The District shall pay the Consultant for all Services satisfactorily performed through the termination date.

IV. INDEMNIFICATION AND INSURANCE

4.1 Indemnification. The Consultant hereby agrees to indemnify, defend and hold the District and its affiliated entities or other persons or entities designated by the District, and their respective directors, trustees, officers, members, managers, agents and employees (collectively, the “**Indemnitees**”), harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys’ fees and costs, arising out of death or bodily injury to persons or damage to property, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Consultant and/or its agents, representatives, subcontractors, or suppliers.

4.2 Insurance Requirements. The Consultant shall procure, at its sole cost and expense, the insurance coverages set forth below, which insurance shall be placed with insurance companies rated at least “A:XIII” by A.M. Best Company. The Consultant shall give notice to the District at least thirty (30) days prior to the cancellation or nonrenewal of such policies. The Consultant shall give notice to the District within five (5) business days, or as soon as practicable, of any modification of any such policies. Consultant’s cost of maintaining the insurances required hereunder shall not be considered a reimbursable expense of the Consultant. The Consultant shall, upon request, promptly furnish the District with copies of policies obtained pursuant to this Section 4.2. Prior to commencing the Services, the Consultant shall furnish the District with certificates evidencing such insurance and provided further, however, with respect to the Workers’ Compensation Insurance required below, the Consultant must furnish to the District, prior to the commencement of any Services, duly executed and validated forms as prescribed by the state authority having jurisdiction evidencing that such insurance is in full force and effect. The District shall not pay any invoices until Consultant provides the certificates evidencing such insurance and Workers’ Compensation coverage.

(a) Liability Insurance Coverage.

(i) Workers’ Compensation Insurance. A Workers’ Compensation Insurance Policy in form and substance reasonably acceptable to the District and in an amount not less than the statutory benefits, including Employer’s Liability Insurance with limits of liability of not less than (i) \$500,000 for bodily injury by accident, each accident; (ii) \$500,000 for bodily injury by disease, each employee; and (iii) \$500,000 aggregate liability for disease. The Workers’ Compensation Insurance Policy, or an endorsement to such policy, must include a waiver of subrogation in favor of the District.

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the District, which policy shall include, without

limitation, the District as an additional insured, a waiver of subrogation endorsement in favor of the District, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the District, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the District; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

(iii) Automobile Liability Insurance. An Automobile Liability Insurance Policy written on a per accident basis, in form and substance reasonably acceptable to the District. The Automobile Liability Insurance Policy must provide coverage for all owned, hired, rented and nonowned automobiles, and must include uninsured motorist coverages. The Automobile Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each accident for bodily injury and/or property damage.

(iv) Excess Liability Insurance. An Excess Liability Insurance Policy written in excess of the coverages provided by the insurance policies described in the preceding Subsections 4.2(a)(i) - (iii), in form and substance reasonably acceptable to the District, which policy will include the District as additional insured. The Excess Liability Insurance Policy must be written with a combined single limit of not less than \$1,000,000 for each occurrence of bodily injury/or property damage and annual aggregate.

(b) Failure to Obtain and Obligation to Maintain Insurance. If the Consultant fails to furnish and maintain insurance as required by this Section 4.2, the District may purchase such insurance on behalf of the Consultant and deduct the cost of such insurance premium(s) from the compensation otherwise owed to the Consultant, and the Consultant shall furnish to the District any information needed to obtain such insurance. Except as otherwise expressly provided herein, all insurance policies required by the terms of this section shall be kept in full force and effect until the date of final payment to the Consultant for the Services specified in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the foregoing insurance requirements are in no way intended to, and will not in any manner, limit or qualify the liabilities and/or indemnities assumed by the Consultant under or pursuant to this Agreement.

(c) Effect of Approval or Acceptance of Insurance. District acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be

construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

5.1 Assignment. The Consultant shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and of no effect.

5.2 Modification; Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Consultant unless the same is in writing and duly executed by the Parties.

5.3 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

5.4 Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

5.5 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of Adams, Colorado.

5.6 Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Consultant any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Consultant shall be for the sole and exclusive benefit of the District and the Consultant.

5.8 Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronically-confirmed facsimile transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Riverdale Peaks Metropolitan District No. 2
141 Union Blvd., Suite 150
Lakewood, CO 80228
Phone: 303-987-0835
Fax: 303-987-2032
Email: dsolin@sdmsi.com
Attn: David Solin

With a Copy To: McGeedy Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Phone: 303-592-4380
Fax: 303-592-4385
Email: mmcgeady@specialdistrictlaw.com
Attn: MaryAnn McGeedy, Esq.

To Consultant: A& M Landscaping, Inc.
15486 W 64th Loop Unit B,
Arvada, CO 80007
Phone: 720.635.6825
Email: aandmlandscaping13@gmail.com
Attn: Ben Muck

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service, upon electronic confirmation of facsimile transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

5.9 Default/Remedies. If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Agreement, and if such failure of performance continues for a period of thirty (30) days following written notice of default from the other Party (or such additional period of time as may reasonably be required to cure such default; provided that the curative action is commenced within such thirty (30) day period and is diligently and continuously pursued to completion), then the non-defaulting Party, at its option, may elect (i) to treat this Agreement as remaining in full force and effect; or (ii) terminate this Agreement as of any specified date. The non-defaulting Party shall additionally be entitled to exercise all remedies available at law or in equity. In the event of any litigation or other proceeding to enforce the terms, covenants or conditions hereof, the non-defaulting Party in any such litigation or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.10 Instruments of Further Assurance. Each Party covenants it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts,

instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

5.12 Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

5.13 Inurement. This Agreement shall inure to and be binding on the heirs, executors, administrator, successors, and permitted assigns of the Parties hereto.

5.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

5.15 Conflicts. If any term or provision(s) in any Exhibit attached as part of this Agreement conflicts with any term or provision(s) in the body of this Agreement, the term or provision(s) contained in the body of this Agreement shall control.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT A
SCOPE OF SERVICES AND COMPENSATION

(See Attached)



PROPOSAL FOR DESIGN SERVICES

For the following address:

Riverdale Peaks II

Adams County

Colorado

Thank you for choosing A & M Landscaping. This contract outlines the scope of work to be accomplished by a formal landscape plan.

SCOPE OF WORK. Outlined below are the proposed tasks to be accomplished:

1. Assimilate all landscape wishes & current concerns received from client.
2. Photograph site for reference during design process.
3. Utilize plot plan provided by client for development of base plan. Please note that if no plot plan is provided, on-site measurement will be necessary. Overall estimate will reflect these additional hours.
4. Prepare landscape plan. This includes a preliminary plan outlining hardscape features prior to the final master plan.
5. Meetings with client at client's home to collect information & present plans.

PLEASE NOTE THAT THE SCOPE OF WORK DOES NOT INCLUDE THE FOLLOWING:

1. Actual construction or installation of the design.
2. Detailed construction or working drawings for any site structure.

LIMITATION OF LIABILITY. Landscape plans are intended to be a guide for the contractor and not an indication of the structural requirements of the project. A & M Landscaping makes no warranties regarding the feasibility or the structural integrity of the final design. The client shall look solely to the contractor to remedy any defect in materials or to perform any warranty work. A & M Landscapings liability to the client for any claims shall be limited to the fee paid to the Landscape Designer.



DRAWINGS. Drawings will be submitted to client according to the schedule outlined below:

1. **PRELIMINARY PLAN**, drafted to scale (e.g. Scale: 1"=10'0"). This plan shows the location of all proposed site elements (and major site features that are to remain) such as walks, driveways, terrace, fences, and planting beds. The purpose of this plan is for presentation and modification of initial design concepts.
2. **MASTER PLAN.** This plan includes all of the above elements, plus the specification of all proposed plant material (trees, shrubs, perennials). This includes plant botanical names, common names, sizes & total quantities. Client will receive two black line prints of each of these plans, one of which will be rendered in color.

TIME SCHEDULE. Work will begin upon receipt of the signed contract. The preliminary plan will be completed within 15 business days, at which time client will be contacted to set a meeting for presentation. Following that meeting, the client will have a 5-day period to study the preliminary plan communicating to A & M Landscaping any comments or potential issues. After this point, work of the final master plan will begin. This plan shall be finished within 7 business days. A final appointment will then be coordinated to review the Final plan. Should only a master plan be needed, this will complete within 4 weeks of signed contract.

FEE PAYMENT AND SCHEDULE. Based on the initial estimate of hours for this particular job, the payment schedule is as follows:

- 1/3rd retainer fee submitted with the signed proposal/contract.
- 1/3rd paid upon completion and presentation of the preliminary plan
- Balance paid upon completion and presentation of the master plan

TOTAL ESTIMATED COST FOR DESIGN: \$1,600

NOTE: Should the scope of work extend over estimated hours due to property size or numerous changes, those hours will be billed at \$85.00 per hour. Notification will be given to the client when design time approaches estimated hours and no additional design will continue without client's permission to proceed.

CONTRACT ACCEPTANCE. This proposal is valid for 30 days. If this proposal is satisfactory and acceptable to you, please sign the enclosed copy and return it to A & M Landscaping for our files.

 Ben Muck 7/18/19 _____

EXHIBIT B
CERTIFICATION OF CONSULTANT

1. Pursuant to the requirements of Section 8-17.5-102(1), C.R.S., the Consultant hereby certifies to the District that the Consultant does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of the Consultant who are newly hired to perform work under the Agreement.

2. In accordance with Section 8-17.5-102(2)(a), C.R.S., the Consultant shall not:

(a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or

(b) Enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

3. The Consultant represents and warrants it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

4. The Consultant is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

5. If the Consultant obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Consultant shall:

(a) Notify the subcontractor and the District within three (3) days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

6. The Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment (“**Department**”) made in the course of an investigation that the Department is undertaking, pursuant to the law.

7. If the Consultant violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Agreement immediately and the Consultant shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Consultant to the Colorado Secretary of State, as required by law.

EXHIBIT C
FORM OF CHANGE ORDER

Change Order No:	Date Issued:
Name of Agreement:	
Date of Agreement:	District(s):
Other Party/Parties:	

CHANGE IN SCOPE OF SERVICES (describe):

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$	Original Term: Expires _____, 20
Increase of this Change Order: \$	New Term: Expires _____, 20
Price with all Approved Change Orders: \$	Agreement Time with all Approved Change Orders:

APPROVED:

By: _____

District

APPROVED:

By: _____

Consultant

**SERVICE AGREEMENT FOR
LANDSCAPE MAINTENANCE SERVICES**

THIS SERVICE AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES (“**Agreement**”) is entered into and effective as of the _____ day of _____, 2020, by and between **RIVERDALE PEAKS II METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **NEIGHBORHOOD LAWN CARE, INC.**, a Colorado corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. The District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan; and

B. Pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District; and

C. The Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the “**Services**”), and is willing to provide such Services to the District for reasonable consideration; and

D. The Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the District;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

(a) Perform the Services, safely and in accordance with the highest standard of care, skill, and diligence provided by a professional consultant in performance of work similar to the Services.

(b) Be properly qualified to perform the Services. The Consultant does hereby warrant that the quality of the Services shall be as specified in this Agreement, shall conform in all respects to the requirements of this Agreement and shall be free of defects and deficiencies.

(c) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required under Section 4.2 hereof.

(d) Advise the District of the status of the Services required by this Agreement on a regular basis and work in coordination with the District's consultants to assure that the District has the most complete information available for the exercise of the District's powers and discretionary authority.

(e) Refrain from entering into any contract, oral or written, in the name of the District, and from incurring any debt, liability or obligation for or on behalf of the District. All obligations incurred by the Consultant shall be obligations of the Consultant and the Consultant shall hold the District harmless therefrom.

1.2 Limitations on Authority.

(a) The Consultant shall have no right or authority, expressed or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement or specifically authorized or ratified by the board of directors of the District as reflected in the minutes of the District board meetings. The Consultant shall at all times conform to the stated policies established and approved by the District.

(b) Independent Contractor Status. The Consultant is an independent contractor, as provided in Section 8-40-202(2)(b)(I)-(IV), C.R.S., as amended, and nothing herein contained shall constitute or designate the Consultant or any of its employees, agents, subcontractors or suppliers as employees of the District. The Services to be performed by the Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District, except the payments to be made by the District to the Consultant for the Services performed as provided herein. The District shall not be responsible for the Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. **The Consultant is not entitled to workers' compensation benefits and the Consultant is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

1.3 Compliance with Applicable Law. The Consultant shall provide the Services set forth herein in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the District.

1.4 No Right or Interest in District Assets. The Consultant shall have no right or interest in any of the District's assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

1.5 Certification of Compliance with Illegal Alien Statute. By its execution hereof, the Consultant confirms and ratifies all of the certifications, statements, representations and warranties set forth in **Exhibit B** attached hereto and made a part hereof by this reference.

1.6 Work Product. "**Work Product**" shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain

reproducible copies of any test results and logs which it obtains and shall make them available for the District's use, and shall provide such copies to the District upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the District. If requested by the District, Consultant shall execute and deliver such documents as shall be necessary in the District's sole discretion, to assign, transfer and convey all rights in the Work Product to the District or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the District its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the District immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit A** attached hereto, unless otherwise approved in advance by the District through a written change order in form substantially as attached hereto as **Exhibit C** ("**Change Order**").

2.2 Monthly Invoices and Payments. The Consultant shall submit to the District a monthly invoice, in a form acceptable to the District. Invoices shall be submitted and paid no more frequently than once a month.

2.3 Expenses. The Consultant is responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as set forth in **Exhibit A**, unless otherwise approved in advance by the District in writing.

2.4 Subject to Annual Budget and Appropriation; District Debt. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds is subject to annual budgeting and appropriation. Nothing herein constitutes or creates an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on December 31, 2020. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination. The District may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the District at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

The District shall pay the Consultant for all Services satisfactorily performed through the termination date.

IV. INDEMNIFICATION AND INSURANCE

4.1 Indemnification. The Consultant hereby agrees to indemnify, defend and hold the District and its affiliated entities or other persons or entities designated by the District, and their respective directors, trustees, officers, members, managers, agents and employees (collectively, the “**Indemnitees**”), harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys’ fees and costs, arising out of death or bodily injury to persons or damage to property, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Consultant and/or its agents, representatives, subcontractors, or suppliers.

4.2 Insurance Requirements. The Consultant shall procure, at its sole cost and expense, the insurance coverages set forth below, which insurance shall be placed with insurance companies rated at least “A:XIII” by A.M. Best Company. The Consultant shall give notice to the District at least thirty (30) days prior to the cancellation or nonrenewal of such policies. The Consultant shall give notice to the District within five (5) business days, or as soon as practicable, of any modification of any such policies. Consultant’s cost of maintaining the insurances required hereunder shall not be considered a reimbursable expense of the Consultant. The Consultant shall, upon request, promptly furnish the District with copies of policies obtained pursuant to this Section 4.2. Prior to commencing the Services, the Consultant shall furnish the District with certificates evidencing such insurance and provided further, however, with respect to the Workers’ Compensation Insurance required below, the Consultant must furnish to the District, prior to the commencement of any Services, duly executed and validated forms as prescribed by the state authority having jurisdiction evidencing that such insurance is in full force and effect. The District shall not pay any invoices until Consultant provides the certificates evidencing such insurance and Workers’ Compensation coverage.

(a) Liability Insurance Coverage.

(i) Workers’ Compensation Insurance. A Workers’ Compensation Insurance Policy in form and substance reasonably acceptable to the District and in an amount not less than the statutory benefits, including Employer’s Liability Insurance with limits of liability of not less than (i) \$500,000 for bodily injury by accident, each accident; (ii) \$500,000 for bodily injury by disease, each employee; and (iii) \$500,000 aggregate liability for disease. The Workers’ Compensation Insurance Policy, or an endorsement to such policy, must include a waiver of subrogation in favor of the District.

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the District, which policy shall include, without limitation, the District as an additional insured, a waiver of subrogation endorsement in favor of the District, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the

insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the District, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the District; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

(iii) Automobile Liability Insurance. An Automobile Liability Insurance Policy written on a per accident basis, in form and substance reasonably acceptable to the District. The Automobile Liability Insurance Policy must provide coverage for all owned, hired, rented and nonowned automobiles, and must include uninsured motorist coverages. The Automobile Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each accident for bodily injury and/or property damage.

(iv) Excess Liability Insurance. An Excess Liability Insurance Policy written in excess of the coverages provided by the insurance policies described in the preceding Subsections 4.2(a)(i) - (iii), in form and substance reasonably acceptable to the District, which policy will include the District as additional insured. The Excess Liability Insurance Policy must be written with a combined single limit of not less than \$1,000,000 for each occurrence of bodily injury/or property damage and annual aggregate.

(b) Failure to Obtain and Obligation to Maintain Insurance. If the Consultant fails to furnish and maintain insurance as required by this Section 4.2, the District may purchase such insurance on behalf of the Consultant and deduct the cost of such insurance premium(s) from the compensation otherwise owed to the Consultant, and the Consultant shall furnish to the District any information needed to obtain such insurance. Except as otherwise expressly provided herein, all insurance policies required by the terms of this section shall be kept in full force and effect until the date of final payment to the Consultant for the Services specified in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the foregoing insurance requirements are in no way intended to, and will not in any manner, limit or qualify the liabilities and/or indemnities assumed by the Consultant under or pursuant to this Agreement.

(c) Effect of Approval or Acceptance of Insurance. District acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

5.1 Assignment. The Consultant shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and of no effect.

5.2 Modification; Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Consultant unless the same is in writing and duly executed by the Parties.

5.3 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

5.4 Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

5.5 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of Adams, Colorado.

5.6 Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Consultant any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Consultant shall be for the sole and exclusive benefit of the District and the Consultant.

5.8 Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronically-confirmed facsimile transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Riverdale Peaks Metropolitan District No. 2
141 Union Blvd., Suite 150
Lakewood, CO 80228
Phone: 303-987-0835
Fax: 303-987-2032
Email: dsolin@sdmsi.com
Attn: David Solin

With a Copy To: McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Phone: 303-592-4380
Fax: 303-592-4385
Email: mmcgeady@specialdistrictlaw.com
Attn: MaryAnn McGeady, Esq.

To Consultant: Neighborhood Lawn Care, Inc.
2466 E. 99th Ave
Thornton, CO 80229
Phone: 303.917.1296
Email: halderete@nlawncare.com
Attn: Hector Alderete

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service, upon electronic confirmation of facsimile transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

5.9 Default/Remedies. If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Agreement, and if such failure of performance continues for a period of thirty (30) days following written notice of default from the other Party (or such additional period of time as may reasonably be required to cure such default; provided that the curative action is commenced within such thirty (30) day period and is diligently and continuously pursued to completion), then the non-defaulting Party, at its option, may elect (i) to treat this Agreement as remaining in full force and effect; or (ii) terminate this Agreement as of any specified date. The non-defaulting Party shall additionally be entitled to exercise all remedies available at law or in equity. In the event of any litigation or other proceeding to enforce the terms, covenants or conditions hereof, the non-defaulting Party in any such litigation or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.10 Instruments of Further Assurance. Each Party covenants it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts,

instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

5.12 Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

5.13 Inurement. This Agreement shall inure to and be binding on the heirs, executors, administrator, successors, and permitted assigns of the Parties hereto.

5.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

5.15 Conflicts. If any term or provision(s) in any Exhibit attached as part of this Agreement conflicts with any term or provision(s) in the body of this Agreement, the term or provision(s) contained in the body of this Agreement shall control.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Consultant:
NEIGHBORHOOD LAWN CARE, INC.

By: Hector Alderete
Its: owner

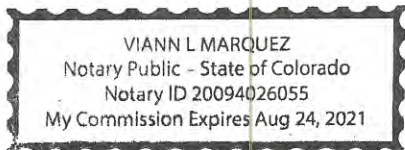
STATE OF COLORADO)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 26 day of May, 2020, by Hector Alderete as owner of Neighborhood Lawn Care, Inc.

Witness my hand and official seal.

My commission expires: August 24, 2021

Viann L Marquez
Notary Public



District:
RIVERDALE PEAKS II METROPOLITAN DISTRICT

By: _____
Treasurer

STATE OF COLORADO)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by _____, as _____ of Riverdale Peaks II Metropolitan District.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A
SCOPE OF SERVICES AND COMPENSATION

(See Attached)



Neighborhood Lawn Care, INC

PO Box 29366

Thornton, CO 80229

halderete@nlawncares.com

303-917-1296: Phone

Landscape Maintenance Specifications For RIVERDALE PEAKS II

Exhibit A

DATE : 2020

TURF CARE:

Mowing – Turf areas will be mowed weekly, from April 15 through October 15, weather permitting. Clippings generated from mowing will not be removed unless considered unsightly.

Edging of hardscape areas will be performed two times per month with a steel bladed mechanical device. Edges adjacent to shrub and ground cover areas will be maintained with string trimmers and chemical abatement.

Irrigation systems will be programmed for adequate penetration of water to the root zone and to comply with any water district's mandates. Unless restricted by the owner or the irrigation system, turf areas will be irrigated primarily during the evening hours.

Fertilizing of turf areas will be performed in March or April depending on contract term. We have upgraded our fertilization program to a polymer coated programmed-release fertilizer that applies 10 pounds of nitrogen per 1,000-sq. ft over the course of the season. This is more beneficial in the reduced water environment and prevents the turf stress associated with large nitrogen releases at one time. The performance of the fertilizer utilized is guaranteed. If the property owner or owner's representative is not satisfied with the turf color, we will provide an additional fertilization at no additional cost.

Weed Control will be performed as needed by various methods. Post-emergent chemical applications will be employed throughout the growing season.

Two aerations are included in our Constant Care plan. Aeration facilitates water and fertilizer penetration to the root zone, minimizes run-off and conserves water. Neighborhood Lawn Care recommends aerating turf areas in the spring and fall.

PLANT CARE:

Pruning –The Constant Care contract provides one dormant pruning and pruning up to four times April through September. Shrubs and perennials will be pruned twice per year under the seven and eight month contracts. Trees (up to 12' in height) that are along parking lots, sidewalks, pathways and other pedestrian pathways, and that are impeding signage will be safety pruned up to 8' in an effort to eliminate low hanging limbs and limbs that are blocking signage. Plant material larger than 12' will require special equipment and is not included in our base contract.

Weed Control will be performed each visit by hand and pre- and post-emergent treatments.

Fertilizing of trees and shrubs will occur in the late spring via a broadcast application of slow release fertilizer.

Irrigation and water requirements will be monitored weekly to determine moisture levels. The controller will be programmed to provide adequate moisture levels and to comply with any water district's mandates.

Ornamental Grass & Perennial cut back is included within this contract. For seven and eight month contracts, this will be performed in spring and within the contract term.

IRRIGATION SYSTEM MANAGEMENT: Customer understands and accepts that Contractor is responsible for monitoring, programming and repairing system damages only. Contractor does not own and cannot visually inspect the irrigation system that exists underground or within structure walls, ceilings or flooring of a property. For this reason, Contractor is responsible for maintenance of the system only.

Irrigation Activation will occur in March or April depending upon contract term and weather conditions. Customer agrees that up to \$300-\$500 is pre-approved for repairs required at time of activation. Repairs at activation are not a part of this contract and will be invoiced as an additional cost. A proposal will be submitted to the owner to address any extensive repairs (beyond normal activation repairs) that may be required. Upon activation, the system will be programmed for spring conditions and to comply with any water district's mandates.

Weekly Monitoring will occur throughout the growing period. Programming will be based on the needs of the landscape and to comply with any water district's mandates. Unless notified or restricted by the irrigation system, watering will occur primarily during the evening hours. Repairs required as observed during the routine system check will be made at that time if the cost is less than \$100. If the repair is \$100 or more, a proposal will be sent for Customer approval prior to commencement of the repair. A return trip charge will apply for repairs that cannot be made in the course of the standard system check. To avoid this charge, Customer may pre-approve a higher maximum charge in writing to the Area Manager.

Emergency Service Calls will be made upon request of the owner and will be billed at a minimum rate of \$85.00 plus materials and will include one (1) hour of labor. As a precautionary measure, the owner or owner's representative will be instructed how to turn off the main water supply to the irrigation system.

Winterization will occur in October/November, contingent on weather conditions and contract termination date. The system will have forced air injected into the lines and exterior backflow prevention devices will be insulated if necessary.

MISCELLANEOUS SERVICES:

Pond Services: If pond/lake is present on site NLC is not responsible for and vegation that grows inside pond/lake. This is an extra charge and will get billed as extra work.

Debris Removal from all landscaped areas will occur on a weekly basis and will be disposed of in on-site dumpster facilities. Sidewalks and curbs will be kept clean with the use of mechanical blowers, after each mowing.

Winter Watering is included in our Constant Care contract up to five times per winter for plant material. Irrigation system activation to water turf with south or west-facing exposure may be performed up to two times per winter. All winter watering will be done at Neighborhood Lawn Care discretion and is dependent on natural precipitation and moderate temperatures required to perform effective watering.

Annual Color maintenance is not included within this contract but is included within the Annual Color Installation proposal.



Neighborhood Lawn Care, INC
 PO Box 29366
 Thornton, CO 80229
 halderete@nlawncares.com
 303-917-1296: Phone

FREQUENCY OF SERVICES
 For
 Riverdale Peaks II

Exhibit B

Date: 2020				
		Standard Service April-October	Enhanced Service April-November	ConstantCare™ Service 12 – months
Turf Areas:				
Mowing		26	30	30
Trimming		28	30	32
Edging		14	15	15
Fertilization		1	1	1
Broadleaf Weed Control		2	2	2
Rockbed Pre-emergent		1	1	1
Aeration		1	2	2
Remove Excess Clippings		As Needed	As Needed	As Needed
Insect and Disease Control		*	*	*
Plant Material:				
Shrub & Perennial Pruning		2	2	3
Safety Tree up to 10-12 feet Pruning		1	1	1
Cut Back Orn. Grasses & Perennials		1	1	1
Fertilization		1	1	1
Weed Control		28	30	52
Protective Tree Wrapping		*	*	*
Insect and Disease Control		*	*	*
Mulching of Bed Areas		*	*	*
Removal of dead shrub material through out season		*	*	2
Irrigation Systems:				
Activation of System		1	1	1
Weekly Management		30	30-32	30-34
Winterization of Systems		1	1	1
Miscellaneous Services:				
Supervision/Quality Control		30	34	52
Debris and Litter Removal		30	34	52
Leaf/Needle Removal		2	4	As Needed
Moisture Monitoring		30	34	52
Winter Water		*	*	*

* These services are available, but are *not* included in our contract. Should these services be required, Neighborhood Lawn Care will submit a written proposal to the owner for review and approval.



Neighborhood Lawn Care, INC
 PO Box 29366
 Thornton, CO 80229
 halderete@nlawn care.com
 303-917-1296: Phone

Contractual Agreement
Landscape Maintenance Services
For
Riverdale Peaks II

Exhibit C

Your initials and signature will constitute acceptance of this contractual agreement and General Terms and Conditions found on the following page as Exhibit D.

Contract Option Plan:

CONSTANT CARE CONTRACT OPTION

12 – month contract	\$	<u>357.39</u>	Per Month	\$	<u>4,288.68</u>	/year	Initial	_____
Any 12 months		Specify Start Date:	<u>January 1st 2020 through December 31st 2020</u>					

This is clearly the best value for your property. It allows for proper horticultural practices, extends your “green season”, eliminates spring clean-up and shows your tenants/customers that you are committed to year round service.

Automatic Renewal: This Contract shall be automatically renewed for one-year periods unless either party gives the other party thirty (30) days written notice before the end of the existing term. In the case of the Standard Contract option, notice to terminate must be given by September 30th or the Contract will be renewed for the applicable seven-month period in the next year. In the case of the Enhanced Contract option notice to terminate must be given by October 31st or the Contract will be renewed for the applicable eight-month period in the next year.

Client Information:

David Solin
 District Manager
 Lakewood, CO 80228-1898
dsolin@sdmsi.com
 Phone: 303-987-0835

Site Information:

Riverdale Peaks II
 E 128th Ave and Wabash Pl.

As Agent For:

Riverdale Peaks II



Neighborhood Lawn Care, INC
PO Box 29366
Thornton, CO 80229
halderete@nlawn care.com
303-917-1296: Phone

ACCEPTANCE

This contract includes Exhibit A, B, C and D.

Client,

David Solin

As Managing Agent For:

Riverdale Peaks II

Contractor

Neighborhood Lawn Care Inc.
PO Box 29366. Thornton, CO 80229

Client Signature

Title

Date

Officer of Neighborhood Lawn Care INC





Neighborhood Lawn Care, INC

PO Box 29366

Thornton, CO 80229

halderete@nlawncares.com

303-917-1296: Phone

General Terms and Conditions

Exhibit D

Date: 2020

The following are the general terms and conditions that will be in effect should a contract be entered into for Neighborhood Lawn Care (NLC) to provide landscape maintenance services at: Riverdale Peaks II

Scope of Work: NLC will provide all necessary labor, materials and equipment to perform the work in accordance with the attached specifications.

Labor Force: NLC will provide a labor force in uniforms, which is trained to perform landscape maintenance services of an acceptable standard, consistent with recommended standards of the Professional Landcare Network (PLANET). All employees of NLC will be U.S. citizens or legal residents. Every year this contract will increase 3.5% as/if cost of living goes up.

Materials: Materials used by NLC will conform to normally accepted local industry standards and/or PLANET standards. Any applicable sales tax will be paid by NLC.

Indemnification: NLC indemnifies and holds harmless Client for all loss, damage, personal injury, property damage, or cause of action based upon NLC's grossly negligent or willful and wanton acts or omissions, in any manner related to this Contract, including but not limited to attorney fees. Client indemnifies and holds harmless NLC for all loss, damage, personal injury, property damage, or cause of action based upon NLC's acts or omissions in any manner related to this Contract and including but not limited to dangerous or hazardous conditions on the property (unless such condition was placed on the property by NLC) and to attorney fees and except to the extent due to the gross negligence, or willful and wanton acts or omissions of NLC. The parties agree that NLC shall not be responsible for inspecting the property for dangerous or hazardous conditions. In addition, reports of damages must be reported to NLC in writing within 48 hours of occurrence. Failure to so report damages constitutes a waiver and NLC is released from liability regardless of the cause of such damage. Notwithstanding anything to the contrary, in the event NLC is liable to Client, it shall in no event be liable for consequential damages or any lost profits.

Licenses and Permits: It is the responsibility of NLC to maintain all necessary local, state, and federal licenses and permits, necessary to perform the work stated in the above referenced specifications.

Insurance: NLC agrees to provide a Workers' Compensation policy, acceptable to the State of Colorado. NLC general and public liability coverage, with an aggregate limit of \$2,000,000 is presently underwritten by Farmers Insurance Company.

Payment: Landscape maintenance services performed by NLC will be invoiced by the first day of the month for services to be performed that month. All invoices will be mailed through email unless instructed otherwise. Payment is due, in full, thirty (30) days following the date of the invoice. Neighborhood Lawn Care may terminate past due accounts (over thirty days) upon written 24-hour notice. Any extra work performed not included in contract will be on a Net 15 Terms (Due in 15 days from invoice date) This contract is cancelable upon 3 (three) days written notification by either party however, such notice must be by registered mail and return receipt requested to be effective. Monies invoice or do for services rendered are due and payable upon such cancellation. In addition to the cancelation of this contract, Customer will pay 85% of the remaining month's total within 3 (three) days of written notification. If payment is not rendered there will be a 10% charge added to every invoice per month. Customer hereby releases, waive any claim against Contractor do to any injury or damage due to Contractors cancellation of its service for any reason pursuant to this paragraph.

Interest: If any fees or costs are not paid within five (5) days of the date due, client will pay a late charge of three percent (3%) of the amount owed. The parties understand that in the event of a late payment, it is difficult to determine the exact damages that would be incurred and the parties agree that the three percent (3%) amount is reasonable and shall be liquated damages. In addition, interest will accrue on any amounts due and owing at the rate of one and one-half percent (1.5%) per month.

Attorney Fees: In the event of a default by client, client agrees to pay all reasonable costs and expenses, including but not limited to attorney's fees, expert witness fees, fees of collection agencies, and costs incurred by NLC as a result of the default.

Jurisdiction and Venue: The courts of the State of Colorado shall at the sole option of NLC, resolve any legal dispute arising from this agreement and client hereby expressly consents and submits to the jurisdiction of the Courts of Colorado. Client further agrees that venue for any such action shall, at the sole option of NLC, be in the City and County of Denver, or State of Colorado.



Riverdale Peaks II Monthly Activities Report November 2019

Beginning of the month readings (11/07/19)

Distribution Totalizer:	30,849,200 gallons
Irrigation Totalizer:	21,251,551.92 gallons

End of the month readings (11/25/19)

Distribution Totalizer:	31,514,800 gallons
Irrigation Totalizer:	21,251,551.92 gallons

11/07/19: Completed a routine site visit.

11/14/19: Completed a routine site visit.

11/19/19: Received an OmniSite alarm for a high tank level at 5:00pm. Upon arrival it was found that no water was coming out of the overflow drain. It was verified that the tank level was reading correctly by looking in the top of the hatch. It was also confirmed that both well pumps were still running despite the full tank. Upon trying to turn off the well pumps, it was found that Well B shut off with the HOA switch but Well A continued to run no matter the position of the HOA switch. To stop Well A from running, the knife switch for the well was pulled. It was confirmed that the booster pumps were still running properly, and that the chlorine system was in good shape before leaving for the night. An ESD work request was submitted. (Will not be invoiced for.)

11/20/19: A follow up found that a wire from the radio upgrade was not put back into the proper location. Wires were put back into the proper locations and everything is working properly. (Will not be invoiced for.)

11/21/19: Completed a routine site visit.

11/25/19: Completed a routine site visit.



Riverdale Peaks II Monthly Activities Report December 2019

Beginning of the month readings (12/05/19)

Distribution Totalizer:	31,7079,00 gallons
Irrigation Totalizer:	21,251,551.92 gallons

End of the month readings (12/26/19)

Distribution Totalizer:	32,372,000 gallons
Irrigation Totalizer:	21,252,369.25 gallons

12/05/19: Completed a routine site visit. Checked chlorine residual. Record pump hours, chlorine level, storage tank level, and well totalizers.

12/12/19: Completed a routine site visit. Checked chlorine residual and recorded flows, pump hours, c12 storage level, storage tank level, and pressure. Changed membrane cap for chlorine analyzer. Cleaned chlorine injection quill. Collected monthly Bac-T sample at 12725 Uinta and delivered to the lab.

12/19/19: Completed a routine site visit. Checked flow totals, chlorine level, chlorine residual, pH, transferred chlorine from storage tank to active tank.

12/26/16: Completed a routine site visit. Placed an order for chlorine. Recorded pH, chlorine residual, flow totals, generator numbers, and transferred remaining chlorine from storage tank to active tank.



Riverdale Peaks II Monthly Activities Report December 2019

Beginning of the month readings (01/02/2020)

Distribution Totalizer:	32,581,800 gallons
Irrigation Totalizer:	21,252,369.25 gallons

End of the month readings (01/28/2020)

Distribution Totalizer:	33,392,500 gallons
Irrigation Totalizer:	21,252,369.25 gallons

Routine visit includes recording pH reading, chlorine residual, recording flow totals, check the generator and record generator hours. Check well level and storage tank level. Compare chlorine residual grab sample results to chlorine residual value from the analyzer and calibrating the analyzer or replacing the membrane lap and electrolyte solution as needed. Check Sodium Hypochlorite tank level to determine if a transfer or order is necessary. Check functionality of Hypochlorite pump to identify any potential problems. Check generator oil and coolant levels and battery condition. Verify functionality of all pumps and check for leaks and alarms.

01/02/20: Completed routine visit.

01/09/20: Completed routine visit

01/16/20: Completed routine visit. Transferred chlorine from storage tank to active tank.

01/23/20: Completed routine visit.

01/28/20: Responded to an OmniSite alarm for low chlorine storage tank level. The tank had 25 gallons, added 20 gallons of chlorine. Reprogrammed the OmniSite to have a low chlorine storage tank level necessary for a call out. While onsite completed weekly routine visit.



Riverdale Peaks II Monthly Activities Report February 2020

Beginning of the month readings (01/02/2020)

Distribution Totalizer:	33,610,300 gallons
Irrigation Totalizer:	21,252,369.25 gallons

End of the month readings (01/28/2020)

Distribution Totalizer:	34,326,600 gallons
Irrigation Totalizer:	21,252,369.25 gallons

Routine visit includes recording pH reading, chlorine residual, recording flow totals, check the generator and record generator hours. Check well level and storage tank level. Compare chlorine residual grab sample results to chlorine residual value from the analyzer and calibrating the analyzer or replacing the membrane lap and electrolyte solution as needed. Check Sodium Hypochlorite tank level to determine if a transfer or order is necessary. Check functionality of Hypochlorite pump to identify any potential problems. Check generator oil and coolant levels and battery condition. Verify functionality of all pumps and check for leaks and alarms.

02/04/20: Completed routine visit. Helped Treatment Tech transfer sodium hypochlorite from the storage tanks on their truck to the storage tanks at Riverdale Peaks.

02/13/20: Completed routine visit. Cleaned chlorine injection quill.

02/20/20: Completed routine visit. Transferred chlorine from storage tank to active tank.

02/27/20: Completed routine visit.



Riverdale Peaks II Monthly Activities Report March 2020

Beginning of the month readings (03/02/2020)

Distribution Totalizer:	34,455,500 gallons
Irrigation Totalizer:	21,252,369.25 gallons

End of the month readings (03/25/2020)

Distribution Totalizer:	35,183,000 gallons
Irrigation Totalizer:	21,252,369.25 gallons

Routine visit includes recording pH reading, chlorine residual, recording flow totals, check the generator and record generator hours. Check well level and storage tank level. Compare chlorine residual grab sample results to chlorine residual value from the analyzer and calibrating the analyzer or replacing the membrane lap and electrolyte solution as needed. Check Sodium Hypochlorite tank level to determine if a transfer or order is necessary. Check functionality of Hypochlorite pump to identify any potential problems. Check generator oil and coolant levels and battery condition. Verify functionality of all pumps and check for leaks and alarms.

03/02/20: Completed routine visit.

03/05/20: Met with Treatment Tech delivery driver to assist with the transfer of Sodium Hypochlorite to the storage tanks onsite from the delivery truck, monitoring the level of the tanks to ensure they did not overflow.

03/12/20: Completed routine visit.

03/19/20: Completed routine visit.

03/25/20: Completed routine visit. Received a call from Scott Eilert, of REC, Inc., at 9:45am regarding a call he received from Nick Moncada, with SMDS. Mr. Moncada was contacted by a resident in Riverdale Peaks who was experiencing a leak in their basement. Upon arrival onsite, an attempt to contact the resident was made with no response. An attempt was performed to exercise the valves for the fire hydrant near the resident's house to see if this was the source of the leak, but the valve pits were filled with ground water. The water was tested in the valve pits for chlorine residual but did was unable to get a conclusive result. The water was murky and did not turn pink but gave a TRC of 0.09. It is felt that this was a bias result due to the water not turning pink and being a clear sample. A visual inspection of the resident's property for standing water was done with no results. Mr. Moncada was informed by Mr. Eilert that the water was turned off from the main leading to the resident's home and the meter was reading zero gallons per minute, however the water continued to intrude into the resident's basement through their wall. We were unable to determine if there was a leak in the distribution line lead to the house.

Responded to an alarm in which the generator had started, and the pumps had faulted. Upon arrival onsite, it was found that there was a power outage in the neighborhood earlier in the day and the power had restored and the system was operating properly. The power was successfully transferred to the generator as it should have.



Riverdale Peaks II Monthly Activities Report April 2020

Beginning of the month readings (04/01/2020)

Distribution Totalizer:	35,405,400 gallons
Irrigation Totalizer:	21,252,369.25 gallons

End of the month readings (04/29/2020)

Distribution Totalizer:	36,322,200 gallons
Irrigation Totalizer:	21,371,841.98 gallons

Routine visit includes recording pH reading, chlorine residual, recording flow totals, check the generator and record generator hours. Check well level and storage tank level. Compare chlorine residual grab sample results to chlorine residual value from the analyzer and calibrating the analyzer or replacing the membrane cap and electrolyte solution as needed. Check Sodium Hypochlorite tank level to determine if a transfer or order is necessary. Check functionality of Hypochlorite pump to identify any potential problems. Check generator oil and coolant levels and battery condition. Verify functionality of all pumps and check for leaks and alarms.

04/01/20: Completed routine visit. Replaced tubing in Stenner Pump roller assembly. Cleaned chlorine injection quill. Replaced duck bill check valve in chlorine injection quill.

04/06/20: Responded to an Omnisite alarm for a generator condition. Upon arrival onsite the generator condition alarm had returned to normal. Generator Source was onsite doing an inspection on the generator. REC, Inc. was not notified regarding this inspection would be happening. Everything was operating normal upon arrival. Generator Source stated that the alarm was caused by their inspection and that they would be changing the oil filter and the oil and then their inspection would be complete.

04/09/20: Completed routine visit.

04/16/20: Completed routine visit. Had an issue with the Stenner pump and troubleshooted the problem. Concluded that the motor in the pump had gone bad. A new pump was ordered, picked up from DEWCO in Lakewood, returned to site and installed.

04/23/20: Completed routine visit.

04/28/20: Received an alarm for a pump fault. Upon arrival, Pump #2 VFD was in sleep mode and showed no signs of any problems. After troubleshooting, and switching pumps, it was concluded that the problem was rectified. Pump #1 and #2 work simultaneously and a notification of normal operations was received and acknowledged.

04/29/20: Completed routine visit. Received a generator condition alarm notification from OmniSite. Upon arrival, the generator was not running. Power was checked to the facility and everything was operating normally. It is believed there may have been a brief power outage. REC, Inc. acknowledged the alarm and left the site.

RESOLUTION NO. 2020-06-____

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE RIVERDALE PEAKS II METROPOLITAN DISTRICT
DECLARING A LOCAL DISASTER EMERGENCY**

- A. Riverdale Peaks II Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado.
- B. The District recognizes a disaster (as that term is defined in the Colorado Disaster Emergency Act, Section 24-33.5-701 *et seq.*, C.R.S.) currently present in the service area of the District.
- C. The occurrence of the imminent threat of widespread or severe damage, injury, or loss of life or property resulting from the global COVID-19 pandemic requires emergency action to avert danger or damage.
- D. The cost and magnitude of responding to and recovering from the impact of the global COVID-19 pandemic is far in excess of the District’s available resources.
- E. It would be appropriate and in the interests of the public health and safety, and would further protect property, for the District to declare a local disaster emergency
- F. Under the authority granted by Section 24-33.5-709, C.R.S., the District is authorized to declare a local disaster.
- G. The District desires to set forth in this Resolution the policy with regard to the declaration of a local disaster.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Riverdale Peaks II Metropolitan District, Adams County, Colorado:

1. There is hereby declared to be a local disaster in the service area of Riverdale Peaks II Metropolitan District, Adams County, Colorado, to wit, the occurrence of imminent threat of widespread or severe damage, injury or loss of life or property, resulting from the global COVID-19 pandemic requiring emergency action to avert danger or damage.
2. The effect of this Declaration shall be to activate the response and recovery aspects of any and all applicable local and interjurisdictional disaster emergency plans and to authorize the furnishing of aid and assistance under such plans.
3. This Resolution shall be effective upon the date and time given below and shall remain in effect until rescinded by the Board.
4. True copies shall be promptly filed with the Adams County Clerk and Recorder, the Colorado Division of Emergency Management and the Adams County Division of Emergency Management, and Notice of this Resolution Declaring a Local Disaster Emergency shall be promptly published on the District’s website or in *Brighton Standard-Blade*

5. Upon the rescission of this Resolution Declaring a Local Disaster Emergency, the Board of Directors of the Riverdale Peaks II Metropolitan District will adopt a resolution terminating the local disaster emergency to be filed and published in accordance with the methods stated above.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION
DECLARING A LOCAL DISASTER EMERGENCY]**

RESOLUTION ADOPTED AND APPROVED on _____, 2020.

**RIVERDALE PEAKS II
METROPOLITAN DISTRICT**

By: _____
President

Attest:

Secretary