

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 1 AND THE BOARD OF DIRECTORS OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 1 WATER AND SEWER ACTIVITY ENTERPRISE HELD DECEMBER 2, 2019

A special meeting of the Board of Directors of the Spring Valley Metropolitan District No. 1 (referred to hereafter as the "District") and the Board of Directors of the Spring Valley Metropolitan District No. 1 Water and Sewer Activity Enterprise (referred to hereafter as the "Enterprise", referred to hereafter collectively as the "Board"), was convened on Monday, the 2nd day of December, 2019, at 4:00 P.M., at Colorado Escrow and Title, 10851 South Crossroads Dr., Suite B, Parker, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James E. Marshall
Scott Marshall
Christopher ("CJ") Kirst

Following discussion, upon motion duly made by Director Kirst, seconded by Director J. Marshall and, upon vote, unanimously carried, the absence of Director Robinson was excused.

Also In Attendance Were:

Lisa Johnson and Brian Bowers; Special District Management Services, Inc. ("SDMS")

MaryAnn McGeady, Esq. (via speakerphone) and Christopher Brummitt, Esq.; McGeady Becher P.C.

Karl Heil: Ramey Environmental Compliance, Inc.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures 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.

Ms. Johnson 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

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disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Brummitt noted that Disclosure Statements have been filed for all directors.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed, for the Board's review and approval, a proposed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Kirst, seconded by Director J. Marshall and, upon vote, unanimously carried, the Agenda was approved, as presented.

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 discussion, upon motion duly made by Director Kirst, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District boundaries to conduct this meeting, the meeting would be conducted at the above-stated time, date and location. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Resignation of Director: The resignation of Ted Antenucci effective as of September 30, 2019 was acknowledged by the Board of Directors. It was noted that a Notice of Vacancy was published on October 24, 2019. There was no action taken by the Board at this time.

Minutes: The Board reviewed the Minutes of the August 22, 2019 special meeting.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Kirst and, upon vote, unanimously carried, the Minutes of the August 22, 2019 special meeting were approved, as presented.

Resolution No. 2019-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices: The Board discussed Resolution No. 2019-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices.

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Following discussion, upon motion duly made by Director Kirst, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Location for Posting of 24-Hour Notices.

**PUBLIC
COMMENTS**

There were no public comments at this time.

**FINANCIAL
MATTERS**

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

Fund	Period ending Dec. 31, 2018	Period ending Jan. 31, 2019	Period ending Feb. 28, 2019	Period ending March 31, 2019
General	\$ 25,399.86	\$ 25,948.59	\$ 15,949.97	\$ 14,423.53
Debt Service	\$ -0-	\$ -0-	\$ 1,950.00	\$ -0-
Capital	\$ 56,085.00	\$ 19,615.25	\$ 5,388.50	\$ 7,303.05
Enterprise	\$ 32,242.81	\$ 27,159.26	\$ 19,784.33	\$ 33,128.65
Total Claims	\$ 113,727.67	\$ 72,723.10	\$ 43,072.80	\$ 54,855.23

Fund	Period ending April 30, 2019	Period ending May 31, 2019	Period ending June 30, 2019	Period ending July 31, 2019
General	\$ 10,825.50	\$ 64,269.32	\$ 14,149.18	\$ 23,376.48
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ 1,950.00
Capital	\$ 5,272.00	\$ 47,781.00	\$ 10,263.75	\$ 14,420.35
Enterprise	\$ 33,621.01	\$ 28,673.16	\$ 22,776.96	\$ 26,869.84
Total Claims	\$ 49,718.51	\$ 140,723.48	\$ 47,189.89	\$ 66,616.67

Fund	Period ending Aug. 31, 2019	Period ending Sept. 30, 2019	Period ending Oct. 31, 2019	Period ending Nov 30, 2019
General	\$ 32,204.53	\$ 36,448.06	\$ 8,429.87	\$ 23,383.18
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 8,412.86	\$ 1,120.00	\$ 21,520.75	\$ 7,803.75
Enterprise	\$ 58,899.04	\$ 43,621.53	\$ 59,230.42	\$ 52,079.52
Total Claims	\$ 99,516.43	\$ 81,189.59	\$ 89,181.04	\$ 83,266.45

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

2019 Audit: The Board considered the appointment of Stratagem CPA to prepare an Audit for 2019.

Following review and discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board approved the engagement of Stratagem CPA to perform the 2019 Audit, for an amount not to exceed \$3,500.

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

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 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, upon motion duly made by Director J. Marshall, seconded by Director Kirst, and, upon vote, unanimously carried, the Board determined that no amendment was necessary

2020 Budget Hearing: The President 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 written objections were received prior to this public hearing.

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

The Board discussed the mill levy and determined not to certify a mill levy for 2020.

Following discussion, the Board considered the adoption of Resolution No. 2019-12-02 to Adopt the 2020 Budget and Appropriate Sums of Money. Upon motion duly made by Director J. Marshall, seconded by Director Kirst and, upon vote, unanimously carried, the Resolution was adopted and execution of the Certification of Budget was authorized. Ms. Johnson was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

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

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Following discussion, upon motion duly made by Director Kirst, seconded by Director S. Marshall 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.

2021 Budget: The Board discussed an appointment of the District Accountant to prepare the 2021 Budget.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Kirst and, upon vote, unanimously carried, the Board approved the appointment of the District Accountant to prepare the 2021 Budget.

LEGAL MATTERS

Resolution No. 2019-11-01; Amended and Restated Rules and Regulations with Design Standards: The Board reviewed the Amended and Restated Rules and Regulations with Design Standards.

Following review and discussion, upon motion duly made by Director Kirst, seconded by Director J. Marshall and, upon vote, unanimously carried, the Board ratified approval of Resolution No. 2019-11-01; Amended and Restated Rules and Regulations with Design Standards.

Resolution to Call the May 5, 2020 Regular Election: The Board discussed the upcoming election and Resolution No. 2019-12-03 to Call the May 5, 2020 Election.

Following discussion, upon motion duly made by Director J. Marshall, seconded by Director S. Marshall and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-12-03 to Call the May 5, 2020 Election and appointed Lisa A. Johnson as the Designated Election Official and authorized her to perform all tasks required for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a polling place/mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Engagement of Alderman Bernstein (Jody Harper Alderman) as Special Counsel for Eminent Domain Services: The Board reviewed an engagement of Alderman Bernstein (Jody Harper Alderman) as Special Counsel for Eminent Domain Services.

Following review and discussion, upon motion duly made by Director J. Marshall, seconded by Director Kirst and, upon vote, unanimously carried, the Board approved the engagement of Alderman Bernstein as Special Counsel for Eminent Domain Services.

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**OPERATION AND
MAINTENANCE/
CAPITAL
IMPROVEMENTS
MATTERS**

Monthly Activity Reports: The Board reviewed the monthly activity reports prepared by Ramey Environmental Compliance, Inc. from August 2019 through September 2019.

Water Treatment Facility Improvement Project- Invitation to Bid: The Board discussed the status of the Water Treatment Facility Improvement Project as it relates to the Invitation to Bid. It was noted that Bids are due on December 6, 2019 at 2:00 P.M.

Spring Valley Off-Site Road Construction Project: Director Kirst discussed with the Board the Spring Valley Off-Site Road Construction Project.

Replacement and Installation of Street Signs: The Board discussed the replacement and installation of street signs. It was noted that the work is in progress.

OTHER BUSINESS

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

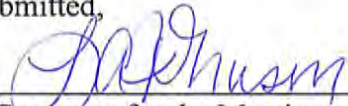
Following discussion, upon motion duly made by Director J. Marshall, seconded by Director Kirst and, upon vote, unanimously carried, the Board determined to post the required transparency notice information on the Special District Association's website and the District website.

ADJOURNMENT

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

Respectfully submitted,

By _____


Secretary for the Meeting

RESOLUTION NO. 2019-12-01

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SPRING VALLEY METROPOLITAN DISTRICT NO. 1
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION,
ESTABLISHING DISTRICT WEBSITE AND
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES

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

B. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings ("**Notice of Meeting**") will be physically posted at least 24 hours prior to each meeting ("**Designated Public Place**"). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

C. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting, if a special district posts the Notice of Meeting online at a public website of the special district ("**District Website**") at least 24 hours prior to each regular and special meeting

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Spring Valley Metropolitan District No. 1 (the "**District**"), Elbert County, Colorado:

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

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

3. That regular meetings of the District Board for the year 2020 shall be held on January 28, April 28, July 28, and October 27, 2020 at 2:00 P.M., at the offices of Colorado Escrow & Title, 10851 South Crossroads Drive, Suite B, Parker, CO 80134 in Douglas County, Colorado.

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

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

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

7. That the District Board authorizes establishment of a District Website, if such District Website does not already exist, in order to provide full and timely notice of regular and special meetings of the District Board online pursuant to the provisions of Section 24-6-402(2)(c)(III), C.R.S.

8. That, if the District has established a District Website, the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each regular and special meeting pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

9. That, if the District has not yet established a District Website or is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) Water tank site-4200 County Road 174, Elizabeth, Colorado 80107

10. SDMS, Inc., is hereby appointed to post the above-referenced notices.

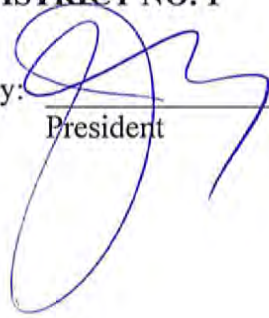
[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, ESTABLISHING DISTRICT WEBSITE AND DESIGNATING LOCATION FOR 24-HOUR NOTICES]

RESOLUTION APPROVED AND ADOPTED on December 2, 2019.

SPRING VALLEY METROPOLITAN DISTRICT NO. 1

By: _____
President



Attest:

Secretary



RESOLUTION NO. 2019 - 12 - 02

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SPRING VALLEY METROPOLITAN DISTRICT NO. 1
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Spring Valley Metropolitan District No. 1 ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2019, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 2, 2019, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

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

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Spring Valley Metropolitan District No. 1 for the 2020 fiscal year.

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

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

ADOPTED this 2nd day of December, 2019.




Secretary

EXHIBIT A
(Budget)

SPRING VALLEY METROPOLITAN DISTRICT NO. 1
2020
BUDGET MESSAGE

Attached please find a copy of the adopted 2020 budget for the Spring Valley Metropolitan District No. 1.

The Spring Valley Metropolitan District No. 1 has adopted three separate funds, a General Fund to provide for operating expenditures; an Enterprise Fund to account for expenditures and revenues related to the water and sewer systems; and a Capital Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the District.

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

The primary sources of revenue for the District in 2020 include tap fees, utility billings, and transfers from Spring Valley Metropolitan Districts No. 3. The District does not intend to impose a mill levy on the property within the District for 2020.

Spring Valley Metropolitan District No. 1
Adopted Budget
General Fund
For the Year ended December 31, 2020

	Actual <u>2018</u>	Adopted Budget <u>2019</u>	Actual <u>7/31/2019</u>	Estimate <u>2019</u>	Adopted Budget <u>2020</u>
Beginning fund balance	\$ 464,649	\$ 486,278	\$ 374,695	\$ 374,695	\$ 290,517
Revenues:					
Transfer from District #2	131,742	145,241	137,968	143,270	-
Transfer from District #3	9,287	9,168	5,002	10,738	-
Transfer from District #4	-	836	-	-	-
Tap fees (\$7,000) (0 new for 2020)	186,706	35,000	35,000	35,000	-
Tap fees - District #3 (20 new 2018) - \$16,200	-	324,000	-	-	-
Total revenues	<u>327,735</u>	<u>514,245</u>	<u>177,970</u>	<u>189,008</u>	<u>-</u>
Total funds available	<u>792,384</u>	<u>1,000,523</u>	<u>552,665</u>	<u>563,703</u>	<u>290,517</u>
Expenditures:					
Legal	42,637	25,000	53,009	90,900	25,000
Management	84,287	82,000	51,577	88,400	20,000
Audit	19,231	14,000	6,343	10,900	3,500
Insurance	255	-	6,891	6,891	-
Elizabeth Fire Protection IGA	10,000	-	-	-	-
Miscellaneous expense	55	1,000	17	1,000	1,000
Directors' fees	-	-	-	-	-
Election expense	121	-	-	-	1,000
Landscape maintenace	-	-	-	-	-
Repairs and maintenance	73,806	-	-	-	-
Utilities/Operations	-	-	-	-	-
Repay developer advances	-	-	-	-	-
Emergency reserve (3%)	-	3,660	-	-	1,515
Transfer to Enterprise Fund	-	-	-	-	-
Transfer to Capital Project Fund	187,297	840,000	75,095	75,095	-
Contingency	-	43,947	-	-	238,502
Total expenditures	<u>417,689</u>	<u>1,009,607</u>	<u>192,932</u>	<u>273,186</u>	<u>290,517</u>
Ending fund balance	<u>\$ 374,695</u>	<u>\$ (9,084)</u>	<u>\$ 359,733</u>	<u>\$ 290,517</u>	<u>\$ -</u>
Assessed Valuation	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 330</u>
Mill levy	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Spring Valley Metropolitan District No. 1
Adopted Budget
Enterprise Fund
For the Year ended December 31, 2020

	Actual <u>2018</u>	Adopted Budget <u>2019</u>	Actual <u>7/31/2019</u>	Estimate <u>2019</u>	Adopted Budget <u>2020</u>
Beginning fund balance	\$ 694,864	\$ 503,498	\$ 717,287	\$ 717,287	\$ 773,901
Revenues:					
Water service charges	344,802	337,941	185,397	317,820	327,355
Sewer service charges	213,819	212,346	140,623	241,050	248,282
Penalty fees (water/sewer)	7,961	5,000	4,410	5,000	5,000
Hydrant water usage fees	106,675	-	195	195	-
Meter fees	6,793	8,938	1,788	8,938	8,938
Inspection fees	2,755	3,625	725	3,625	3,625
Interest income	1,130	500	813	1,400	500
Other income/Backcharges	3,430	3,000	7,102	7,102	3,000
Total revenues	<u>687,365</u>	<u>571,350</u>	<u>341,053</u>	<u>585,130</u>	<u>596,700</u>
Total funds available	<u>1,382,229</u>	<u>1,074,848</u>	<u>1,058,340</u>	<u>1,302,417</u>	<u>1,370,601</u>
Expenditures:					
Utilities	116,168	100,000	59,525	102,050	100,000
Water and sewer operations	76,423	90,000	86,872	148,930	100,000
Chemicals & testing	15,675	47,000	3,880	6,650	58,000
Facility maintenance & repair	145,666	220,000	87,406	149,850	220,000
Arapahoe well cleaning	-	-	-	-	-
Management	-	-	-	-	60,000
Sludge Hauling	37,624	37,000	26,897	46,100	45,000
Engineering	32,737	10,000	25,889	44,400	30,000
Jetting/Televising	64,216	30,000	-	-	30,000
Insurance	20,980	27,400	18,391	18,391	19,650
Legal	1,335	-	4,245	4,245	30,000
Accounting	-	-	-	-	6,500
Miscellaneous expense	6,362	7,000	4,594	7,900	7,000
Capital expenditures	147,756	-	-	-	-
Water acquisition fees	-	-	-	-	-
Reserve for future repairs	-	250,000	-	-	250,000
Contingency	-	256,448	-	-	400,000
Total expenditures	<u>664,942</u>	<u>1,074,848</u>	<u>317,699</u>	<u>528,516</u>	<u>1,356,150</u>
Ending fund balance	<u>\$ 717,287</u>	<u>\$ -</u>	<u>\$ 740,641</u>	<u>\$ 773,901</u>	<u>\$ 14,451</u>
Assessed Valuation	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 250</u>	<u>\$ 330</u>
Mill levy	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Spring Valley Metropolitan District No. 1
Adopted Budget
Capital Fund
For the Year ended December 31, 2020

	Actual <u>2018</u>	Adopted Budget <u>2019</u>	Actual <u>7/31/2019</u>	Estimate <u>2019</u>	Adopted Budget <u>2020</u>
Beginning fund balance	\$ 66,609	\$ -	\$ -	\$ -	\$ -
Revenues:					
Transfer from General Fund	187,297	840,000	75,095	75,095	-
Transfer from District #3	-	-	-	-	6,019,250
Bond proceeds	-	-	-	-	-
Interest income	-	-	-	-	-
Total revenues	<u>187,297</u>	<u>840,000</u>	<u>75,095</u>	<u>75,095</u>	<u>6,019,250</u>
Total funds available	<u>253,906</u>	<u>840,000</u>	<u>75,095</u>	<u>75,095</u>	<u>6,019,250</u>
Expenditures:					
Legal	2,429	-	-	-	30,000
Accounting	-	-	-	-	-
Management	-	-	-	-	-
Road repairs per agreement Elbert CO	-	21,000	-	-	21,000
Developer Loan Repayment	50,000	-	4,532	4,532	-
Engineering	92,960	-	70,563	70,563	-
Capital improvements	<u>108,517</u>	<u>819,000</u>	<u>-</u>	<u>-</u>	<u>5,968,250</u>
Total expenditures	<u>253,906</u>	<u>840,000</u>	<u>75,095</u>	<u>75,095</u>	<u>6,019,250</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Elbert County, Colorado.

On behalf of the Spring Valley Metropolitan District No. 1,
(taxing entity)^A

the Board of Directors,
(governing body)^B

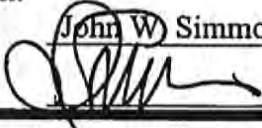
of the Spring Valley Metropolitan District No. 1,
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 330 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 330 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/13/19 for budget/fiscal year 2020.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	<u>0.000</u> mills	\$ <u>0</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	0.000 mills	\$ 0
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	0.000 mills	\$ 0

Contact person: (print) John W Simmons Daytime phone: (303) 689-0833
Signed:  Title: District Accountant

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

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

I, Lisa A. Johnson, hereby certify that I am the duly appointed Secretary of the Spring Valley Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors of the Spring Valley Metropolitan District No. 1 held on December 2, 2019.

By: _____  _____

RESOLUTION NO. 2019-12- 03

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SPRING VALLY METROPOLITAN DISTRICT NO. 1
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020**

A. The terms of the offices of Directors Jim Marshall and Scott Marshall shall expire upon the election of their successors at the regular election, to be held on May 5, 2020 (“**Election**”), and upon such successors taking office.

B. The term of the office to which Director Kirst has previously been appointed expires upon his re-election, or the election of his successor at the Election, and upon such successor taking office.

C. A vacancy, with a term expiring in 2022, currently exists on the Board of Directors of the District.

D. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect one (1) Director to serve until the next regular election, to occur May 3, 2022, and three (3) Directors to serve until the second regular election, to occur May 2, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Spring Valley Metropolitan District No. 1 (the “**District**”) of the County of Elbert, Colorado:

1. Date and Time of Election. The Election shall be held on May 5, 2020, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, one (1) Director shall be elected to serve until the next regular election, to occur May 3, 2022, and three (3) Directors shall be elected to serve until the second regular election, to occur May 2, 2023.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Lisa Johnson shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 28, 2020).

6. Self-Nomination and Acceptance Forms. Self-nomination and acceptance forms are available at the office of the Designated Election Official located at the above address. All candidates must file a self-nomination and acceptance form with the Designated Election Official no later than 3:00 P.M. on February 28, 2020.

7. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 3, 2020, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

8. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

9. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

10. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of Spring Valley Metropolitan District No. 1.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020]

RESOLUTION APPROVED AND ADOPTED on December 2, 2019.

**SPRING VALLEY METROPOLITAN
DISTRICT NO. 1**

By: _____
President

Attest:

Secretary